CTE
2013 Legislative Session
Digest of Activity

Legislative Facts
- The 69th General Assembly convened Wednesday January 9, 2013, and adjourned Wednesday May 8, 2013.
- 613 bills were introduced this session.
- Legislative Leadership
  o Senate Democrat Majority (20 members)
    ▪ President: Sen. John Morse (Colorado Springs)
    ▪ President Pro Temp: Sen. Lucia Guzman (Denver)
    ▪ Majority Leader: Sen. Morgan Carroll (Aurora)
    ▪ Assistant Majority Leader: Sen. Irene Aguilar (Denver)
    ▪ Majority Caucus Chair: Sen. Gail Schwartz (Snowmass)
    ▪ Majority Caucus Whip: Sen. Jeanne Nichols (Gilpin)
  o Senate Republican Minority (15 members)
    ▪ Minority Leader: Sen. Bill Cadman (Colorado Springs)
    ▪ Assistant Minority Leader: Sen. Mark Scheffel (Parker)
    ▪ Caucus Chair: Sen. Scott Renfroe (Greeley)
    ▪ Minority Whip: Sen. Kevin Grantham (Canyon City)
  o House Democrat Majority (37 members)
    ▪ Speaker of the House: Rep. Mark Ferrandino (Denver)
    ▪ Majority Leader: Rep. Dickie Lee Hullinghorst (Boulder)
    ▪ Assistant Minority Leader: Rep. Dan Pabon (Denver)
    ▪ Caucus Chair: Rep. Lois Court (Denver)
    ▪ Deputy Caucus Chair: Rep. Dominick Moreno (Adams)
    ▪ Caucus Whip: Rep. Beth McCann (Denver)
    ▪ Deputy Caucus Whip: Rep. Su Ryden (Aurora)
  o House Republican Minority (28 members)
    ▪ Minority Leader: Rep. Mark Waller (Colorado Springs)
    ▪ Assistant Majority Leader: Rep. Libby Szabo (Arvada)
    ▪ Caucus Chair: Rep. Kathleen Conti (Littleton)
    ▪ Caucus Whip: Rep. Kevin Priola (Henderson)

- Committees of Reference
  o House Education Committee
    ▪ Rep. Millie Hamner (D--Summit), Chair
    ▪ Rep. Cherylin Peniston (D--Adams), Vice-Chair
    ▪ Rep. John Buckner (D--Aurora)
    ▪ Rep. Rhonda Fields (D--Aurora)
    ▪ Rep. Brittany Pettersen (D--Jefferson)
    ▪ Rep. Lois Court (D--Denver)
    ▪ Rep. Dave Young (D--Greeley)
Rep. Justin Everett (R--Jefferson)
Rep. Chris Holbert (R--Douglas)
Rep. Lois Landgraf (R--Jefferson)
Rep. Carole Murray (R--Douglas)
Rep. Kevin Priola (R--Henderson)
Rep. Jim Wilson (R--Salida)

Senate Education Committee
- Sen. Evie Hudak (D--Jefferson), Chair
- Sen. Michael Johnston (D--Denver), Vice Chair
- Sen. Rollie Heath (D--Boulder)
- Sen. Andy Kerr (D--Jefferson)
- Sen. Nancy Todd (D--Aurora)
- Sen. Owen Hill (R--Colorado Springs)
- Sen. Vicki Marble (R--Fort Collins)
- Sen. Scott Renfroe (R--Greeley)
- Sen. Mark Scheffel (R--Douglas)

Joint Budget Committee
- Sen. Pat Steadman (D--Denver), Chair
- Sen. Mary Hodge (D--Brighton)
- Sen. Kent Lambert (R--Colorado Springs)
- Rep. Claire Levy (D--Boulder), Vice Chair
- Rep. Crisanta Duran (D--Denver)
- Rep. Cheri Gerou (R--Jefferson)

