

**CAREER & TECHNICAL EDUCATION****Session Overview**

The 2015 legislative session was defined by the divided partisan majorities in each chamber. This year the Democrats retained their control of the House and, for the first time in a decade, the Republicans controlled the Senate. The split majorities resulted in the predictable demise of numerous bills and the majority of significant negotiations occurred between the leadership in the two chambers. The legislature made modest progress on only a few high-profile education issues through difficult bipartisan agreements, including standardized assessments and workforce development issues, but most contentious bills were defeated. Legislative debates over the next year will largely reflect the issues that did not pass this session, particularly in regard to statewide revenue and taxation policies.

2015 session highlights include:

- *Public School Standardized Assessments:* In response to massive public pressure, both chambers came to an agreement during the final hours of the session to reduce the number and frequency of public school statewide standardized assessments for students in grades K through 12 (HB15-1323).
- *Tax Issues & TABOR:* A handful of fiscal and tax-related plans aimed at resolving long-term state budget issues were defeated in the final days of session. Proposals included a bill (HB15-1389) to move the Hospital Provider Fee from the state General Fund category, which is subject to TABOR refund limits, by reclassifying the fee as a separate ‘enterprise fund’, which does not count towards the TABOR limits.
- *Postsecondary & Workforce Readiness:* Bipartisan cooperation resulted in the passage of 9 bills comprising the ‘2015 Colorado Ready to Work’ package. The education-related measures include school district resources for career and technical education (HB15-1170), funding for low-income CTE certificate students (HB15-1275), and the development of student career pathways across the state (HB15-1274).
- *Higher Ed Summer Bridge Program:* Created the Colorado Student Leaders Institute, a competitive 4-week summer residential education program for 100 students, of which at least 50% must be low-income and first generation college high school students (SB15-290).
- *College Affordability:* Early in the session several measures were proposed and ultimately defeated that attempted to assist students with college affordability, including a measure to modify higher education loan interest rates (SB15-068) and measures to modify income tax deductions for state tuition payments (HB15-1366 & SB15-118).
- *Student Safety & School District Government Immunity:* In response to the 2013 shooting at Arapahoe High School, the legislature created an exemption to the Colorado Government Immunity Act when a school district fails to exercise reasonable care in protecting students, faculty, or staff from reasonably foreseeable acts of violence while at the school or engaged in school activities (SB15-213). Also passed was a measure creating an interim committee charged with studying school safety and youth mental health issues (SB15-214).
- *Student Data Privacy:* A group of parents, school districts and online vendors came together over the last year to work on legislation to protect student data but ultimately the bill was killed because parents felt the protections did not go far enough (SB15-173). Stakeholders are expected to try to reach a solution again next session.
- *Public Employees’ Pensions:* The Senate defeated a measure (HB15-1388) aimed at reducing the Public Employees’ Retirement Association’s (PERA) \$23 billion unfunded liabilities. The bill would have allowed PERA to issue pension obligation bonds by utilizing current employer and employee contributions. All income and the contributions above the amount needed to repay the bonds would have flowed to the PERA trust funds to continue shrinking the unfunded portion of the pension liabilities at no new cost to taxpayers, the state, employers, employees, or retirees.

- *State Funds for the National Western Stock Show: Authorized 20-year term lease purchase agreements not to exceed \$250 million in order to finance the construction of integrated facilities at the National Western Stock Show Complex (HB15-1334). The lease purchase agreements may start in 2019 when the certificates of payment are finished for the current Anschutz campus project.*

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## State Budget

For FY 2015-16 appropriates a total of \$26,374,697,115 in state funds, including funding for new programs, expansion of existing programs, and reductions to or elimination of existing programs.

State budget highlights include:

- Health Care Policy and Financing – Increase of \$957.2 million total funds (increase of \$151.6 million from General Fund)
  - Includes \$781.1 million increase for Medical Services Premiums, i.e. Medicaid expansion
- **Higher Education – Increase of \$261.9 million in total funds (increase of \$94.9 million from General Fund)**
- **Education – Increase of \$183.7 million in total funds (increase of \$211.3 million from General Fund)**
- Treasury – Increase of \$42.9 million in total funds (increase of \$15.4 million from General Fund)
- Human Services – Increase of \$37.2 million in total funds (increase of \$21.9 million from General Fund)
- Corrections – Increase of \$36.1 million in total funds (increase of \$35.4 million from General Fund)
- Judicial – Increase of \$33.9 million in total funds (increase of \$16.8 million from General Fund)

## School Finance

### **SB15-267 Fiscal Year 2015-16 School Finance Act**

In stark contrast to prior sessions, this year's school finance debate was fairly straightforward. The legislature's focus on standardized assessments and TABOR issues resulted in only \$25 million of additional state funding support above the constitutionally-required increase for inflation and enrollment growth. The \$25 million in ongoing additional funding is comprised of: a) \$20 million in state General Fund dollars to reduce the negative factor; and b) \$5 million of interest earned revenues from the Public School Permanent Fund to increase the statewide at-risk student factor.

The legislature's frustration with the current school funding formula created a contentious debate about developing an interim committee for the purpose of studying school finance issues. In 2013 the legislature attempted to rewrite the school funding formula in SB13-213. The 2013 proposal was ultimately defeated when voter's rejected Amendment 66, a tax increase required for the formula's implementation. Ultimately, the 2015 interim committee proposal was defeated twice, once in HB15-1334 Legislative Oversight Committee On School Finance (killed by Senate Appropriations) and another time in a House floor amendment to SB15-267 the School Finance Act (amended on 2<sup>nd</sup> reading, removed on 3<sup>rd</sup> reading). A broader discussion about the state revenues available for K12 education in relation to the revenues required for all other state programs will continue over the coming years.

The FY15-16 School Finance Act includes:

- **Total Program Funding** - \$6,233,955,737
  - State Share - \$4.113 billion
  - Local Share - \$2.126 billion
- **Negative Factor Estimate** - \$855.1 million
- **Ongoing Additional Funding**
  - Negative Factor Reduction - \$25 million General Fund
  - At Risk Student Factor - \$5 million State Education Fund (Results in an increase of \$16.13 per at-risk student)
- **Rural District Funding:** HB15-1321 Flexibility & Funding for Rural School Districts provides a one-time allocation of \$10 million General Fund to small rural districts (less than 1,000 students).

## Looking Forward: State Budget & Tax Revenues

The future of K12 funding in Colorado is tied to the total amount of revenues available to spend on state services. As the economy continues to recover from the great recession and revenues to the state increase, two major fiscal policies – TABOR and SB09-228 – automatically reduce the revenues available for K12 education. Key to this issue is the technical classification of the various state revenues, as certain funding streams can be moved outside of the TABOR revenue limits. Proposals to reclassify revenue streams would result in a reduction of future taxpayer refunds and an increase in available funding for K12 education and other state services.

### **TABOR**

Adopted in 1992, the Taxpayer’s Bill of Rights (TABOR) caps state spending in relation to growth in state revenues. Under TABOR both state and local governments cannot increase taxes without voter approval and cannot spend tax revenues collected under existing tax rates if revenues grow faster than the rate of inflation and population growth. In 2000 voters also passed Amendment 23, which currently guarantees that statewide per-pupil funding is required to increase by inflation.

For the first time since FY 2004-05, the state’s revenue is expected to exceed the spending limit in FY 2014-15 and subsequent years. The legislature establishes how the excess revenues are refunded and, to date, 21 different refund mechanisms have been established. Voters receive refunds in the tax year following the fiscal year in which the TABOR limit has been exceeded, for example the FY14-15 revenues will be refunded during the 2015 tax year.

### Upcoming TABOR Refund Estimates

*See Appendix A – Page 33*

- **FY 2014-15** = \$70 million (State Budget: FY14-15 revenue & FY15-16 expenditure / Income tax refund in 2015)
- **FY 2015-16** = \$117 million (State Budget: FY15-16 revenue & FY16-17 expenditure / Income tax refund in 2016)
- **FY 2015-17** = \$435 million (State Budget: FY16-17 revenue & FY17-18 expenditure / Income tax refund in 2017)

### **SB09-228 Required State Revenue Transfers**

Passed by the legislature in 2009, SB09-228 requires five years of transfers from the General Fund to finance transportation and capital construction projects. The revenue transfers will begin the calendar year after state personal income grows by 5% or greater in a single calendar year. However, in a given fiscal year these transfers are reduced by half if the state’s TABOR revenue surplus is between 1%-3% of General Fund revenues or are eliminated if the surplus exceeds 3% of General Fund revenues.

### Upcoming SB09-228 Transfer Estimates

*See Appendix B – Page 34*

- **FY 2015-16**
  - LCS: \$128.3 million
  - OSPB: \$102.6 million
- **FY 2016-17**
  - LCS: No transfer
  - OSPB: \$107.8 million

## Postsecondary & Workforce Readiness

In a rare area of bipartisan agreement between chambers the House and Senate passed the 'Colorado Ready to Work' bill package. Each measure in the package was sponsored by four legislators, one from each party in each chamber. The package of 10 bills totaling \$8.9 million in state appropriations was aimed at increasing workforce development resources to connect citizens with workforce training and jobs in high-demand industries across the state.

'Ready to Work' measures related to K12 and higher education include:

- *HB15-1170 Increasing Postsecondary & Workforce Readiness (PWR)*
  - Requires the equal weighting of all types of postsecondary enrollment in school and district performance frameworks and creates a PWR Statewide Coordinator to partner with local education providers, businesses, industry, area vocational schools, community colleges, CDE, CDHE, and the Career and Technical Education Division within the Community College System.
- *HB15-1230 Innovative Industry Workforce Development Program*
  - Reimburses businesses for providing internships to high school and college students and recent graduates.
- *HB15-1270 Pathways in Technology Early College High Schools (P-Tech)*
  - Authorizes P-Tech early-college schools that combine high school and college-level STEM course work with workplace educational experiences. P-Tech schools were initially developed by IBM in 2011 and the concept was introduced to Colorado in the fall of 2014.
- *HB15-1274 Creation of Career Pathways for Students*
  - Directs the CO Workforce Development Council to design industry-driven, education-based career pathways for critical occupations in growing industries. Builds upon HB13-1165 which created a manufacturing career pathway and requires the next pathways be in construction and related skilled trades, information technology, and health care.
- *HB15-1275 Career & Technical Education in Concurrent Enrollment*
  - Permits apprenticeships and internships within concurrent enrollment programs and provides tuition assistance for low-income CTE certificate students.
- *SB15-082 County Workforce Development Property Tax Incentives*
  - Authorizes Colorado counties to establish workforce development programs to provide financial assistance to the counties' high school graduates who pursue post-secondary education or training.

## Assessments

### Changes in Statewide Testing Requirements

The intense public pressure to address state requirements for standardized assessments was too much for the legislature to ignore this session. Both chambers introduced a total of 11 different bills proposing various changes to the state's assessment and academic standards and heard days of public testimony on these measures. In the last week of session the legislature narrowed the assessment bills down to two final proposals, SB15-257 and HB15-1323, and amended each bill with nearly identical provisions. On the last day of session the legislature decided HB15-1323 would be the final vehicle for the testing compromise and SB15-247 died on the calendar.

Passing a testing compromise was no easy feat given the differing ideologies between the Senate Republicans, House Democrats, and Governor's office. Major areas of contention included 9<sup>th</sup> grade English Language Arts and Math testing, hold-harmless provisions for accountability measurements and educator evaluations, flexibility for local district assessment systems, the provision of assessments for English Language Learners. Federal testing mandates that require formal waiver applications further complicated these negotiations and several key pieces of HB15-1323 require CDE to apply to the USDoE exemptions. CDE has applied for an extension of the waiver originally approved in 2012 that grants Colorado flexibility in various Federal accountability requirements. Additionally, CDE is required to present to the legislative Joint Education committee in 2015 about the progress of the waiver applications, ability of the Department to return testing data to districts and schools in a timely manner, and the possible extension of the accountability hold-harmless provisions.

