# Colorado Legislative Council Staff F iscal Note

# FINAL FISCAL NOTE

Sen. Todd **Fiscal Analyst:** Josh Abram (303-866-3561)

TITLE: CONCERNING POSTSECONDARY CERTIFICATE PROGRAMS THAT COMBINE

BASIC EDUCATION COURSE WORK WITH SKILLS TRAINING.

| Fiscal Impact Summary  | FY 2013-2014 | FY 2014-2015 |
|--|--------------|--------------|
| State Revenue  |              |              |
| State Expenditures   |              |              |
| FTE Position Change  |              |              |
| <b>Effective Date:</b> The bill was signed into law by the Governor and took effect on May 28, 2013. |              |              |
| Appropriation Summary for FY 2013-2014: None.  |              |              |
| Higher Education Impact: See Higher Education Revenue and Expenditure sections.                      |              |              |

### **Summary of Legislation**

This bill authorizes the State Board for Community Colleges and Occupational Education (SBCCOE) to design new accelerated certificate programs allowing unemployed or underemployed adults to obtain a career and technical education certificate in 12 months or less. The certificate programs are intended to integrate information and math literacy development with career and technical training for eligible adults who have an insufficient level of information or math literacy and are seeking to enter or re-enter the workforce.

The SBCCOE may consult with local district junior colleges, area vocational schools, and local workforce development when developing the certificate programs. If created, each program should be jointly designed by mathematics, English, and career and technical education faculty.

Community colleges, technical colleges, local district junior colleges, and other workforce development programs may implement one or more of the certificate programs. If implemented, the institutions are required to report participation information to the Department of Higher Education.

#### **Higher Education Revenue**

The bill has the potential to increase tuition and fee revenue in the community college system beginning in FY 2013-14. Institutional revenue from tuition and fees is collected and spent by the governing bodies of the state institutions and is not appropriated by the General Assembly in the Long Bill. Due to enterprise status, state revenue from tuition and fees at institutions of higher education is not counted against state revenue limitations in the Colorado Constitution.

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The bill does not require that institutions in the community college system offer the new certificate programs. It is unknown how many schools will chose to offer which programs or the number of students who will enroll. Given the target demographics, each student cohort is anticipated to be relatively small, perhaps 12 students per program. If each certificate can be completed in one academic year (30 credit hours) at an average cost of about \$3,500 (tuition and fees in FY 2011-12), each program has the potential to generate approximately \$42,000 in institutional revenue. Since the actual number of students and certificate programs cannot be anticipated, total revenue is not estimated.

## **Higher Education Expenditures**

The bill authorizes but does not require that the SBCCOE develop new certificate programs. Developing each certificate program will require approximately 160 hours of combined faculty time, including individuals with academic expertise in mathematics, reading, writing, and career and technical education. Assuming a base rate of \$25 per hour (including benefits) and 40 hours per faculty member, cost to the SBCCOE is estimated at about \$4,000 per certificate program.

# **Departments Contacted**

Education Higher Education Labor and Employment