Bills by Subject

2012-13 Budget
- SB13-087 - Supplemental Appropriation for Department Of Education (Sen. P. Steadman (D)/ Rep. C. Levy (D))
  - Governor Signed (02/19/2013)
  - SB13-087 makes a number of supplemental funding transfers and appropriations to the Department of Education and Charter School Institute, totaling $76,098,637 in adjustments of state and federal funds for Fiscal Year 2012-13.
- SB13-090 - Supplemental Appropriation Department Of Higher Education (Sen. P. Steadman (D)/ Rep. C. Levy (D))
  - Governor Signed (02/19/2013)
  - SB13-090 adds an additional $9.3 million in revenue to the state allocation for higher education. The JBC also approved an increase funding for higher education institutions by $30 million above last year's $513 million state funding amount. This increase results in a 2.8% increase in per-student funding.
- SB13-108 - Mid-year School Finance Adjustments (Sen. P. Steadman (D)/ Rep. C. Gerou (R))
  - Governor Signed (04/08/2013)
  - CDE requested and the JBC approved a request for $13.3 M in state funds, which included a $7.1 M increase in total program spending (including both the state and local shares) to account for increases in the funded pupil count, the at-risk pupil count, and the ASCENT (5th year concurrent enrollment program) pupil count. The increased pupil count and at-risk pupil count result in a higher than anticipated total program funding calculation prior to the application of the negative factor. $6.2 M in additional state funding was included to adjust for a $6.2 M decrease in available local revenues.
• The funded pupil count was higher (by 438.7 pupils or 0.05%) than anticipated in the original appropriation, which would require additional funding to maintain the anticipated statewide average per pupil funding.
• The at-risk pupil count was higher (3,862.3 pupils or 1.3%) than anticipated. Under the School Finance Act, absent the negative factor, an increased at-risk count would increase statewide average per pupil funding.
• The amount of local revenue available to districts is lower ($6.2 M or 0.3%) than anticipated.
  o Participation in the ASCENT program was higher (76.5 pupils or 37.3%) than the General Assembly approved for the FY 12-13 budget. Current law provides a fixed amount per ASCENT student of $5,910.68 for the current fiscal year for 205 ASCENT participants statewide, but CDE has approved 281.5 participants. SB13-108 clarifies that the State Board of Education shall not designate more ASCENT participants in a given year than are approved in the annual Long Bill.

2013-14 Budget

  o Governor Signed (04/29/2013)
  o After six months of analyzing every state department and agency, the Joint Budget Committee introduced the state budget, otherwise known as the ‘long bill’ due to its number of pages.
  o School Counselor Corps Grant Program: Established in 2008, this competitive grant program provides grants to school districts, boards of cooperative services, and charter schools to increase the availability of effective school-based counseling within secondary schools. The stated goal of the program is to increase the state graduation rate and to increase the percentage of students who appropriately prepare for, apply to, and continue into postsecondary education. Subject to available appropriations, the State Board awards three-year grants based on statutory criteria. The State Board is required to give priority to schools at which the dropout rate exceeds the statewide average.
  • A total of 90 schools received grants through the first grant cycle, which ended in FY 2010-11, and some of those schools received additional performance awards. According to the Department, a total of 78 schools have been selected for grants in the second cycle, which began in FY 2011-12.
  • Staff recommended the continued request for an appropriation of $5 million cash funds from the State Education Fund. As in prior years, JBC staff remains concerned about the program’s ability to ensure that recipient schools continue to fund increased services supported by the grants after grant funding expires. However, based on concerns that the General Assembly expressed last year, the Department is planning changes to the program during the 2013 interim and may recommend legislative changes to the program for the 2014 Legislative Session.
    o Increases $101.1 million total funds, including $81.4 million General Fund, for the state share of school districts’ total program funding to increase statewide average per pupil revenues by the rate of inflation 1.9%.
    o Increases $13.0 million cash funds from the Public School Capital Construction Assistance Fund to support lease purchase payments under the Building Excellent Schools Today (BEST) program.
    o Increases $4.6 million cash funds from the State Education Fund to support the constitutionally required 1.9% increase in state funding for categorical programs based on the rate of inflation.
    o Increases $4.2 million cash funds from the State Education Fund to support the continued development and administration of statewide standardized assessments that are aligned with current academic standards.
    o Increases $3.4 million total funds, including $1.0 million General Fund, for adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; merit pay; salary survey; short-term disability; supplemental state contributions to the
Public Employees' Retirement Association (PERA) pension fund; vehicle lease payments; workers' compensation; legal services; and payment to risk management and property funds.