### HB15-1323 - What's Changed?

#### High School Testing State Requirements

	Existing Statute	HB15-1323
<b>English Language Arts (ELA) &amp; Math</b>	Grades 3-11	PARCC Grades 3-9 <i>See Waiver Request #1</i>
<b>Social Studies</b>	1x in elementary, middle, & high school	Not required <i>SB15-056 Frequency of Statewide Social Studies Testing - Grades 3-11 by random sample every 3 years</i>
<b>Science</b>	1x in elementary, middle, & high school	1x in elementary, middle, & high school
<b>10th Grade College Entrance Exam</b>	Not required	Must be aligned with CO academic standards and with 11th grade college-entrance exam <i>i.e. ACT Aspire exam</i>
<b>11th Grade College Entrance Exam</b>	ACT	ACT
<b>11th &amp; 12th Grade Academic Assessments</b>	PARCC ELA & Math Colorado Science & Social Studies	Prohibited

## Additional Provisions

- **School Readiness & Early Literacy Assessments:** Provides some flexibility to LEPs in the number, frequency, timing, and administration of early reading and school readiness tests. If Kindergarten reading assessment is administered in first 60 days of the school year the School Readiness literacy component is not required. LEP is not required to retest a student testing proficient in K-3 reading competency exam for the remainder of school year. School Readiness literacy and reading assessment plans can be combined.
- **English Language Learner ELA Assessments:** See Waiver Request #2  
English Language Learner ELA exams may be administered in a student's native language for up to 3 years. Also exempts the ELA assessment for students in the USA for less than 12 months. ELA assessment scores by students in USA less than 24 months are excluded from accountability ratings.
- **District & School Accountability:** Prohibits the inclusion of PARCC results in district accreditation ratings for the 2015-16 school year. Districts may choose to utilize local assessment results to calculate student growth for the 2014-15 and 2015-16 school years. Accountability clock for districts and schools with Turnaround and Priority Improvement plans will not include 2015-16 school year.
- **Educator Evaluations:** If a local board does not receive assessment results by 2 weeks before the deadline for written evaluation reports, alternate measures of student academic growth may be utilized for educator evaluations.
- **Pilot Program for Local District Assessment Systems:** See Waiver Request #3  
Allows a LEP or group of districts to develop and utilize their own data-verified assessment system comparable to the statewide assessment system. Does not include early childhood literacy exams.
  - **Phase 1:** 2 years, requires an LEP to adopt a resolution to participate and to annually submit results to CDE.
  - **Phase 2:** 1-2 years, based on the Phase 1 assessment data, CDE shall recommend two LEP's to participate in Phase 2.
  - **Phase 3:** CDE must recommend to the SBE one of the local assessments for the new statewide assessment or recommend that the state continue administering the current statewide assessment.

## USDoe Waiver Requests

CDE must apply for waivers requesting the following:

1. **High School Assessments:** 9th grade ELA and Math assessments are permitted to qualify for the Federal high school ELA and Mathematics testing requirement.
2. **English Language Learners:** ELL exams may be administered in native language for up to 5 years. Permission to exempt ELA exam scores in accountability performance indicators for ELL students for their first 24 months of public school enrollment in the U.S.
3. **Pilot Program:** Exemptions from Federal statutory and regulatory requirements to the extent necessary to implement Phases 1 and 2, including a waiver of the requirement to administer a single statewide assessment as applied to the LEPs that participate in the pilot. LEPs participating in the pilot must also administer the PARCC statewide assessments unless this waiver is granted.

## Policy Changes for School Districts

- **Student Transcripts:** Requires scores of high school ELA, math, science and college readiness exams be included on a student's transcript.
- **Paper & Pencil Option:** If required, an LEP must request a paper and pencil option from CDE and report the number of students utilizing the option.
- **Parental Notification Requirements:** Requires an LEP to annually post online and distribute assessment information to parents of students, including an assessment calendar, the estimated hours spent testing by day, classes or grades taking each assessment, the purpose of each assessment, the manner in which CDE and the LEP utilize the assessment results, and whether the assessment is a Federal or state requirement or a locally-administered test.
- **Opt-Out Policy:** Requires an LEP adopt a written policy and procedure for opting a student out of assessments. Also prohibits an LEP from imposing any negative consequences or providing encouragement for opting out.
  - *SB15-223 Removing Penalties When Parent Ops Child Out of Test*  
The House Education committee killed SB15-223 by a vote of 6-5 in the final week of session. Several days beforehand the USDoE denied Colorado's request to waive the Federal 95% assessment participation requirement. The 95% participation requirement is tied to the receipt of Federal Title I funds, which are allocated to local districts for improving the academic achievement of disadvantaged students. Legislative staff estimates that Colorado received a total of \$315 million in Title I funds in FY 2014-15.



## **Legislative Information**

### **2015 Session**

- 692 total bills introduced (392 House / 290 Senate)
- 391 bills with bipartisan sponsorship
- 295 bills postponed indefinitely (i.e. defeated)

### **General Facts**

- The Colorado constitution requires the state legislature to meet for 120 consecutive days each calendar year, convening the 2<sup>nd</sup> week in January and adjourning the 2<sup>nd</sup> week in May.
- The state legislature is comprised of 100 members, 65 in the House of Representatives and 35 in the Senate.
- Each legislator is limited to 5 bills for introduction. This limit does not include bills designated for task forces, the budget, or numerous other procedural necessities.

## **Colorado's Elected Officials**

### **Executive Office**

- Governor John Hickenlooper (Democrat)
- Lieutenant Governor Joe Garcia (Democrat)

### **Senate (35 members)**

#### Senate Republican Majority (18 members)

- President: Sen. Bill Cadman (CO Springs)
- President Pro Tempore: Sen. Ellen Roberts (Durango)
- Majority Leader: Sen. Mark Scheffel (Douglas County)
- Assistant Majority Leader: Sen. Kevin Lundberg (Berthoud)
- Majority Caucus Chair: Sen. Vicki Marble (Ft. Collins)
- Majority Caucus Whip: Sen. Randy Baumgardner (Grand County)

#### Senate Democrat Minority (17 members)

- Minority Leader: Sen. Morgan Carroll (Aurora)
- Assistant Minority Leader: Sen. Rollie Heath (Boulder)
- Minority Caucus Chair: Sen. Jessie Ulibarri (Adams County)
- Minority Caucus Whip: Sen. Matt Jones (Louisville)

### **House of Representatives (65 total members)**

#### House Democrat Majority (34 members)

- Speaker of the House: Rep. Dickie Lee Hullinghorst (Boulder)
- Speaker Pro Tempore: Rep. Dan Pabon (Denver)
- Majority Leader: Rep. Crisanta Duran (Denver)
- Assistant Majority Leader: Rep. Dominick Moreno (Adams County)
- Majority Caucus Chair: Rep. Angela Williams (Denver)
- Assistant Majority Caucus Chair: Rep. Mike Foote (Lafayette)
- Majority Caucus Whip: Rep. Su Ryden (Aurora)
- Majority Caucus Deputy Whip: Rep. Brittany Pettersen (Lakewood)

#### House Republican Minority (31 members)

- Minority Leader: Rep. Brian DelGrosso (Loveland)
- Assistant Minority Leader: Rep. Polly Lawrence (Roxborough Park)
- Minority Caucus Chair: Rep. Lois Landgraf (Fountain)
- Minority Caucus Whip: Rep. Perry Buck (Windsor)

## **Legislative Committees of Reference**

### House Education Committee (11 members – 6 D & 5 R)

- Rep. John Buckner (D, Aurora), Chair
- Rep. Brittany Pettersen (D, Lakewood), Vice-Chair / *April 28<sup>th</sup> appointed Temporary Chair*
- Rep. Millie Hamner (D, Summit County), *Temporary Vice-Chair*
- Rep. Justin Everett (R, Jefferson County)
- Rep. Rhonda Fields (D, Aurora)
- Rep. Alec Garnett (D, Denver)
- Rep. Pete Lee (D, Boulder)
- Rep. Paul Lundeen (R, Douglas County)
- Rep. Rep. Dominick Moreno (D, Adams County)
- Rep. Kevin Priola (R, Henderson)
- Rep. Jim Wilson (R, Salida)
- Rep. JoAnn Windholz (R, Commerce City)

### Senate Education Committee (9 members– 5 R & 4 D)

- Sen. Owen Hill (R, El Paso County), Chair
- Sen. Vicki Marble (R, Ft. Collins), Vice Chair
- Sen. Chris Holbert (R, Douglas County)
- Sen. Mike Johnston (D, Aurora)
- Sen. Andy Kerr (D, Lakewood)
- Sen. Michael Merrifield (D, CO Springs)
- Sen. Tim Neville (R, Littleton)
- Sen. Nancy Todd (D, Aurora)
- Sen. Laura Woods (R, Arvada)

### Joint Budget Committee (6 members – 3 R & 3 D)

- Sen. Kent Lambert, (R, El Paso County), Chair
- Sen. Kevin Grantham (R, Crowley County)
- Sen. Pat Steadman (D, Denver)
- Rep. Millie Hamner (D, Summit County), Vice-Chair
- Rep. Dave Young (D, Greeley)
- Rep. Bob Rankin (R, Carbondale)

## **Upcoming General Election**

- The next General Election will take place on Tuesday November 3, 2015.
- Local School Board Elections - 64 seats in 21 districts
- Statewide Ballot Measure: Proposition AA Retail Marijuana Taxes (HB15-1367)

## **Statewide Elections Information**

### Colorado Secretary of State Elections & Voting Center

- Main Elections Webpage: <http://www.sos.state.co.us/pubs/elections/main.html>
- Initiative Tracking: <http://www.sos.state.co.us/pubs/elections/Initiatives/InitiativesHome.html>

### Academic Standards

- HB15-1125 CO State Academic Standards & Flexible Assessments (Sen. C. Holbert (R) / Reps. P. Lundeen (R), T. Carver (R))
  - Status: House Committee on Education Postpone Indefinitely (04/20/2015)
  - Summary: Requires the State Board of Education, beginning no later than the 2015-16 school year, to annually revise the state academic standards in 2 instructional areas, ensuring that the state academic standards in all of the areas are revised once every 5 years.
  - State Fiscal Impact: State Expenditures: FY15-16 \$9,697,028, FY16-17 (\$985,127) / FTE: FY15-16 4.0, FY16-17 6.8
- HB15-1208 Repeal of Common Core Education Standards (Sen. None / Rep. G. Klingenschmitt (R))
  - Status: House Committee on Education Postpone Indefinitely (04/20/2015)
  - Summary: Repeals the existing academic standards for English language arts and mathematics and requires the State Board to adopt new academic standards in these subjects.
  - State Fiscal Impact: State Expenditures: FY15-16 \$8,237,604, FY16-17 \$8,336,484 / FTE: FY15-16 2.5, FY16-17 5.0
- SB15-132 Empowering Students in Higher Education Funding (Sen. N. Todd (D) / Reps. B. Pettersen (D), J. Danielson (D))
  - Status: Senate Committee on Education Postpone Indefinitely (02/12/2015)
  - Summary: Specifies that the state academic standards for public schools relating to financial literacy must include knowledge and skills relating to financing higher education or other career-related postsecondary education.
  - State Fiscal Impact: State Expenditures: General Fund - FY15-16 \$5,008,790
- SB15-233 Revising CO Education Accountability Measures (Sens. V. Marble (R), L. Woods (R) / Reps. J. Everett (R), L. Saine (R))
  - Status: Senate Committee on Legislative Council Postpone Indefinitely (04/24/2015)
  - Summary: Repeals the existing academic standards for English language arts, mathematics, science, and social studies and requires the State Board to adopt new academic standards in these subjects as recommended by the preschool through elementary and secondary education academic standards steering committee.
  - State Fiscal Impact: State Expenditures: FY15-16 \$8,480,590, FY16-17 \$8,958,000 / FTE: FY15-16 2.5

### Accountability

- HB15-1105 Revising Colorado Education Accountability Measures (Sen. V. Marble (R) / Rep. J. Everett (R))
  - Status: House Committee on Education Postpone Indefinitely (04/20/2015)
  - Summary: Repeals the existing academic standards for English language arts, mathematics, science, and social studies and requires the State Board of Education to adopt new academic standards in these subjects.
  - State Fiscal Impact: State Expenditures: FY15-16 \$8,480,590, FY16-17 \$8,958,000 / FTE: FY15-16 2.5
- HB15-1326 Student Not Affected By District Accreditation Status (Sens. L. Garcia (D) / Reps. D. Moreno (D), D. Esgar (D))

