



Fiscal Impact Statement

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

INITIATIVE 81: ADMISSION TO STATE HIGHER EDUCATION INSTITUTIONS

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Summary Information

Overview. The measure requires state institutions of higher education to admit in-state students who have a grade point average in the top 10 percent of their high school graduating class.

Types of impacts. The measure is projected to affect the following areas:

- State Revenue
- State Expenditures

Disclaimer. This initial fiscal impact statement has been prepared for an initiative approved for petition circulation by the Secretary of State. If the initiative is placed on the ballot, Legislative Council Staff may revise this estimate for the ballot information booklet (Blue Book) if new information becomes available. Any appropriations required to implement this measure will be addressed through the annual or supplemental budget process if this measure is approved by voters.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue (Cash Funds) ^[1]	\$0	up to -\$41.3 million
State Expenditures (Cash Funds) ^[1]	\$0	up to -\$41.3 million
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

[1] State Revenue and Expenditures amounts will vary based on enrollment rates of prospective students at each state institution of higher education. This estimate is based primarily on the potential impact to the University of Colorado – Boulder and is shown for informational purposes only. Cash funds reflect institutional revenue.

Summary of Measure

Beginning on November 30, 2026, the measure requires public institutions of higher education (IHEs) to offer admission to any incoming freshman student whose grade point average from a high school in Colorado is in the top ten percent of their graduating class. The initiative specifies certain requirements for students to qualify and outlines the process for institutions to follow when offering admission.

The initiative exempts IHEs from offering this automatic admission if the number of automatically admitted students would exceed 75 percent of their enrollment capacity for freshman students for the year. The initiative outlines that automatic admission should be offered to students with the highest class percentile rank first, proceeding to lower percentile ranks until 75 percent of freshman capacity is reached.

The measure also repeals a requirement that IHEs make an effort to recruit students who graduated from a rural school or district.

Background and Assumptions

Under current law, 55 percent of incoming freshman students at certain IHEs must be in-state students, meaning they have lived in Colorado as their primary residence for at least one year. IHEs are allowed to have up to 45 percent of enrolled freshman students come from out-of-state. This requirement is in place for the University of Colorado System, the Colorado State University System, the University of Northern Colorado and the Colorado School of Mines.

Not all students who are offered admission to an IHE enroll in the institution. Only when a student enrolls in the institution do they pay tuition and fees to attend. Out-of-state students pay higher tuition rates than in-state students. For informational purposes, at the University of Colorado – Boulder, an out-of-state student pays \$28,685 more per year than an in-state student.

While the initiative would require IHEs to offer admission to students up to 75 percent of students their freshman enrollment capacity, the actual number of those who enroll will depend on the decisions of those students. For informational purposes, the fiscal summary shows an impact to the University of Colorado-Boulder that assumes the enrollment percentage of in-state students increases from 55 percent to 75 percent. This impact is assumed to begin in FY 2027-28 with the incoming student cohort starting in the fall 2027 semester.

State Revenue

Starting in FY 2027-28, the measure will decrease tuition revenue to state institutions of higher education that currently enroll a significant number of out-of-state students and may see automatically admitted in-state students displace out-of-state students. The exact revenue impact will vary by institution, depending on their current admission trends and tuition structure, and the number of automatically admitted students who choose to enroll.

Initiative 81

For informational purposes, the University of Colorado – Boulder would have a decrease in tuition revenue of up to \$41.3 million annually if automatically admitted in-state students choose to enroll such that in-state students make up 75 percent of the university's freshman enrollment capacity. This revenue loss is based on 1,400 students who receive automatic admission choosing to enroll and displacing out-of-state students who would otherwise enroll. The actual revenue loss will be smaller if students granted automatic admission do not enroll at the institution or if the institution increases overall freshman class capacity. Institutions that currently admit at least 75 percent in-state students will have no change in tuition revenue.

State Expenditures

Reduced revenue to IHEs will result in a corresponding reduction in operational expenditures beginning in FY 2027-28, to the extent that the state does not provide additional funding or institutions do not increase tuition and fees to offset that decline. State funding decisions are at the discretion of the General Assembly. Workload will also increase for IHEs to adjust admission policies to align with the measure and to post required information regarding automatic admission on the institution's website.

The bill may also minimally increase workload for the Department of Higher Education and Department of Education to support institutions in implementing the requirements and assessing whether a student is in the top 10 percent of their graduating class.

Effective Date

If approved by voters at the 2026 general election, this measure takes effect on November 30, 2026.

State and Local Government Contacts

Higher Education