- Provides $2.0 million General fund to reinstate the State Grants to Publicly-Supported Libraries Program.
- Also provides spending authority from the associated cash fund to support the program.
- Increases $0.6 million General Fund and 3.2 FTE to provide additional resources and staff to improve the Department’s accountability and improvement planning efforts pursuant to S.B. 09-163.
- Decreases $6.4 million cash funds from the State Education Fund to eliminate one-time funding for educator effectiveness implementation under S.B. 10-191.
- Decreases $3.2 million federal funds to reflect anticipated available revenues.

- SB13-260 - Financing Of Public Schools (Sen. E. Hudak (D), P. Steadman (D)/ Rep. M. Hamner (D)) – T
  - Governor Signed (05/17/2013)
  - This year’s school finance act was almost an afterthought after the majority of the legislative focus for school funding was on SB 13-260 Future School Finance. With the increase in revenues reported in the March 2013 forecast and the Colorado economy starting to recover, the education stakeholder was optimistic that the General Assembly would choose to substantially increase funding to K-12. With the increase in student populations overall and in at-risk, the negative factor for fiscal year 13-14 grew by $34 million.
  - The legislature chose to appropriate funding in SB 13-234 Obligation to Pre-Pay Unfunded Liability with the Fire and Police Pension Association using revenue that was to be swept into the State Education Fund prior to the sweep happening. The General Assembly made a $132 million lump sum payment toward the unfunded liability of old hire pension plans affiliated with the Fire and Police Pension Association (FPPA) and satisfying all outstanding state liabilities. The General Assembly will make payments to the State Education Fund for a total of $171.6 million in FY 2013-14 through FY 2018-19 to account for the lost revenues including interest.
  - There was also a debate over whether additional funding available should be spent on under-funded existing programs or on new programs. In the end, some new programs like were funded and some existing programs, such as additional categorical funding for Special Education, additional preschool slots for at-risk 3 and 4-year olds, and additional buy-down of the negative factor were part of the compromise.
  - General:
    - The statewide base per pupil funding is increased to $5,954.28 to account for a 1.9% inflation rate.
    - For the 2013-14 budget year and each budget year thereafter, a district's funded pupil count will not be less than 50 pupils.
    - Overall funding for School Finance Total Program is $5,505,332,024.
  - Negative factor: $40 million. For the 2013-14 budget year, the general assembly added $35 million to the buy-down of the negative factor, plus an additional $5 million that was redirected when the Expanding quality incentive program was removed on the Senate floor.
  - Charter school capital construction: $1 million. The appropriation from the state education fund for charter school capital construction costs is increased to a total of $7 million.
  - "READ Act" funding: $16.6 million. The bill eliminates the provision that authorizes the early literacy fund to receive a transfer from the public school fund and, for the 2013-14 budget year and each budget year thereafter, requires the state treasurer to annually transfer $16 million from the state education fund to the early literacy fund for purposes of the "READ Act". This provides a more stable funding source for district funding for early literacy assessments passed in the 2012 session.
  - Educator effectiveness: $200,000. For the 2013-14 fiscal year, the bill requires the state treasurer to transfer $200,000 to the great teachers and leaders fund from the state education fund for second tier educator evaluation conversations.
o **Special Education Funding: $20 million.** The legislature has set Tier B special education funding, those children with one or more specific disabilities, at $6,000 per child, but the funding has never been allocated to reach that figure. In fact, on average only $990/student is appropriated. For the 2013-14 budget year and each budget year thereafter, the appropriation for special education is increased by $20 million and is required to be used for Tier B special education funding. These additional funds will almost double the current Tier B funding levels.