- Status: Senate Committee on State, Veterans, & Military Affairs Postpone Indefinitely (04/29/2015)
- Summary: Prohibits the Colorado Commission on Higher Education and institutions of higher education from considering the accreditation status of the school district or the state charter school institute from which a student graduates in making admissions decisions and in awarding financial assistance, grants, and scholarships, including COF.
- State Fiscal Impact: No fiscal impact

## Assessments

- HB15-1323 Changes To Assessments In Public Schools (Sens. A. Kerr (D), C. Holbert (R) / Reps. J. Buckner (D), J. Wilson (R))
  - Status: Governor Signed (05/20/2015)
  - Summary: Amended bill modifies the system of statewide assessments in English language arts (ELA), math, science, and social studies. CDE is restricted to administering tests in ELA and math to students enrolled in grades 3 through 10, science tests one time in elementary, middle, and high schools, and social studies tests only if requested by a LEP. Prohibits 11th and 12th grade assessments except if requested by LEP. Retains 11th grade administration of ACT and requires LEP's to offer writing portion if requested by students. Provides some flexibility to LEPs in the number, frequency, timing, and administration of early reading and school readiness tests. Requires that CDE create a pilot program through which LEPs or groups of LEPs may jointly develop a test in ELA, math, science, or social studies that are supported by a waiver of federal testing requirements, and establishes an alternative state and nationally norm-referenced assessment that LEPs may choose to administer. LEPs that participate in the pilot project are required to pay the cost to do so. Prohibits CDE from assigning an accreditation rating to school districts or the state Charter School Institute for the 2015-16 school year. Requires CDE to release assessment results at least 2 weeks before educator evaluations are administered. If results are not released in this timeframe alternate assessments can be utilized to calculate student growth when determining educator effectiveness. Requires LEPs to request paper and pencil option. High school assessments scores must be included on student transcripts. Requires CDE to apply for several USDoE waivers related to high school testing requirements, ELL assessments, and the pilot program implementation. Requires LEP's to provide assessment calendars and information to parents and to adopt a policy regarding opt-outs.
  - State Fiscal Impact: State Expenditures: FY15-16 (\$2,469,118), FY16-17 (\$2,469,118)
- SB15-056 Frequency of Statewide Social Studies Testing (Sen. A. Kerr (D) / Rep. T. Kraft-Tharp (D))
  - Status: Governor Signed (05/20/2015)
  - Summary: Beginning in the 2015-16 school year, CDE may choose to administer the social studies assessment annually to a representative sample of public schools so long as it administers the assessment in each public school at least once every 3 years. If CDE chooses a 3-year assessment schedule, a school district or a charter school may ask CDE to administer the test in a public school that is not scheduled.
  - State Fiscal Impact: State Expenditures: FY15-16 (up to \$540,000), FY16-17 (up to \$540,000)
- SB15-073 Restrict Statewide Tests To Federal Requirements (Sen. M. Merrifield (D) / Rep. None)
  - Status: Senate Committee on Education Postpone Indefinitely (04/09/2015)
  - Summary: The bill clarifies that the State Board of Education (SBE) must adopt statewide assessments only to the extent required by federal law. The bill requires the SBE to apply for a waiver from federal law to allow the state to administer a standardized, curriculum-based, college entrance examination that is relied upon by institutions of higher education (ACT) as the sole assessment administered statewide in

high school. Under current law, each local education provider must adopt assessments for the subjects that are not included in a statewide assessment but for which the local education provider adopts academic standards. Under the bill, a local education provider must just ensure that teachers assess students in each of these subject areas. Under current law, each local education provider must administer interim literacy assessments throughout the school year in kindergarten and grades 1-3 to determine whether a student may have a significant reading deficiency. The bill requires the local education providers to administer the interim assessments only up to 3 times per school year. If, based on an assessment administered in a specific school year, the local education provider determines that a student does not have a significant reading deficiency, the student does not have to take the assessment again in the same school year. A local education provider may use the results obtained from administering the school readiness assessment to a student in kindergarten to determine whether the student has a significant reading deficiency, rather than administering the interim literacy assessment to the student. The bill repeals the existing statute that governs statewide testing, which includes repealing the requirement that local education providers administer the ACT in eleventh grade. The bill recreates the statutory provisions that relate to testing in languages other than English, testing children with disabilities, exempting from testing the children that participate in nonpublic, home-based educational programs and nonpublic schools, the dissemination and use of test results, allowing nonpublic schools to administer the statewide tests, and appropriating moneys to fund statewide testing.

- State Fiscal Impact: State Expenditures: FY15-16 (\$7,707,366), FY16-17 (\$7,707,366)
- SB15-215 Changes To Assessments In Public Schools (Sens. A. Kerr (D), O. Hill (R) / Reps. J. Buckner (D), J. Wilson (R))
  - Status: Senate Committee on Education Postpone Indefinitely (05/04/2015)
  - Summary: Implements the consensus recommendations of the Standards and Assessments Task Force created by House Bill 14-1202. Specifically, this bill: 1) prohibits CDE from requiring that a LEP administer a state test to students in eleventh or twelfth grade, but permits a LEP to choose to do so, in which case CDE must pay for the test(s); 2) requires that CDE make tests in any format available as a pencil and paper test if requested by a LEP; 3) requires that each LEP adopt a written policy to allow a parent to choose to have his or her child use a pencil and paper test; 4) requires that CDE continue to administer a standardized curriculum-based college entrance test to students in eleventh grade; 5) provides some flexibility to LEPs in the number, frequency, timing, and administration of early reading and school readiness tests; 6) repeals specific references to postsecondary and workforce planning, preparation, and readiness tests and clarifies that a student's demonstration of postsecondary readiness is determined in part by scores on high school standardized tests; and 7) adjusts the membership and extends for one additional year the HB 14-1202 Standards and Assessments Task Force, with administrative assistance from CDE.
  - State Fiscal Impact: State Expenditures: FY15-16 (\$845,022), FY16-17 (\$909,022)
- SB15-223 Remove Penalty When Parent Opts Child Out Of Test (Sens. N. Todd (D), C. Holbert (R) / Reps. S. Lebsack (D), K. Ransom (R))
  - Status: House Committee on Education Postpone Indefinitely (05/01/2015)
  - Summary: Requires a LEP to allow a parent to excuse his or her child from participating in a standardized assessment that is required by the state or by the local education provider. Each LEP must adopt a written policy that a parent may follow to excuse his or her student from taking the standardized assessment. CDE and the LEP cannot penalize the student, the student's teacher and principal, or the public school that the student attends, and CDE cannot penalize the local education provider that enrolls the student, if the parent excuses the student from taking the standardized assessment.

- State Fiscal Impact: None. \*If the state does not ensure that all students are tested, the federal Department of Education has a range of enforcement actions it can take, including withholding federal Title I funds, impacting state revenue.
- SB15-257 Education Standards, Assessments & Flexibility Pilot Program (Sens. M. Merrifield (D), O. Hill (R) / Reps. J. Becker (R), M. Hamner (D), J. Singer (D), J. Wilson (R))
  - Status: House Third Reading Lay on the Table-Deemed Lost - No Amendments (05/06/2015) (Defeated)
  - Summary: As amended by the Senate. Requires the State Board of Education to revise Colorado academic standards by July 1, 2016 and every 6 years thereafter. Requires CDE to administer statewide tests for English Language Arts and mathematics in grades three through eight, and in grades nine and ten, as selected by the LEP. LEPs may choose to administer state assessments in ELA and mathematics in up to two additional grades at the high school level, at the state's expense. The same as current law, this bill requires that CDE administer a science test one time each in elementary, middle and high school. Under this bill, however, CDE will select the grades in elementary and middle schools to administer the science test, and LEPs may select the grade in high schools to administer the science test. Eliminates the statewide test for social studies. Requires districts to offer paper/pencil format. Retains 11th grade state ACT administration and requires districts to offer the writing portion in paper/pencil format at the state's expense. Prohibits other assessments in 11th and 12th grade. Provides some flexibility to LEPs in the number, frequency, timing, and administration of early reading and school readiness tests, and repeals specific references to PWR planning, preparation, and readiness tests. Allows a district to develop and utilize their own vertically aligned assessment system and creates a pilot program to assist districts in developing their own systems. Extends option to omit assessment results from educator evaluation calculations for 1 additional year.
  - State Fiscal Impact: State Expenditures: FY15-16 (\$1,607,824), FY16-17 (\$1,168,267) / FTE: FY15-16 3.1, FY16-17 3.5
  - Notes: SB15-257 was amended in the House Education committee and on House 2<sup>nd</sup> reading to reflect the compromises also made to HB15-1323. House amendments included adding 9<sup>th</sup> grade ELA and math assessments, technical modifications to the local district pilot program, eliminating the 2016 review of the state academic standards, and eliminating the additional hold-harmless year for educator evaluation scores. SB15-257 was not sent back to the Senate for a vote of concurrence with these House amendments and the bill died on the calendar.
- HB15-1123 Federal Test Requirements Option For Local Education Providers (Sen. None / Rep. J. Tate (R))
  - Status: House Committee on Education Postpone Indefinitely (04/20/2015)
  - Summary: Allows the governing board of a school district to adopt a resolution to administer the statewide assessments in English language arts, mathematics, and science only to the extent required by federal law.
  - State Fiscal Impact: State Expenditures: FY15-16 up to (\$5,157,197), FY16-17 up to (\$6,893,197) / FTE: FY15-16 0.4, FY16-17 0.4

## **Budget & Funding**

- HB15-1334 Legislative Oversight Committee On School Finance (Sens. A. Kerr (D), O. Hill (R) / Reps. M. Hamner (D), B. Rankin (R))
  - Status: Senate Committee on Appropriations Postpone Indefinitely (04/28/2015)
  - Summary: Creates the Legislative Oversight Committee on School Finance (oversight committee) to study tax policy issues relating to school finance and the components of a new school finance system. Specifies issues that the oversight committee and the technical committee created in the bill will address. The

oversight committee consists of the chairs of the legislative Education and Finance committees, or their designees; 2 members of the JBC; and other legislators appointed by the Senate President, the Speaker of the House, and the House and Senate minority leaders. The chair and vice-chair of the oversight committee will jointly appoint a technical committee that consists of CFO's from urban, suburban, and rural school districts; persons who represent charter school interests and serve in a financial oversight capacity; and persons with expertise and experience in tax policy and school finance.