o **Colorado preschool program additional slots.** The Colorado preschool program (CPP) serves children from ages 3 to 5 who lack overall learning readiness due to one or at-risk more factors. For the 2013-14 budget year and each budget year thereafter, the bill increases the number of children who may participate in CPP by 3,200 for a total of 23,360 children who may participate in CPP statewide. The bill allows school districts to serve the total number of additional children eligible to participate in CPP pursuant to the bill with either a half-day or full-day of preschool through the CPP or through a full-day of kindergarten through preexisting school district full-day kindergarten programs. If a district receives supplemental kindergarten funding, but chooses to use additional CPP slots to provide a full-day kindergarten opportunity, the district may retain the supplemental kindergarten funding to further support the identified student.

o **"BEST Act".** The bill excludes from the definition of "public school lands income" the income received from bonus payments between July 1, 2012, and June 30, 2016, under the terms of the oil and gas development lease for the Lowry Range property entered into in March 2012.

o **Quality teacher recruitment: $3 million.** The bill requires the department of education to contract with at least one organization to create a quality teacher recruitment program for the state to recruit, select, train, and retain highly qualified teachers to teach in schools and school districts in Colorado that can demonstrate historic difficulty in recruiting and retaining highly qualified teachers. The department must select a vendor that commits to working with one or more districts in the state for at least 2 years to recruit highly qualified teachers; has a documented history of recruiting, training, and retaining highly qualified teachers in areas of Colorado or in other states that have had historic difficulty in recruiting and retaining highly qualified teachers; and commits to matching 100% of any moneys paid to the vendor through the contract. The department must contract with a third party to evaluate the recruitment program and to submit a report to the department regarding the progress of the vendor based on the same specified data and performance metrics.

o **Nationally board certified teachers: $1.3 million.** The department of education is required to award an annual stipend to a teacher or principal holds a certification from the national board for professional teaching or principal standards. The bill increases the appropriation from the state education fund for the stipends by $1,339,200.

o **Facility Schools Increase: $1 million.** Increases the funding from 1.34 to 1.74 weight or facility schools. Funding is taken from audit recovery.

o **Potential revenue Sweep.** 75% of revenues above what is required statutorily for reserves and the current long bill will be swept into the State Education Fund at the end of the 13-14 fiscal year.

  - House 3rd Reading Passed (05/06/2013)
  - SB13-268 removes some of the reporting and data collecting burdens on state departments and legislative staff when programs are funded by gifts, grants or donations. As finally adopted, bill limits annual reporting by state agencies to only include reports on government functions that rely entirely on grants from nongovernmental entities.

**2015-2016 School Funding**
- SB13-213 - Future School Finance Act (Sen. R. Heath (D), M. Johnston (D)/Rep. M. Hamner (D))
Governor Signed (05/21/2013)

This bill dominated the entire 2013 legislative session, with dialog and conversations beginning in May of 2011, with the creation of the School Finance Partnership, a coalition of business leaders, education association leaders, and education reform proponents who all agreed changes needed to happen in school funding, and led by the Colorado Children’s Campaign. The group was funded through private foundation dollars to explore different structures and other state formulas for public school funding.

The Steering Committee is composed of the following organizations and individuals:

• Colorado Association of School Boards, represented by Ken DeLay
• Colorado Association of School Executives, represented by Bruce Caughey
• Colorado Education Association, represented by Tony Salazar
• Colorado Forum, represented by Kara Veitch
• Colorado Legacy Foundation, represented by Helayne Jones
• Colorado Succeeds, represented by Tim Taylor
• Denver Metro Chamber, represented by Kelly Brough
• Donnell-Kay Foundation, represented by Tony Lewis
• Great Futures Colorado, represented by Lisa Weil
• Early Childhood Education Representative, Barbara O’Brien (Piton Foundation)
• Higher Education Representative, Paul Teske (University of Colorado – Denver, School of Public Affairs)
• State Representative Tom Massey (HD 60)
• State Senator Mike Johnston (SD 33)
• Chair – Colorado Children’s Campaign President and CEO, Chris Watney
• Chair – Denver CFO and Former State Treasurer, Cary Kennedy
• Chair – President and Owner of Office Scapes, Bob Deibel

The Partnership issued a report with recommendations in March of 2012. Those recommendations consisted of broad areas where the group was able to reach consensus; details were left to be discussed during the legislative process.

• Accountability
  
  A.1. Guiding Principle: Low-performing districts should come under more oversight than high-performing districts.
  
  A.2. Guiding Principle: The state should encourage districts to develop allocation methods in which a portion of funding follows students to the public schools they attend.
    
    A.2.1. School leaders should have a large role in budgeting and resource allocation within their schools.
    
    A.2.2. The state should ensure that expenditures at the state-, district- and school-levels are publicly available for review. Funding to build the capacity for districts to accomplish this transparency should be provided through the State
Education Funding System. The purpose of this is to compare district and school expenditures. Note: This is a modification of the Transparency Act (§44-22-301 C.R.S. (2010)).

✓ A.2.3. The state should ensure that additional funding for student characteristics is spent on those students or programs.

➢ A.3. Guiding Principle: The State Education Funding System should support quality early childhood education to ensure kindergarten readiness and ease transitions through the system so that all students are college and career ready and are prepared to successfully move into postsecondary and/or workforce programs.

✓ Early Childhood Education

✓ A.3.1. The State Education Funding System should provide for full-day kindergarten for all families who choose it.

✓ A.3.2. The State Education Funding System should provide for full-day, quality preschool for all at-risk 4-year-olds.

✓ A.3.3. The State Education Funding System should provide for half-day, quality preschool for all at-risk 3-year-olds.

✓ A.3.4. Funding for preschool in the State Education Funding System should recognize that community preschool providers are a critical component of the state’s preschool delivery model.

✓ Higher Education: Investing in Colorado’s Workforce Development

✓ A.3.5. The state should fund concurrent enrollment, early college and 5th year programs based on the principle of no cost to students and no harm to partnering districts, schools and higher education institutions.

✓ A.3.6. The state should ease transitions to higher education by providing high school students with the opportunity to take college courses and accumulate college credits, up to and including an Associate Degree, while still being funded through local school districts for up to five years of high school.

• Local Autonomy and Flexibility

➢ B.1. Guiding Principle: In order to encourage innovation and allow districts the autonomy to address unique situations, the State Education Funding System should provide districts and schools with as much fiscal flexibility as possible to meet educational outcomes.

✓ B.1.1. The state should create a pool of money to be competitively allocated as seed funding and technical assistance to schools and districts for the design, development, planning and evaluation of innovative programs that improve student outcomes. Note: This might entail two separate pots of funds for different-sized districts.

• Mastery-Based Learning

➢ B.2. Guiding Principle: The School Finance Act should encourage student advancement based on mastery of content areas, rigorous pace and challenge levels, the flexibility for different delivery models at the school and district levels, and innovation to achieve these ends. The School Finance Act should also create direct linkages to the current school accountability system. Mastery should not preclude the social and emotional development needs of students.

• Student and District Characteristics

➢ C.1. Guiding Principle: Equitable funding to school districts must address the unique and special needs and challenges faced by districts and the students they serve.

➢ Adjustments for Student Characteristics
✓ C.1.1. The State Education Funding System should provide additional resources for students with limited English proficiency in order to close the achievement gap and ensure these children graduate from high school prepared for college and careers.
✓ C.1.2. The State Education Funding System should provide additional resources for students living in poverty in order to close the achievement gap and ensure these children graduate from high school prepared for college or careers.