- State Fiscal Impact: State Expenditures: FY15-16 \$308,993, FY16-17 \$210,947 / FTE: FY15-16 1.6, FY16-17 1.6
- HB15-1344 Fund National Western Center & Capitol Complex Projects (Sens. J. Sonnenberg (R), P. Steadman (D) / Reps. C. Duran (D), J. Becker (R))
  - Status: Sent to the Governor (05/14/2015)
  - Summary: Effective July 1, 2019, the amended bill authorizes the State Treasurer to enter into one or more lease purchase agreements on behalf of Colorado State University (CSU) for a period of up to 20 years to construct facilities at the National Western Center and the CSU main campus. Creates two funds: the National Western Center Trust Fund and the Capitol Complex Master Plan (CCMP) Implementation Fund. Moneys to the funds are transferred from the General Fund. Moneys in the National Western Center Trust Fund may be spent to make annual lease-purchase payments. Moneys in the CCMP Implementation Fund may be spent to fund projects included in the CCMP, subject to the standard capital project review and approval process. Beginning August 1, 2016, establishes an annual reporting requirement to the Governor and various members of legislative leadership about the progress of the redevelopment of the National Western Center.
  - State Fiscal Impact: State Expenditures: FY19-20 up to \$20,000,000
- SB15-138 ASCENT Program Funding (Sen. K. Donovan (D) / Rep. J. Wilson (R))
  - Status: Sent to the Governor (05/08/2015)
  - Summary: Clarifies the way state funding for ASCENT students is distributed to those school districts that include ASCENT students in their funded pupil count under the School Finance Act. A school district may spend the ASCENT program funding on behalf of participating students in the applicable budget year. The district may also reserve ASCENT funding for students who are admitted to an institution of higher education by the end of the applicable budget year, but enroll and participate as an ASCENT student in the following budget year. A district must remit any funding not expended in the applicable budget year, or encumbered for the following budget year, to the State Public School Fund.
  - State Fiscal Impact: No Fiscal Impact

### **Fiscal Year 2014-15 Funding**

- SB15-145 Supplemental Appropriation Department of Education (Sen. K. Lambert (R) / Rep. M. Hamner (D))
  - Status: Governor Signed (03/11/2015)
  - Summary: Adjusts FY14-15 statewide K12 education funding by allocating an additional \$14,822,591 to various programs and funds.
  - State Fiscal Impact: State Expenditures: FY14-15 \$14,822,591
- SB15-148 Supplemental Appropriation Department of Higher Education (Sen. K. Lambert (R) / Rep. M. Hamner (D))
  - Status: Governor Signed (03/11/2015)

- Summary: Adjusts FY14-15 statewide K12 education funding by allocating an additional \$3,282,692,554 to various programs and funds.
- State Fiscal Impact: State Expenditures: FY14-15 \$3,282,692,554
- SB15-166 Current Year Adjustments School Finance (Sen. P. Steadman (D) / Rep. M. Hamner (D))
  - Status: Governor Signed (03/13/2015)
  - Summary: JBC. The CO legislature recognizes that the actual pupil count is less than projected during the 2014 legislative session. In addition, increases in property tax and specific ownership tax receipts reduce the projected state share of total program funding. These reductions have enabled the general assembly to reduce the dollar amount of the negative factor. Due to variations in the amounts of state aid distributed to school districts, the bill adjusts the minimum amount of total program funding for FY 14-15.
  - State Fiscal Impact: State Expenditures: SEF - FY14-15 (\$2,897,428)

### **Fiscal Year 2015-16 Funding**

- SB15-234 2015-16 Long Appropriations Bill (Sen. K. Lambert (R) / Rep. M. Hamner (D))
  - Status: Governor Signed (04/24/2015)
  - Summary: State budget appropriations for Fiscal Year 2015-16.
  - State Fiscal Impact: FY15-16: Total State Appropriations \$26,374,697,115 / K12 Education Total Appropriation \$5,395,441,471 / Higher Education Total Appropriation \$3,731,739,272
- SB15-255 Deposit Severance Tax Revenues In General Fund (Sen. K. Lambert (R) / Rep. M. Hamner (D))
  - Status: Governor Signed (05/01/2015)
  - Summary: Requires the first \$20 million of state severance tax revenue received after it's effective date in FY14-15 to be diverted to the General Fund.
  - State Fiscal Impact: State Diversions: FY14-15 up to \$20M
- SB15-267 School Finance (Sen. O. Hill (R) / Rep. M. Hamner (D))
  - Status: Sent to the Governor (05/18/2015)
  - Summary: Sets the statewide base per pupil funding amount for FY15-16 at \$6,292.39, which is an inflationary increase of 2.8%. Reduces the negative factor by \$25 million. For FY16-17 the difference between the amount of statewide total program funding calculated without the negative factor and the amount of statewide total program funding calculated with the negative factor cannot exceed the dollar amount of that difference for FY15-16.
  - State Fiscal Impact: State Expenditures: FY15-16 \$30,000,000

### **Charter Schools**

- SB15-216 School District Exclusive Chartering Authority (Sen. O. Hill (R) / Rep. R. Fields (D))
  - Status: House Committee on State, Veterans, & Military Affairs Postpone Indefinitely (05/04/2015)
  - Summary: The SBE must revoke a school district's exclusive chartering authority if the school district is accredited with either a priority improvement plan or turnaround plan for 3 consecutive school years, unless the school district has a MOU with the institute that allows the institute to authorize charter schools within the geographic boundaries of the school district or otherwise gives the institute significant authorizing authority in partnership with the school district. The SBE may reinstate the school district's exclusive chartering authority when the school district's accreditation status improves. Under existing law, to recover exclusive chartering authority or retain it when challenged, a school district must demonstrate



that it provides fair and equitable treatment to charter schools by taking actions identified in law. The bill also requires the school district to demonstrate compliance with the authorizer standards established in rules of the state board, requires the school district to demonstrate that it performs all of the actions specified in existing law, and adds the following actions that a school district must perform to recover its exclusive chartering authority or retain it when challenged: 1) Annually issuing a charter application information packet; 2) Adopting differentiated and streamlined application, renewal, and replication processes for high-quality charter schools; and 3) Demonstrating that the school district closes or takes meaningful action to reform schools that are low-performing for 3 consecutive school years.

- State Fiscal Impact: None

## **Data Privacy**

- HB15-1108 Protections Collection & Release Student Data (Sen. L. Woods (R) / Rep. P. Lundeen (R))
  - Status: House Committee on Education Postpone Indefinitely (02/09/2015)
  - Summary: Expands on the protections currently existing in law regarding protection of student data. Prior to conducting any survey, assessment, analysis, or evaluation that would include the collection of specified personal information, a school or school district shall obtain the written consent of a minimum of 85% of the students' parents or legal guardians. Additional protections and requirements for data collected or released include assurances that: 1) The data collected are accurate and, where necessary, kept up to date, and that the school district shall take every reasonable step to ensure that inaccurate or incomplete data are rectified or deleted; 2) The data collected will be kept in a form that permits identification of a data subject for no longer than is necessary for the stated purposes for which the data were collected; 2) The data collected will be adequate, relevant, and not excessive in relation to the stated purposes for which the data are collected; 3) Appropriate safeguards are in place for personal data that will be stored for longer periods of time for historical, statistical, or scientific use; and 4) The data will be adequately protected from threat of exposure or loss. The bill allows a student who is 18 years of age or older to have all data related to him or her not included in his or her academic achievement record to be destroyed. A student's parent or legal guardian may, at any time, provide written notification to a school district that prohibits the school district from including any data related to the student to be provided, separately or in the aggregate, to any other vendor or entity outside the school district.
  - State Fiscal Impact: None
- HB15-1199 Student & Teacher Data Privacy & Security Act (Sen. V. Marble (R) / Rep. J. Everett (R))
  - Status: House Committee on Education Postpone Indefinitely (02/09/2015)
  - Summary: Creates the Student and Teacher Data Privacy and Security Act. The bill's requirements for student and teacher data collection, processing, and storage apply to kindergarten through twelfth grade public education (K-12), and to all state education agencies, including the Colorado Department of Education (CDE) and the Department of Human Services (DHS). Among its many provisions, this bill: • limits the type of student information that can be collected without prior written consent; • precludes a state agency from using federal grant money to construct, enhance, or expand a data system not in compliance with the provisions of the bill; • requires that the existence and character of any personally identifiable information be publically disclosed on an agency's or education institution's website; requires each state agency and education institution to notify the Governor, the General Assembly, and the State Board of Education (SBE) of any intent to include additional student data in state-maintained databases; • prohibits an education institution from adopting or administering any student assessment that collects psychological data; • prohibits an education institution or any state agency from administering student surveys, assessments, analysis, evaluation, or similar instruments that solicit various personal information

about a student or his or her parents; • restricts access to educational records to authorized representatives of the education institution or state agency who require the data in order to perform an assigned duty; • prohibits vendors or third parties from redistributing, sharing, or selling student educational data or teacher records;

- State Fiscal Impact: State Revenue: GF - FY15-16 <\$5,000, FY16-17 <\$5,000 / State Expenditures: Total - FY15-16 at least \$96,353, FY16-17 at least \$18,902 / FTE: FY15-16 0.1, FY16-17 0.1

- SB15-173 School District Data Protection & Transparency (Sen. C. Holbert (R) / Rep. D. Pabon (D))

- Status: House Considered Senate Adherence - Result was to Adhere (05/07/2015) (Defeated)
- Summary: The amended bill restricts third-party vendors from sharing, mining, selling, or using personally identifiable student data collected by schools and school districts. Also prohibits vendors operating an internet website, online service, or mobile application from using, disclosing, or compiling personal information of a public school student in order to amass a profile of the student or to market or advertise a commercial product or service. Identifies exceptions to these prohibitions, for example allowing data sharing in furtherance of law enforcement, or to permit student access to student-created data or documents. Requires that vendors: 1) implement and maintain reasonable security procedures; 2) delete a student's covered information if requested by a public school; 3) publicly and conspicuously post the name, contact information, location, and purpose of data repositories that maintain covered information; and 4) publicly and conspicuously post a data dictionary of covered information, the process by which data are collected, and vendor policies related to storage, access, retention, and disposal of covered information. Any interested party may report alleged violations to CDE who may investigate the allegations. If the CDE continues to receive complaints, they may refer the matter to the Attorney General for review by the Department of Law. Beginning with the 2015-16 academic year LEP's are required to provide an annual notice at the start of the school year to parents and legal guardians listing all operators with whom the LEP has a negotiated contract providing for the transfer of covered information in the upcoming year. Further, any LEP that uses cloud computing services or other online applications that collect and store covered information must develop an education technology plan. The plan must include an annual notice to parents about the type of data transferred to the cloud, and training for students and staff concerning the appropriate and safe use of technology. Rural school districts and rural charter schools are exempt from these provisions.
- State Fiscal Impact: Workload increase
- Comments: Essentially, SB15-173 would have limited how online vendors could have collected, shared and used personally-identifiable student information. Despite stakeholder agreement to all amendments for the majority of the process, the House Education committee removed a provision that vendor contracts must be posted online. This amendment caused the parent stakeholders to oppose SB15-173 and ask sponsor Senator Chris Holbert (R) to kill the bill. The issue of protecting student data privacy is expected to return next session.

## **Educator Evaluation**

- SB15-003 Educator Evaluations 50% Of Academic Growth (Sen. M. Merrifield (D) / Rep. None)
  - Status: Senate Committee on Education Postpone Indefinitely (04/15/2015)
  - Summary: SB10-191, titled Concerning Educator Effectiveness, included a requirement that at least 50% of a teacher's or principal's performance evaluation be determined by the academic growth of the teacher's students or the students in the principal's school. The bill eliminates that requirement.
  - State Fiscal Impact: State Expenditures: General Fund - FY15-16 \$100,000

## **Higher Education Policy**

- HB15-1037 Religious Freedom Student Groups Higher Education (Sen. T. Neville (R) / Rep. K. Priola (R))
  - Status: House Committee on Education Postpone Indefinitely (02/09/2015)
  - Summary: Prohibits a state institution of higher education from denying a religious student group a benefit that the institution provides to a nonreligious student group solely because the religious student group requires its leaders to adhere to the group's sincerely held religious beliefs or standards of conduct. These benefits include recognition, registration, use of institution facilities, use of institution channels of communication, and available institution funding sources.
  - State Fiscal Impact: None
- SB15-072 Metropolitan State University of Denver Admissions (Sen. K. Lambert (R) / Rep. P. Lundeen (R))
  - Status: Senate Committee on Education Postpone Indefinitely (04/23/2015)
  - Summary: Amends Metropolitan State University of Denver's admission standards to moderately selective admission standards, effective in 2016.
  - State Fiscal Impact: State Revenue: FY15-16 at least (\$983,125), FY16-17 at least (\$2,359,500) / State Expenditures: FY15-16 \$73,805, FY16-17 \$185,638 / FTE: FY15-16 1.0, FY16-17 2.5

### Higher Education Funding Formula

- HB15-1156 Higher Education Performance Funding Resident Students (Sen. None / Rep. K. Van Winkle (R))
  - Status: House Committee on Appropriations Postpone Indefinitely (03/27/2015)
  - Summary: Prohibits a state supported institution of higher education from using performance funding for the direct financial support of any nonresident student.
  - State Fiscal Impact: None
- HB15-1224 State Moneys Received By Local District Junior Colleges (Sens. N. Todd (D), O. Hill (R) / Rep. D. Mitsch Bush (D))
  - Status: Governor Signed (04/10/2015)
  - Summary: Clarifies that: 1) the amount of state funding for the schools is determined by the General Assembly and appropriated directly to Aims and CMC; and 2) state funding may be used by CMC to operate baccalaureate degree programs.
  - State Fiscal Impact: None
- HB15-1254 Higher Education Funding Appropriations Clean Up (Sen. K. Lambert (R) / Rep. M. Hamner (D))
  - Status: Governor Signed (03/30/2015)
  - Summary: Clarifies a definition in current law that limits total governing board appropriation to the amount of the appropriation to a governing board of an institution of higher education in the general appropriations act for a fee-for-service contract plus the amount reappropriated to the governing board for COF stipends.
  - State Fiscal Impact: Does not necessarily change overall state expenditures for higher education.
- SB15-062 Extend Restriction Tuition Increases Higher Education (Sen. A. Kerr (D) / Rep. B. Pettersen (D))
  - Status: Senate Committee on Education Postpone Indefinitely (01/22/2015)
  - Summary: Extends indefinitely the 6% limitation on the amount by which a governing board of a state institution of higher education may increase undergraduate, resident tuition. A governing board may request permission from CCHE to increase tuition above 6% for a single year in any year in which the annual general fund appropriation to higher education does not increase by at least the rate of inflation over the preceding fiscal year.