➢ Adjustments for District Characteristics
✓ C.1.3. The State Education Funding System should recognize the different resources necessary to attract and retain high-quality personnel in different geographic regions across the state.
✓ C.1.4. The State Education Funding System must address district variances created by size and geography, but also account for a regional service delivery model.
✓ C.1.5. In making funding adjustments, the state should use the most recent and research-supported data and methodology that best achieve state goals.

➢ Special Education
✓ C.1.6. The State Education Funding System should provide adequate revenue for districts to address the needs of special education students in a way that does not incentivize districts to over-identify those students.
✓ C.1.7. The State Education Funding System should fund proactive, research-based, early interventions to limit the need for special education services.

➢ Allocating the Funding
✓ C.1.8. Contingent on additional resources, the State Education Funding System should allocate funds equitably based on accurate student counts throughout the year.

➢ Capital, Transportation and Regional Service Delivery
✓ C.1.9. The state should provide needs-based, means-tested, matching grants to school districts to address school facility needs.
✓ C.1.10. The state should provide funding to help mitigate the cost burden of student transportation.
✓ C.1.11. The State Education Funding System should establish a robust regional delivery structure that delivers consistent, efficient and high-quality service to every student with the recognition of a balance between standardization and innovation. Examples include, but are not limited to: purchasing, ELL programs, professional development, innovation, human resources, special education, technology/IT support and curriculum/instructional pooling.

➢ Other Student Characteristics and Programs
✓ C.1.12. The State Education Funding System should account for other differences that require different funding levels such as vocational education, gifted and talented programs, academically behind and concurrent enrollment.

• Tax Restraints and Inequities
✓ C.2. Guiding Principle: There are three areas of inequity in the tax structure that the School Funding System needs to address: District to District, State to Local and Residential to Non-Residential.
  ➢ C.2.1. The tax structure supporting the state’s school funding system should be made more equitable.

• Sufficient
✓ D.1. Guiding Principle: The State Education Funding System should provide revenue sufficient for districts to meet state standards as well as assessment, accountability
and evaluation expectations. We support a longer pipeline that starts in early childhood, blurs the lines with higher education and includes a wider array of educational programs.

- D.1.1. The State Education Funding System should adequately meet the needs of districts to attract, retain and support the needs of high-quality educators to achieve the state’s educational goals.
- D.1.2. The state should provide full funding for the development and initial implementation of the teacher evaluation system.
- D.1.3. In order to provide a 21st-century learning environment for students, the State Education Funding System should provide for technology.
- D.1.4. Colorado voters should be asked to support both a tax and revenue structure, as defined by the School Finance Partnership recommendations. This would include constitutional changes addressing the conflicts among TABOR, Gallagher and Amendment 23 to ensure sustainability of the recommendations as well as ensure the constitutional guarantee of a thorough and uniform system of free public schools.

- During the summer and fall of 2013, Sen. Michael Johnston in conjunction with the Colorado Children’s Campaign held a series of ‘technical advisory group’ (TAG) meetings on different topics, such as weighted funding, categorical funding, student counts, special education funding, and early childhood education. Anyone interested in the conversation was welcomed to attend and participate. In addition, Sen. Johnston and his staff traveled the state meeting with various school districts and communities.