- State Fiscal Impact: No State Impact
- SB15-117 Prohibit Discrimination In Higher Education Funding (Sen. K. Lambert (R) / Rep. J. Joshi (R))
  - Status: House Committee on Education Postpone Indefinitely (05/04/2015)
  - Summary: Prohibits the General Assembly or CCHE from making allocations, appropriations, or distributions of state money to or for the benefit of any public or private institution of higher education, or for students, based solely on the race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, political affiliation, or political philosophy of a student. The bill does not apply to American Indian students at Fort Lewis College. The bill clarifies that despite these limitations on the General Assembly, the institutions of higher education may continue to offer equal opportunity programs for all students and employees, and have veterans' preferences in admissions and financial aid. The bill also reiterates that institutions of higher education may use state money to increase ethnic, cultural, and gender diversity, or increase access for qualified disabled individuals.
  - State Fiscal Impact: No Fiscal Impact
- SB15-237 Calculation Of Limitations In Higher Education Funding (Sen. K. Lambert (R) / Rep. M. Hamner (D))
  - Status: Governor Signed (05/01/2015)
  - Summary: Clarifies the definition of terms in the higher education funding model enacted in HB14-1319 related to the calculation of the limitations on appropriations to governing boards of state institutions of higher education and the COF stipend allocation.
  - State Fiscal Impact: No fiscal impact
- SB15-238 General Fund Exempt Institutions Of Higher Education Uses (Sen. P. Steadman (D) / Rep. M. Hamner (D))
  - Status: Governor Signed (05/01/2015)
  - Summary: Expands the allowable areas of higher education-related appropriations to include a variety of programs and grants, including work-study programs, tuition for qualified Indian pupils who attend Fort Lewis College, local district junior college grants, and area vocational school grants.
  - State Fiscal Impact: Expands the authorized uses for which governing boards may spend from their portion of the allocation of the exempt account.

### **Higher Education Tuition, Funding & Scholarships**

- HB15-1001 Early Childhood Educator Development Scholarships (Sen. N. Todd (D) / Reps. B. Pettersen (D), A. Garnett (D))
  - Status: Senate Committee on Education Postpone Indefinitely (04/30/2015)
  - Summary: Creates a scholarship grant program within the CO Department of Human Services (DHS) to provide assistance to individuals who are obtaining a postsecondary credential in early childhood education. Scholarships are awarded by the DHS to qualifying entities, which includes tax-exempt non-profit organizations and institutions of higher education.
  - State Fiscal Impact: State Revenue: gifts, grants & donations / State Expenditures: FY15-16 \$125,000, FY16-17 \$125,000 / FTE: 0.2 annually
- HB15-1027 In-state Tuition American Indian Tribes Ties to Colorado (Sen. L. Guzman (D) / Rep. J. Salazar (D))
  - Status: Senate Committee on State, Veterans, & Military Affairs Postpone Indefinitely (05/04/2015)
  - Summary: Requires a state-supported institution of higher education to classify as an in-state student for tuition purposes a student who is a member of a federally recognized American Indian tribe with

historical ties to Colorado, as designated by the Colorado commission of Indian affairs in consultation with history Colorado. A student classified as an in-state student pursuant to this tuition classification may be counted as a resident for any purpose pursuant to title 23, C.R.S., and is eligible for state financial aid and the college opportunity fund stipend. The bill exempts Fort Lewis college from its provisions.

- State Fiscal Impact: Revenue Change - Institutional Tuition Revenue: FY15-16 & onwards (Up to \$2,684,866 annually)
  
- HB15-1215 In-state Tuition Dependents Of Military Members (Sen. M. Johnston (D) / Rep. K. Priola (R))
  - Status: Governor Signed (05/04/2015)
  - Summary: Allows a state institution of higher education to adopt a policy granting resident tuition classification to a dependent of an active duty member of the armed forces if the member moves to Colorado on a permanent duty assignment. Dependents do not lose the classification if the dependent is under 23 and enrolls in a state institution of higher education within 12 years after the member was stationed in Colorado.
  - State Fiscal Impact: Unknown
  
- HB15-1294 Federal Law In-state Tuition For Veterans (Sens. N. Todd (D), O. Hill (R) / Reps. P. Lee (D), J. Keyser (R))
  - Status: Governor Signed (05/01/2015)
  - Summary: Requires state institutions of higher education (institutions) to classify as in-state students for tuition purposes a covered individual as defined in federal law pursuant to the Veterans Access, Choice, and Accountability Act of 2014 (act). Under the act, qualifying veterans, spouses, and dependents must be granted in-state tuition, or the institution may be disqualified from participating in the post-9/11 and Montgomery GI bill programs. To be classified as an in-state student for tuition purposes, a covered individual must reside in Colorado while attending a state institution and must be enrolled in courses with federal educational assistance benefits. Students classified pursuant to this section are eligible to receive the COF stipend.
  - State Fiscal Impact: Potential change to tuition revenues & expenditures. Increase in COF expenditures.
  
- HB15-1227 Tax Credit For Employers That Pay Student Loans (Sen. R. Heath (D) / Rep. K. Becker (D))
  - Status: House Committee on Appropriations Postpone Indefinitely (04/10/2015)
  - Summary: Creates an income tax credit for a limited number of years for employers doing business in Colorado who hire and retain new employees for a 12-month period and during that period make payments directly to a lender on behalf of each new employee for the new employee's student loan that he or she incurred while earning an approved degree. Requires the approved degree to be an associate or bachelor's degree that represents the completion of a course of study in science, technology, engineering, or mathematics, or a vocational certificate related to industry, manufacturing, or information technology from a Colorado institution of higher education. Requires each new employee to be a Colorado resident, work full-time, and receive a base salary or hourly wages totaling less than \$60,000 per year.
  - State Fiscal Impact: State Revenue: FY15-16 (\$1,000,000), FY16-17 (\$2,000,000), FY17-18 (\$2,000,000), FY18-19 (\$1,000,000) / State Expenditures: FY15-16 \$127,213, FY16-17 \$52,530, FY17-18 \$52,530, FY18-19 \$52,530 / FTE: 0.5 annually
  
- HB15-1347 Middle Class College Savings Act (Sens. M. Merrifield (D), N. Todd (D) / Reps. D. Young (D), B. Pettersen (D))
  - Status: Senate Committee on State, Veterans, & Military Affairs Postpone Indefinitely (05/05/2015)

- Summary: Modifies these state income tax deductions by making the percentages of the amounts of contributions or distributions allowed to be subtracted from a taxpayer's taxable income dependent upon the amount of the taxpayer's federal adjusted gross income.
- State Fiscal Impact: State Revenue: FY15-16 (\$3,361), FY16-17 (\$6,879), FY17-18 (\$7,199) / State Expenditures: FY16-17 \$101,151, FY17-18 \$102,608 / FTE: FY16-17 1.4, FY17-18 1.9
- HB15-1366 Expand Job Growth Tax Credit For Higher Education Project (Sen. D. Balmer (R) / Reps. D. Pabon (D), Y. Willett (R))
  - Status: Sent to the Governor (05/18/2015)
  - Summary: A Allows a taxpayer to receive an income tax credit through the existing job growth incentive tax credit commencing on or after January 1, 2015, if the project will be a qualified partnership between the taxpayer and a state institution of higher education, is located on or within one mile of the campus of or on other property owned by the state institution of higher education, and brings a net job growth of at least 5 new jobs to the state with an average yearly wage of at least 100% of the statewide average yearly wage.
  - State Fiscal Impact: State Revenue: FY15-16 (at least \$25,000), FY16-17 (at least \$75,000), FY24-15 (at least \$421,000) / State Expenditures: FY15-16 \$36,000
- HB15-1369 Define Tuition Status Unaccompanied Homeless Youth (Sen. A. Kerr (D) / Reps. B. Pettersen (D), D. Esgar (D))
  - Status: Senate Committee on Education Postpone Indefinitely (05/04/2015)
  - Summary: Amends statutory provisions relating to the persons qualified to determine domicile for purposes of establishing in-state tuition at state institutions of higher education.
  - State Fiscal Impact: Unknown
- SB15-050 Awarding Colorado's Excellent Scholars Program (Sen. R. Heath (D) / Rep. None)
  - Status: Senate Committee on Education Postpone Indefinitely (03/19/2015)
  - Summary: Creates the Awarding Colorado's Excellent Scholars (ACES) program to provide scholarships to the 3 students in each public high school each year who graduate with the highest GPAs in their graduating class. The ACES program starts in the 15-16 school year, awarding scholarships to students in the high school graduating class of 14-15. CCHDE must adopt guidelines for the ACES program, and CDHE must implement the program. To be eligible for an ACES scholarship, a student must: 1) Graduate from a Colorado high school; 2) Achieve one of the 3 highest GPAs within the student's high school graduating class, which GPA must be at least 3.0; and 3) Enroll in and attend a public institution of higher education in Colorado starting the fall semester immediately following high school graduation. Each school district and the state Charter School Institute (CSI) must annually provide to CDHE the names of and contact information for the students who qualify for an ACES scholarship. If, because of a tie, more than 3 students from a high school qualify, the superintendent of the school district, or, for a charter high school, the principal of the school, will decide from among the eligible students which students' information to submit for the ACES scholarship. A student who receives an ACES scholarship is eligible to continue receiving the scholarship so long as he or she is enrolled in and attending a higher education institution for at least 15 credit hours per semester and maintaining a GPA of at least 3.0. An ACES scholar may receive the scholarship for 4 consecutive academic years or until he or she attains a baccalaureate degree, whichever occurs first. An ACES scholar may apply to CDHE for a suspension of the ACES scholarship, which CDHE may grant based on its determination of the legitimacy of the student's need for a suspension. But an ACES scholar may not receive the scholarship moneys for more than the equivalent of 8 semesters.

The annual amount of the scholarship is equal to the ACES scholar's student share of in-state tuition. ACES scholars are also eligible to receive the Colorado Opportunity Fund (COF) stipends. Eligibility for and receipt of an ACES scholarship does not alone affect a student's eligibility for enrollment in a higher education institution. CDHE must annually publicize the ACES program to the school districts and the institute and on CDHE's web site. Each school district and the institute must provide information concerning the ACES program to the students enrolled in the public schools.

- State Fiscal Impact: State Expenditures: FY14-15 up to \$11,631,982, FY15-16 up to \$22,058,453 / FTE: FY14-15 0.7, FY15-16 0.9, FY16-17 1.0
  
- SB15-068 Higher Education Lower Debt Act (Sen. M. Jones (D) / Rep. D. Moreno (D))
  - Status: Senate Committee on State, Veterans, & Military Affairs Postpone Indefinitely (02/02/2015)
  - Summary: Establishes a cap on the annual interest rate that a nongovernmental lender may charge for a student loan taken for the purpose of financing undergraduate, graduate, or professional education and related expenses of 2 percentage points over the rate that the federal government would charge the student for a direct unsubsidized student loan made for the same purpose. For income tax years commencing on or after January 1, 2016, the bill allows a state income tax deduction, to the extent included in federal taxable income, for amounts or principal and interest paid in repayment of a student loan.
  - State Fiscal Impact: State Revenue: FY15-16 (\$29.7, FY16-17 (\$14.8M), FY17-18 (\$20.8M) / State Expenditures: FY16-17 \$137,092, FY17-18 \$283,571 / TABOR Set-Aside: FY15-16 (\$29.7M), FY16-17 (\$14.8M) / FTE: FY16-17 1.5, FY17-18 4.7
  
- SB15-118 Modified Qualified State Tuition Program Tax Deductions (Sen. M. Merrifield (D) / Rep. None)
  - Status: Senate Committee on Finance Postpone Indefinitely (03/05/2015)
  - Summary: For purposes of calculating a taxpayer's Colorado taxable income, current state law begins from a base of the taxpayer's federal taxable income and provides for various modifications to that base, including subtractions from federal taxable income (state income tax deductions) in amounts equal to the full amounts of both contributions made by a taxpayer to the qualified state tuition program established by CollegenInvest and distributions of investment earnings taken from the plan. The bill modifies these state income tax deductions by making the percentages of the amounts of contributions or distributions allowed to be subtracted from a taxpayer's taxable income dependent upon the amount of the taxpayer's federal adjusted gross income as follows: 1) 200% of the amounts of contributions or distributions for a taxpayer whose federal adjusted gross income is \$75,000 or less; 2) 150% of the amounts of contributions or distributions for a taxpayer whose federal adjusted gross income is more than \$75,000 but not more than \$200,000; and 3) 100% of the amounts of contributions or distributions for a taxpayer whose federal adjusted gross income is more than \$200,000 but not more than \$250,000. The bill eliminates deductions for a taxpayer whose federal adjusted gross income is more than \$250,000.
  - State Fiscal Impact: State Revenue: FY15-16 \$1,589,748, FY16-17 \$3,253,409, FY17-18 \$3,404,671 / State Expenditures: FY16-17 \$83,590, FY17-18 \$86,406 / FTE: FY16-17 1.1, FY17-18 1.6
  
- SB15-200 Private Student Loan Disclosure Requirements (Sen. A. Kerr (D) / Rep. None)
  - Status: Senate Committee on Education Postpone Indefinitely (03/25/2015)
  - Summary: Makes it unlawful for a private educational lender to impose a fee or penalty on a borrower for early repayment or prepayment of a private education loan and requires a lender to disclose any agreements made with a card issuer or creditor for purposes of marketing a credit card. Requires private educational lenders to disclose information to a potential borrower or borrower both at the time

of application for a private education loan and at the time of consummation of the loan. The required disclosures are described in the bill and include, among other disclosures, the interest rate for the loan and adjustments to the rate, potential finance charges and penalties, payment options, an estimate of the total amount for repayment at the interest rate, the possibility of qualifying for federal loans, the terms and conditions of the loan, and that the borrower may cancel the loan, without penalty, within 3 business days after the date on which the loan is consummated.

- State Fiscal Impact: State Expenditures: minimal workload increase

## **K12 & Higher Education Funding**

- HB15-1058 General Fund Surplus Transfers For Education (Sen. J. Sonnenberg (R) / Rep. J. Becker (R))
  - Status: House Committee on Finance Postpone Indefinitely (01/21/2015)
  - Summary: The unrestricted balance remaining in the general fund at the end of a state fiscal year is called the general fund surplus. The bill requires the state treasurer to transfer the general fund surplus as follows: • 70% to the state education fund; and • 30% to the higher education fund. These transfers begin in the current fiscal year and do not stop until the negative factor no longer applies to the financing of public schools. The general assembly may appropriate moneys in the higher education fund for any purpose related to higher education.
  - State Fiscal Impact: General Fund - Revenues Reduction
- SB15-033 Increasing Funding For Public Pre-K-12 Education (Sen. A. Kerr (D) / Rep. None)
  - Status: Senate Committee on State, Veterans, & Military Affairs Postpone Indefinitely (02/02/2015)
  - Summary: Under current law, students who are enrolled in kindergarten are counted as half-day pupils for purposes of school finance. In addition, each school district receives supplemental kindergarten enrollment in the amount of .08 of a full-day pupil for each kindergarten pupil. For FY15-16, the bill increases the supplemental kindergarten enrollment so that each school district can count a kindergarten student as a full-day student. Also, during the 2015-16 budget year, a school district can include in its pupil count all students who are eligible for enrollment in kindergarten, regardless of whether they are actually enrolled. A school district that does not actually provide a full-day kindergarten program during FY15-16 must use the revenues received from the supplemental kindergarten enrollment and all revenues received for students who are not enrolled in kindergarten to expand its kindergarten facilities. For FY16-17 and budget years thereafter, the bill increases the supplemental kindergarten enrollment so that a school district that provides a full-day kindergarten program can count as a full-day student each student who enrolls in the full-day kindergarten program. All other school districts receive the additional .08 of supplemental kindergarten enrollment for each student enrolled in kindergarten. A school district that counts students for a full day of kindergarten is no longer eligible to receive hold-harmless full-day kindergarten funding.
  - State Fiscal Impact: State Revenue: \*conditional General Fund - FY15-16 \$6.9M, FY16-17 \$59.9M / State Expenditures: General Fund - FY15-16 \$34.4M, FY15-16 \$34.4M

## **Other**

- HB15-1053 Ages for Compulsory Education (Sen. None / Rep. K. Ransom (R))
  - Status: House Committee on Education Postpone Indefinitely (01/26/2015)
  - Summary: Changes the ages of compulsory education to at least 7 years old and under 16 years old.
  - State Fiscal Impact: None

## **Parental Involvement**



- SB15-077 Parent's Bill of Rights (Sen. T. Neville (R) / Rep. P. Neville (R))
  - Status: House Committee on Public Health Care & Human Services Postpone Indefinitely (03/17/2015)
  - Summary: Creates a 'Parent's Bill of Rights' that sets forth specific rights of parents in regard to the education and physical and mental health care of their children. Specifically, the bill prohibits the state or any other government entity in Colorado from infringing upon the fundamental rights of a parent to direct the upbringing, education, and physical and mental health care of his or her child without first demonstrating that there is a compelling governmental interest and no less restrictive manner of doing so. The bill also requires school districts to develop and adopt policies to promote the involvement of parents of children enrolled in the district and to inform parents about procedures by which a parent can review curriculum, course materials, health records, assessment policies, etc. Restricts the ability of state employees and health care providers to provide physical or mental health care services without first obtaining the permission of the parent, except under limited emergency situations.
  - State Fiscal Impact: Potential workload increase

## PERA

- HB15-1388 SCORE Act For PERA Pension Obligation Bonds (Sens. C. Holbert (R), A. Kerr (D) / Reps. D. Pabon (D), B. Rankin (R))
  - Status: Senate Committee on Finance Postpone Indefinitely (05/05/2015)
  - Summary: The state and school divisions of PERA each have an unfunded accrued actuarial liability (UAAL), a shortfall in the amount of each division's assets needed, according to actuarial projections, to pay the benefits projected to be owed to each division's PERA members in the future. Current law requires state and school division employers to make amortization equalization disbursement (AED) payments and supplemental amortization equalization disbursement (SAED) payments in order to reduce and eventually eliminate the UAAL over a 30-year period. Section 3 of the bill authorizes the Colorado housing and finance authority (CHFA) to issue bonds and cause net bond proceeds to be deposited to the PERA state and school division trust funds if: 1) The Governor and the state treasurer have obtained an unappealable court judgment, which they are required to seek, that the issuance of bonds is constitutional; and 2) The Governor and the state treasurer certify that doing so will eliminate the UAALs sooner than would otherwise be the case. Section 4 of the bill creates state division and school division AED and SAED special revenue funds (special funds). If CHFA issues bonds: 1) PERA must enter into a contract with CHFA under which PERA agrees to make payments to CHFA to ensure that CHFA can repay the bonds; and 2) PERA must deposit AED and SAED payments that it receives into the special funds for the purpose of making payments to CHFA. Section 4 of the bill also creates an intercept program that allows the State Treasurer to make AED and SAED payments to PERA on behalf of a school division employer that fails to make such payments and to withhold monthly payments of state total program and county-collected property taxes from the school division employer to the extent necessary to cover the AED and SAED payments. The bill also generally specifies various requirements relating to the amount of bonds that may be issued and the manner of issuance and repayment.
  - State Fiscal Impact: State Revenue: If taxable CHFA bonds are issued, the act may increase state tax revenue / State Expenditures: If the AED and SAED employer contributions to the State and School divisions are insufficient for the PERA to make required payments on bonds, employer contributions may increase.

## Personnel

- HB15-1104 Educator Expenses State Income Tax Deduction (Sen. M. Johnston (D) / Rep. C. Navarro (R))
  - Status: Senate Committee on Appropriations Postpone Indefinitely (04/17/2015)

- Summary: In previous income tax years, the federal internal revenue code allowed eligible educators to deduct up to \$250 of any unreimbursed expenses that the educator paid or incurred for specified school supplies, materials, and equipment that the educator used in his or her classroom. The federal educator expense deduction expired in 2013 and is currently unavailable for the 2014 or future income tax years. The bill creates a state educator expense deduction and allows eligible educators to deduct the same unreimbursed expenses that they were previously allowed to deduct at the federal level from federal taxable income for state income tax purposes. Eligible educators may deduct the following amounts:
    - For the 2016 income tax year, up to \$250;
    - For the 2017 income tax year, up to \$500;
    - and
    - For the 2018 income tax year and each income tax year thereafter, up to \$750. An eligible educator is defined as a person who is a kindergarten through 12th grade teacher, instructor, counselor, principal, or aide employed in a school for at least 900 hours during a school year.
  - State Fiscal Impact: State Revenue: FY15-16 (\$353,522), FY16-17 (\$711,640), FY17-18 (\$720,891) / State Expenditures: FY16-17 \$85,199, FY17-18 \$126,858 / TABOR Set-Aside: FY15-16 (\$353,522), FY16-17 (\$711,640), FY17-18 (\$720,891)
- SB15-031 Reciprocity To Practice Occupation Or Profession (Sen. O. Hill (R) / Rep. None)
    - Status: Senate Committee on Business, Labor, & Technology Postpone Indefinitely (01/28/2015)
    - Summary: Current law allows a military spouse to practice an occupation or profession during the person's first year of residence in Colorado if the person is authorized to practice in another state, there is no basis to disqualify the person from practice, and the person consents to the jurisdiction of the disciplinary authority of the appropriate agency. The bill expands this practice to all persons during their first year of residence in Colorado.
    - State Fiscal Impact: Minimal impact
  - SB15-094 Employment Of Community College Faculty (Sen. J. Kefalas (D) / Rep. J. Salazar (D))
    - Status: Senate Committee on State, Veterans, & Military Affairs Postpone Indefinitely (01/26/2015)
    - Summary: Requires colleges in the state system of community and technical colleges, on and after a certain date, to classify as faculty all employees with teaching responsibilities, including part-time teaching responsibilities. Once classified as faculty, the employees will have the same responsibilities, benefits, and freedoms of regular faculty, commensurate with the employee's education, training, experience, and teaching skill, including participation in non-teaching activities and professional development, job security issues such as health care and retirement benefits, and access to due process, grievance procedures, and academic freedom.
    - State Fiscal Impact: State Expenditures - General Fund: FY15-16 \$506,875, FY16-17 \$97.1M

### **Postsecondary & Workforce Readiness / Career & Technical Education**

- HB15-1170 Increasing Postsecondary & Workforce Readiness (Sens. O. Hill (R), R. Heath (D) / Reps. T. Kraft-Tharp (D), J. Wilson (R))
  - Status: Sent to the Governor (05/11/2015)
  - Summary: Coordinates P20 postsecondary and workforce readiness programs statewide.
    1. Under current law, postsecondary and workforce readiness (PWR) and closing the achievement gap are 2 of the performance indicators that CDE must use to measure a public school's, a public school district's, the state charter school institute's, and the state's level of performance. Beginning in 2016-17, requires CDE to calculate PWR by including the percentage of high school graduates that enroll in any type of postsecondary education program in the school year immediately following graduation. Postsecondary enrollment information is obtained through a private data-sharing

agreement between the Departments of Education and Higher Education and indicated in aggregate for the purposes of ICAP implementation (as required by SB09-256).