- While many conversations and concerns were discussed, very few school districts and traditional education stakeholders were prepared for the draft of the bill that was released in mid-February. It was clear from the varied positions of school districts, business organizations, and educational organizations that there is not a united consensus on this bill or the ballot issue that will be necessary to fund this bill, which isn’t even contained in the bill. Most groups supported the larger goals behind the bill of increased funding to K-12 in general for full-day kindergarten, at-risk students defined as free/reduced lunch, English language learners, and special education. School districts such as Greeley, Sheridan, and Colorado Springs area supported the bill based on the large increases per student those districts stand to receive. The Denver Chamber of Commerce supported the bill and added that they would also support the redistribution of resources without a tax increase; the South Metro Chamber of Commerce also opposed the bill. The Children’s Campaign, Stand for Children, and Democrats for Education Reform all supported the bill. Cherry Creek, Littleton, Boulder Valley, Jefferson County, Greeley, Consortium of Special Education Directors, CO Association of School Boards, CO Association of School Executives, and CO Education Association voiced concerns due to large decreases in funding happening prior to any funding being added, inequitable funding increases for similar situated schools and students in poverty, an initial mandatory sharing on a pro-rata basis of local mill levy overrides with charter schools or face elimination of exclusive chartering authority, undermining of a local school board’s authority to negotiate special education services with charter schools and other services, and an inadequate base to support a student without any special needs or additional support. Falcon and Mesa school districts had concerns with the original concept, along with 23 school districts, which are primarily rural, that will be required to raise the local mill levies in order to maintain funding levels set under the bill.

- Veteran legislators with extensive experience in education were upset about not being invited to participate in the process of developing a new school finance act. Senators Evie Hudak, Nancy Todd, and Andy Kerr were the first legislators to discuss the bill with the sponsors and fellow colleagues, Senators Michael Johnston and Rollie Heath. Significant gaps in funding among neighboring school districts or similarly situated schools with the same percentage of free/reduced lunch and English language learner populations in different districts was an issue voiced early in the process. The loss of $950 million due to the elimination
of the cost-of-living factor in the current formula was never discussed in the multiple meetings, nor was the rationale behind the elimination supported in recommendations or the majority of stakeholders. Finally, the creation of $100 million Innovation Fund rather than dedicating funding directly towards public schools was a major source of conversation.

- Continued conversations and compromises happened throughout the remainder of the legislative session to reach consensus on the issues within the bill to where the majority of stakeholders were either in support or neutral on the bill. SB 13-213 is the most significant change to school funding since the current act was created in 1994. Consensus was important due to the monumental effort that will be required in order to pass a $1 billion statewide issue to implement SB 13-213.

**Summary of SB 13-213**

The bill is contingent on an unspecified statewide ballot measure increasing state revenue for K-12 education. The revised bill specifies that the ballot measure must increase state tax revenue for K-12 education by at least the amount needed to pay for the state share of total program, hold-harmless funding, floor funding, and the teaching and leadership investment. This amount is currently estimated at $870 million. The amount of revenue generated from such a measure is unknown at this time, however, it would need to increase state tax revenue by about $1.12 billion to pay for all the school finance expenditures estimated in this fiscal note and the other appropriations identified in the legislative declarations in the bill.