2. Modifies the composition of school and district level accountability committees to include representation from business and industry.
  3. Creates the position of Postsecondary and Workforce Readiness Statewide Coordinator to work under the State Work Force Development Council and to partner with CDE through a memorandum of understanding. The PWR coordinator will partner with local education providers, businesses, industry, area vocational schools, community colleges, CDE, CDHE, and the Career and Technical Education Division within the Community College System to to raise the level of postsecondary and workforce readiness that Colorado high school graduates achieve, especially with regard to obtaining skilled career positions in business and industry upon high school graduation.
- State Fiscal Impact: State Expenditures: GF FY15-16 \$232,848, FY16-17 \$194,773 / FTE: FY15-16 1.7, FY16-17 1.6
- HB15-1190 Assistance To Public Schools For Career Pathways (Sen. None / Rep. J. Windholz (R))
    - Status: House Committee on State, Veterans, & Military Affairs Postpone Indefinitely (03/04/2015)
    - Summary: Requires the Colorado Workforce Development Council (state council) in the Department of Labor and Employment and the Department of Education to coordinate efforts to: 1) Provide technical assistance to schools regarding federal and state programs and statutory requirements relating to career and workforce opportunities; 2) Identify local industry and workforce needs; 3) Identify existing apprenticeship and training programs; 4) Develop resources for public schools to partner with industry sector partnerships; 5) Facilitate industry engagement in middle school and high school classrooms; 6) Work with other state agencies and industry to develop industry internships and opportunities for high school students; 7) Identify and share best practices for implementing career pathways and career-ready skills for students; and 8) Strengthen relationships with state agencies to be an effective point of contact for information and assistance to maximize opportunities for students. The bill requires the department of education and the state council to report annually on progress in the existing statutorily-required Colorado talent report.
    - State Fiscal Impact: State Expenditures: GF FY15-16 \$118,880, FY16-17 \$110,180 / FTE: FY15-16 0.9, FY16-17 1.0
    - Notes: Per an agreement between sponsors, this measure was postponed indefinitely and amended into HB15-1170.
  - HB15-1270 Pathways In Technology Early College High Schools (Sens. N. Todd (D), L. Woods (R) / Reps. C. Duran (D), M. Foote (D))
    - Status: Governor Signed (05/18/2015)
    - Summary: Authorizes the operation of a limited number of Pathways in Technology early college high schools (P-Tech schools) in the state.
      - A P-Tech school enrolls students in grades 9 through 14 in an educational program that focuses on science, technology, engineering, and mathematics (STEM). The P-Tech school combines high school and college-level course work with workplace educational experiences. A student who graduates from a P-Tech school is expected to graduate with a high school diploma and an associate degree in applied science.
      - To operate a P-Tech school, a local education provider must enter into an agreement with a community college and one or more employers.

- A P-Tech school is subject to the same accountability requirements as other public schools, and a P-Tech school's performance rating takes into account the employability of students who graduate from the P-Tech school.
    - A P-Tech school is funded through the school finance formula. Students enrolled in grades 9-12 are funded on the same basis as other high school students enrolled in public schools and students enrolled in grades 13 and 14 are funded at the same funding level as students who participate in the ASCENT program. Students enrolled in a P-Tech school are included in the district pupil enrollment as full-time students. In addition, students enrolled in grades 13 and 14 are eligible to receive a Colorado Opportunity Fund (COF) stipend.
  - State Fiscal Impact: State Expenditures: FY15-16 \$14,463, FY21-22 \$4.1M / FTE: FY15-16 0.2
- HB15-1271 Mobile Learning Labs Workforce Development (Sens. V. Marble (R), K. Donovan (D) / Reps. S. Lontine (D), M. Hamner (D))
  - Status: Governor Signed (05/13/2015)
  - Summary: Provides state funding for mobile learning labs, which provide employers with a flexible delivery option for on-site training. The mobile learning labs are modeled on a successful Pueblo Community College program.
  - State Fiscal Impact: No Fiscal Impact
- HB15-1274 Creation Of Career Pathways For Students (Sens. A. Kerr (D), L. Woods (R) / Reps. J. Melton (D), A. Garnett (D))
  - Status: Governor Signed (05/18/2015)
  - Summary: Directs the CO Workforce Development Council to design industry-driven, education-based career pathways for critical occupations in growing industries. The first 3 career pathways will be in construction and related skilled trades, information technology, and health care. The career pathways must include provisions that allow students to learn industry-related skills and obtain employment in the industry sector, including internship and apprenticeship opportunities, when relevant and available, as well as advance to higher levels of employment or education.
  - State Fiscal Impact: State Expenditures: FY15-16 \$572,003, FY16-17 \$585,217 / FTE: FY15-16 2.5, FY16-17 2.5
- HB15-1275 Career & Technical Education In Concurrent Enrollment (Sens. R. Heath (D), V. Marble (R) / Rep. F. Winter (D))
  - Status: Sent to the Governor (05/18/2015)
  - Summary: Permits concurrent enrollment course work to include apprenticeship programs and internship programs. Directs CCHE to create a tuition assistance program for students enrolled in CTE certificate programs. Allocates \$450,000 annually in financial aid for CTE certificate program students that meet the income eligibility requirements for the federal Pell grant.
  - State Fiscal Impact: State Expenditures: FY15-16 \$450,000, FY16-17 \$450,000
- HB15-1276 Skilled Worker Outreach, Recruitment and Training (Sens. J. Cooke (R), R. Heath (D) / Reps. D. Pabon (D), A. Williams (D))
  - Status: Sent to the Governor (05/18/2015)
  - Summary: Creates the Skilled Worker Outreach, Recruitment, and Key Training Grant Program within CDLE. Starting Jan. 1, 2016, the program accepts applications for matching grants from public and private providers of qualified skilled worker training programs. Qualified grant recipients offer training for skills

that are needed in the workplace, with a credential or other evidence of achievement awarded at the completion of training. The program is authorized to award up to \$3.3 million annually for 3 years.

- State Fiscal Impact: State Revenue: Potential minimal increase / State Expenditures: FY15-16 \$3.3M, FY16-17 \$3.3M, FY17-18 \$2.2M / FTE: FY15-16 2.0, FY16-17 2.0, FY17-17 2.0
  
- HB15-1349 Grow Your Own Teacher: A Colorado Initiative (Sen. J. Ulibarri (D) / Rep. R. Fields (D))
  - Status: Senate Committee on Education Postpone Indefinitely (05/04/2015)
  - Summary: As part of the concurrent enrollment and ASCENT programs, local education providers are encouraged to enter into an agreement with a teacher preparation program at institutions of higher education in Colorado to provide a grow your own teacher program. The program allows 11th and 12th grade high school students to take a college credit-bearing course or courses designed to increase the student's awareness of the teaching profession and opportunities to pursue teaching by taking a course affiliated with a college with an undergraduate teacher licensure program. Outlines the elements of a successful program, which elements include a year-long curriculum, student field experience teaching in elementary schools, and mentoring of students through the college selection and application process.
  - State Fiscal Impact: No fiscal impact
  
- SB15-082 County Workforce Development Property Tax Incentives (Sens. M. Hodge (D), V. Marble (R) / Reps. P. Lawrence (R), D. Moreno (D))
  - Status: Governor Signed (03/13/2015)
  - Summary: Authorizes Colorado counties to establish workforce development programs to provide financial assistance to the counties' high school graduates who pursue post-secondary education or training. Counties would be able to offer property tax credits or rebates to local taxpayers who contribute to the fund.
  - State Fiscal Impact: State Revenue: increase in higher education tuition revenues
  
- HB15-1382 Work Force Innovation & Opportunity Act (Sens. R. Heath (D), B. Martinez Humenik (R) / Reps. C. Duran (D), B. DelGrosso (R))
  - Status: Senate Committee on Business, Labor, & Technology Postpone Indefinitely (05/04/2015)
  - Summary: Changes the title of the Colorado Work Force Investment Act to the Colorado Work Force Innovation and Opportunity Act and aligns the current state statute with the federal Workforce Innovation and Opportunity Act.
  - State Fiscal Impact: No fiscal impact
  
- HB15-1146 Colorado Student Leaders Institute (Sen. N. Todd (D) / Rep. J. Wilson (R))
  - Status: Senate Committee on Education Postpone Indefinitely (04/15/2015)
  - Summary: Creates the Colorado student leaders institute, which is an annual, 4-week, summer residential educational program for students who have just completed 9th or 10th grade.
  - State Fiscal Impact: State Revenue: Possible gifts, grants & donations / State Expenditures - State Education Fund: FY15-16 \$356,260, FY16-17 \$363,034, FY17-18 \$454,429, FY18-19 \$465,386 / FTE: 1.2 annually
  
- SB15-290 Colorado Student Leaders Institute (Sen. N. Todd (D) / Rep. J. Wilson (R))
  - Status: Sent to the Governor (05/08/2015)
  - Summary: Creates the Colorado Student Leaders Institute, a competitive summer residential education program for high school students. The institute will operate for 4 weeks each summer on the campus of an

institution of higher education. At least 50% of participating students must be eligible for free or reduced-cost lunch, or would be the first generation in their immediate family to attend an institution of higher education. Students accepted to the institute attend without cost; however, each student is encouraged to donate up to \$400 to assist in meeting operational costs. Participation is limited to 100 students annually.

- State Fiscal Impact: State Revenue: gifts, grants & donations / State Expenditures - State Education Fund: \$258,825 annually / FTE: 1.0 annually
- HB15-1230 Innovative Industry Workforce Development Program (Sens. R. Heath (D), J. Cooke (R) / Reps. P. Lee (D), M. Foote (D))
  - Status: Sent to the Governor (05/18/2015)
  - Summary: The purpose of the program is to reimburse a business for one-half of its expenses related to a qualifying internship. A qualifying internship is one that: 1) Is in an innovative industry; 2) Is for at least 130 hours and lasts up to 6 months; 3) Allows students to gain valuable work experience in at least 2 specified occupational areas; 4) Pays the intern at least \$10 per hour; 5) Provides a mentor or supervisor that will work closely with the intern; 6) Is not for the purpose of meeting required residency or clinical hours for the intern; 7) Is with an innovative-industry business that has a physical operation facility in the state; 8) Is for a high school or college student, a resident who is a student at an out-of state college, or a recent graduate of either; and 9) Along with all other internships, constitutes less than 50% of the business's workforce located in the state.
  - State Fiscal Impact: State Expenditures: FY15-16 \$606,406, FY16-17 \$629,479 / FTE: FY15-16 1.0, FY16-17 1.3

## School Safety

- SB15-213 Waive Government Immunity For Acts Of School Violence, aka the 'Claire Davis School Safety Act' (Sens. B. Cadman (R), M. Scheffel (R) / Reps. D. Hulinghorst (D), C. Duran (D))
  - Status: Sent to the Governor (05/14/2015)
  - Summary: Allows school districts and charter schools to be held liable if they fail to exercise reasonable care in protecting students, faculty, or staff from reasonably foreseeable acts of violence while at the school or engaged in school activities. Applies only to incidents of school violence that include certain crimes, consisting of murder, first degree assault, and sexual assault. While school districts and charter schools may be held liable under the bill, individual teachers, administrators, and other employees may be held liable only if their acts or omissions are willful and wanton. The bill provides an exception to the Colorado Governmental Immunity Act (CGIA) when a school district or charter school is negligent in this duty. In such a case of negligence, a court may award up to \$350,000 for attorney fees and costs associated with the case, in addition to damages as allowed by the CGIA. However, expulsion or suspension on a student does not by itself support a finding of negligence. A plaintiff is able to compel the judicial discovery process, including disclosure of relevant school records, even if the school district or charter school does not answer the legal complaint in a way that would normally trigger the discovery process. The bill concerns incidents of school violence that occurred on or after the effective date of the bill. For incidents that occur before July 1, 2017, the bill allows discovery, but prohibits declaratory judgment or the award of damages.
  - State Fiscal Impact: Increases school district costs for liability and risk management, and increases administrative costs to implement policies and practices related to threats of school violence.
- SB15-214 Interim Committee School Safety & Youth in Crisis (Sens. M. Scheffel (R), B. Cadman (R) / Reps. C. Duran (D), D. Hulinghorst (D))

- Status: Sent to the Governor (05/14/2015)
- Summary: Creates the School Safety and Youth in Crisis Committee to: 1) Study issues relating to school safety and the prevention of threats to the safety of students, teachers, administrators, employees, and volunteers; 2) Evaluate programs and methods for identifying and monitoring students in crisis; 3) Develop standardized criteria for school personnel to use in assessing the potential threat posed by one or more students; and 4) Make recommendations to the Education committees of the General Assembly; 5) Implement the provisions of SB15-213. The committee shall meet at least 6 times each legislative interim and may meet as necessary throughout the year. Appointments shall be made on or before June 1, 2015 and repeals in 2019.
- State Fiscal Impact: State Expenditures: FY15-16 \$29,576, FY16-17 \$29,713 / FTE: FY15-16 0.3, FY16-17 0.3

## Tax Issues

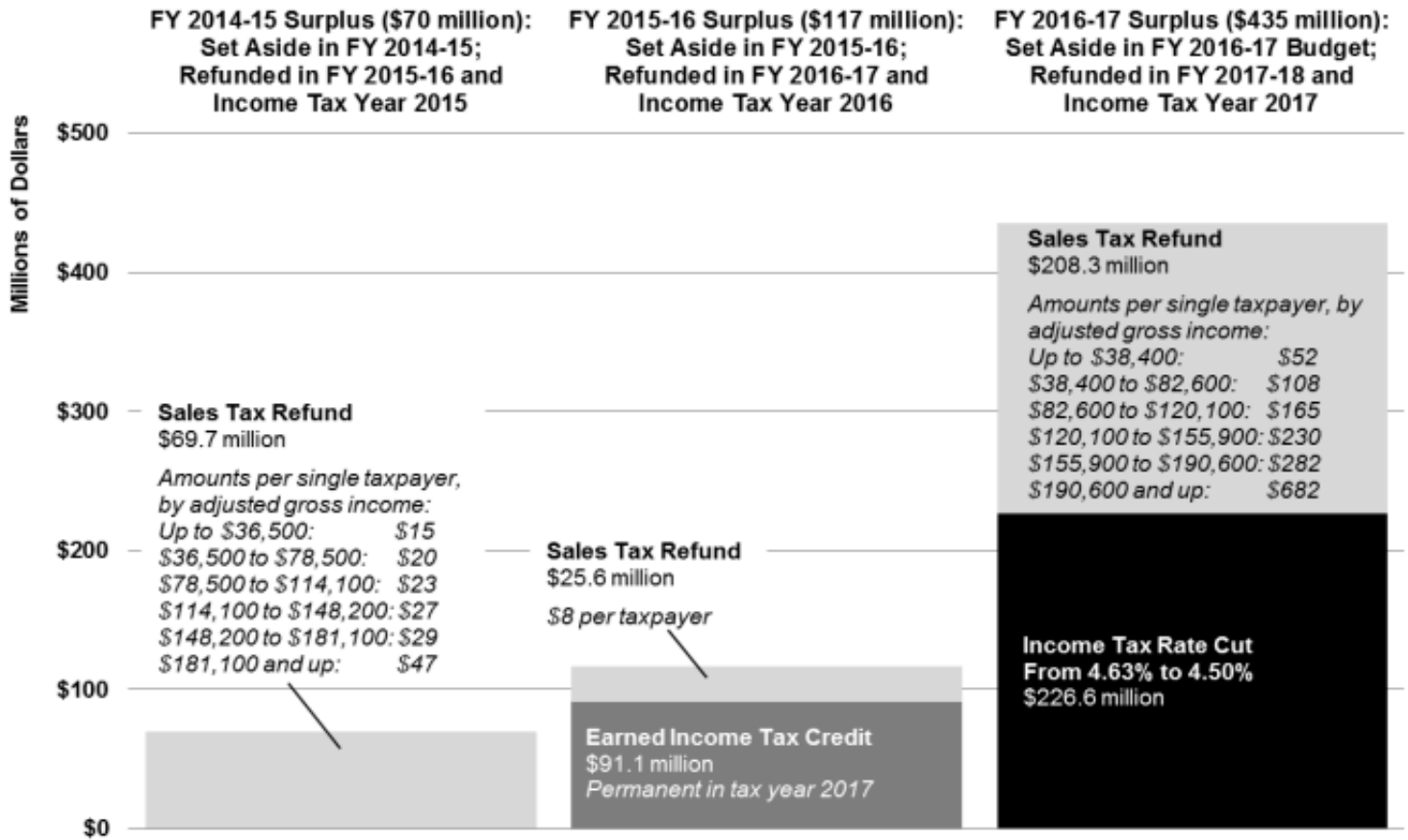
- HB15-1367 Retail Marijuana Taxes (Sen. P. Steadman (D) / Rep. M. Hamner (D))
  - Status: Sent to the Governor (05/18/2015)
  - Summary: Refers a ballot issue to voters on November 3, 2015, asking whether the state may retain and spend revenue collected from the Proposition AA excise and special sales taxes on retail marijuana in FY14-15. The bill creates a Proposition AA refund account (refund account) in the General Fund. If voters approve the ballot issue, the bill apportions the amount in the refund account for expenditure during FY15-16. If voters reject the ballot issue, the bill establishes mechanisms to refund the account to taxpayers in FY15-16.
  - State Fiscal Impact: State Revenue: FY15-16 (\$3.7M), FY17-18 (\$9.7M) / State Expenditures: FY15-16 \$126,065, FY16-17 \$240,470, FY17-18 (\$1,222,756) / FTE: FY15-16 1.0, FY16-17 2.0, FY17-18 2.0
- HB15-1374 Option To Invest TABOR Refund In State Services (Sen. P. Steadman (D) / Reps. L. Court (D), E. McCann (D))
  - Status: Senate Committee on State, Veterans, & Military Affairs Postpone Indefinitely (05/01/2015)
  - Summary: Requires the Executive Director of the Department of Revenue to include a line on the state individual income tax return form that allows each individual taxpayer to direct the state to invest all or a portion of the taxpayer's state sales tax refund in state services.
  - State Fiscal Impact: State Revenue: Possible increase / State Expenditures: FY15-16 \$18,160
- HB15-1389 Create New Hospital Provider Fee Enterprise Fund (Sen. P. Steadman (D) / Reps. D. Hullinghorst (D), L. Court (D))
  - Status: Senate Committee on State, Veterans, & Military Affairs Postpone Indefinitely (05/05/2015)
  - Summary: Creates the health care affordability enterprise (enterprise) as a type 2 agency and government-owned business within HCPF for the purpose of charging and collecting a new hospital provider fee that replaces the existing hospital provider fee and participating in the implementation and administration of the state hospital provider fee program (program) created by the Health Care Affordability Act of 2009 on and after July 1, 2016. Does not take effect if the federal centers for Medicare and Medicaid services determine that it does not comply with federal law. The enterprise is designated as an enterprise for purposes of TABOR so long as it meets TABOR requirements. Specifies that unlike hospital provider fees charged and collected by HCPF before July 1, 2016, so long as the enterprise qualifies as a TABOR exempt enterprise, new hospital provider fee revenue does not count against either the TABOR state fiscal year spending limit or the referendum C cap, the higher statutory state fiscal year spending limit established after the voters of the state approved referendum C in 2005. Clarifies that termination of the authority of HCPF to charge and collect hospital provider fees and creation of a new enterprise to charge and collect a

new hospital provider fee does not constitute qualification of an enterprise for purposes of TABOR or state law and therefore does not require or authorize downward adjustment of the TABOR fiscal year spending limit or the referendum C cap.

- State Fiscal Impact: State Revenue: FY16-17 \$5.3M
- Notes: Key stakeholders, including K12 education and transportation, came together to support HB15-1389 in an effort to free up future state revenues from Colorado's restraining fiscal policies. HB15-1389 would have exempted over \$600 million per year from the state's revenue totals, therefore eliminating TABOR refunds to the taxpayers for the foreseeable future. The measure was introduced in the last week of session and legislators expressed concern about the lack of time to fully consider the proposal. Discussions about what types of funds should be subject to the TABOR spending limits are ongoing.

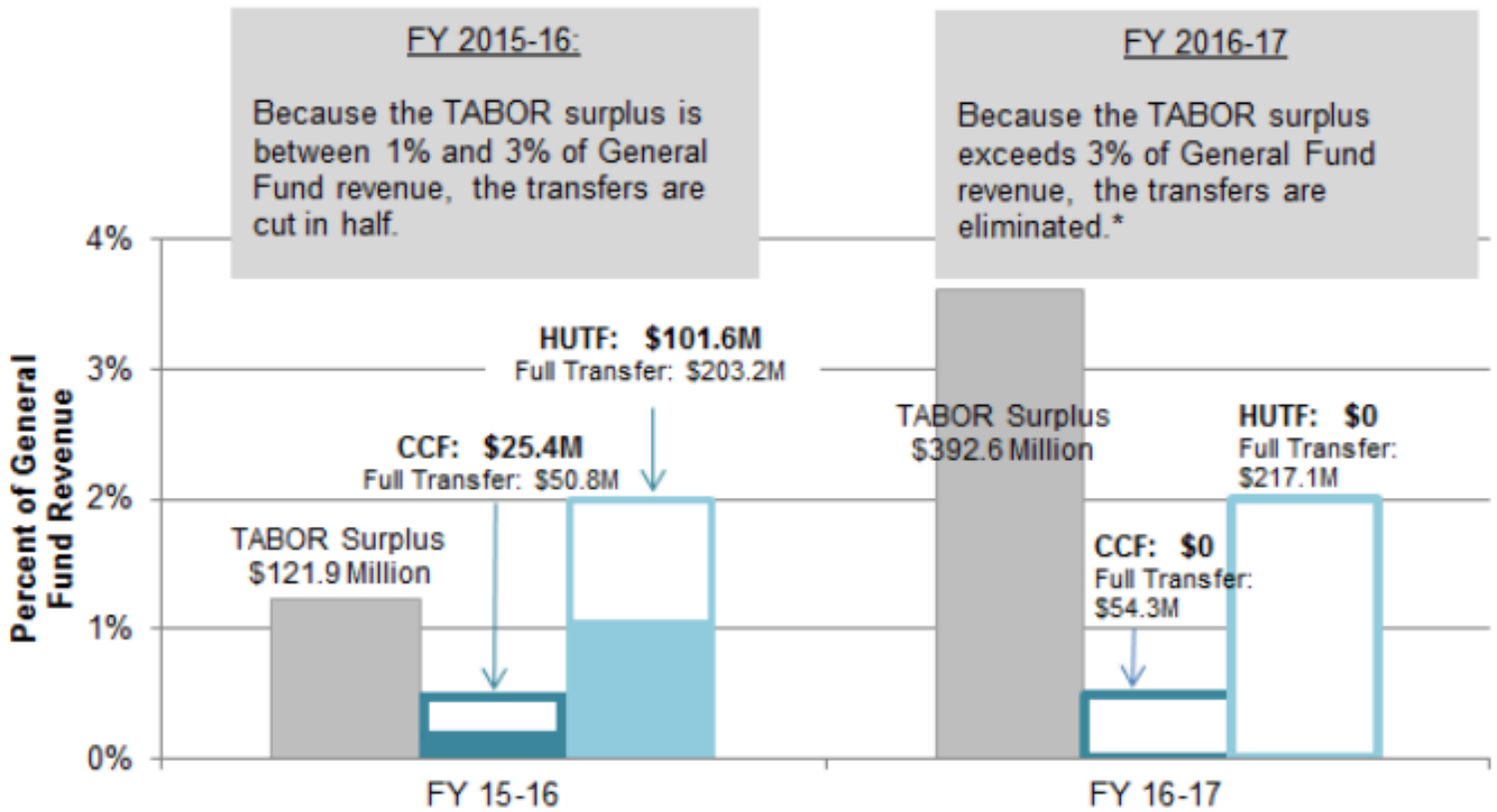


**Figure 1. TABOR Refunds Expected for FY 2015-16, FY 2016-17, and FY 2017-18**



Source: March 2015 Legislative Council Staff Forecast.

**Figure 1. Projected SB 09-228 Transfers, FYs 2015-16 and 2016-17**



Source: Legislative Council Staff forecast, September 2014.

\*The September 2014 Office of State Planning and Budgeting forecast predicts that transfers will be cut in half during both FY 2015-16 and FY 2016-17.