<table>
<thead>
<tr>
<th>School Finance Elements</th>
<th>Current Law</th>
<th>SB 13-213 Final Passage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Funded Pupil Count</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Enrollment Averaging</strong></td>
<td>Averaging over 5 years</td>
<td>ADM averaging over 5 years</td>
</tr>
<tr>
<td><strong>Kindergarten</strong></td>
<td>0.58 FTE for kindergarten students</td>
<td>1.0 FTE for full-day kindergarten</td>
</tr>
<tr>
<td><strong>Colorado Preschool Program</strong></td>
<td>20,180 half-time preschool slots for children eligible for the Colorado Preschool Program (CPP)</td>
<td>Half-day preschool for three-, four-, and five-year olds who are eligible for the CPP</td>
</tr>
<tr>
<td><strong>Funding Formula</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Base</strong></td>
<td>Statewide base per pupil amount</td>
<td>Statewide base per pupil amount</td>
</tr>
<tr>
<td><strong>Cost-of-Living Factor</strong></td>
<td>Base adjusted by $950M cost-of-living factor which gives districts with a higher cost of living additional funding with a higher cost of living additional funding</td>
<td>None due to a new formula</td>
</tr>
<tr>
<td><strong>Size Factor</strong></td>
<td>Base adjusted by size factor which gives smaller districts additional funding additional funding</td>
<td>Base adjusted by current law size factor for districts with fewer than 4,023 students.</td>
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<tr>
<td><strong>At-Risk Students and English Language</strong></td>
<td>Additional funding for districts with at-risk concentrations of students between 12% up to a maximum of 30%. &quot;At-risk&quot; is defined as students who qualify for free lunch or are English language learners, but they are only in the formula once.</td>
<td>At-risk student and ELL funding depends on the district’s percentage of at-risk and ELL students relative to the statewide average. A school will receive at least 20% of the statewide base per pupil amount for each at-risk and ELL student a school serves, which increases up to 40%, if the school exceeds the statewide average.</td>
</tr>
<tr>
<td><strong>Online and ASCENT Students</strong></td>
<td>Students receive the statewide base per pupil amount, which increases by inflation each year. In FY 2013-14, the base per pupil amount is $5,954.</td>
<td>Students receive a fixed per pupil amount, estimated at $6,021 in FY 2013-14, which increases by inflation each year.</td>
</tr>
<tr>
<td><strong>Floor Funding</strong></td>
<td>Floor-funded districts receive a minimum of 95% of the statewide base.</td>
<td>Floor-funded districts receive a minimum of 95% of the statewide average.</td>
</tr>
<tr>
<td><strong>Negative Factor</strong></td>
<td>A percentage reduction that is applied to each district’s total program amount.</td>
<td>No longer acknowledged due to a new formula, but not restored.</td>
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<tr>
<td><strong>Teaching and Leadership Investment (TLI)</strong></td>
<td></td>
<td></td>
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<tr>
<td><strong>Initial Investment</strong></td>
<td>None</td>
<td>The bill initially provides $441 per pupil as a teaching and leadership investment (TLI) for all districts and CSI schools.</td>
</tr>
<tr>
<td><strong>Online and ASCENT</strong></td>
<td>None</td>
<td>Online and ASCENT students are excluded from receiving the TLI.</td>
</tr>
<tr>
<td><strong>Out-year Investment</strong></td>
<td>None</td>
<td>In FY 2016-17 and subsequent years, if the amount of tax revenue generated from the measure grows, money will first be used to increase Tier A special education funding for all districts subject to floor funding. Any remaining growth in revenue will be allocated to first by $1,250 per for floor funding; the balance will be used to raise the TLI to $600.</td>
</tr>
<tr>
<td><strong>Special Education</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tier A Funding</td>
<td>All identified students with disabilities receive $1250.</td>
<td>If additional revenues above the initial investment of $850M are accrued, the first $100 will be used to double Tier A funding for all identified students with disabilities to $2500.</td>
</tr>
<tr>
<td>----------------</td>
<td>----------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Tier B Funding</td>
<td>The subset of students with identified with disabilities that are more involved and categorized as Tier B are intended to be funded at $6000/student, but the General Assembly only appropriations enough funding for $945 per Tier B student.</td>
<td>An additional $80M is dedicated to bringing the dollar amount for Tier B students closer to the $6000/student. This will increase funding approximately to $4905 per Tier B student.</td>
</tr>
<tr>
<td>State and Local Shares</td>
<td>Property taxes and specific ownership taxes (SOT). Most local total program mill levies are set at the level imposed in FY 2006-07 and range from 1.68 to 27.00 mills.</td>
<td>Local share is based on two elements: a district's assessed value (AV) per pupil, adjusted for median income differences, and its percentage of at-risk pupils. Districts with higher AV per pupil and a lower percentage of at-risk students will have a higher calculated local share. A district's calculated mill levy will either remain at its current level or increase to a maximum of 25 mills. Districts with a total program mill levy above 25 stay at current levels.</td>
</tr>
<tr>
<td>Local Share</td>
<td>State share is the difference between total program and the new calculated local share. Districts whose state funding with the TLI calculated local share. Districts whose state funding with the TLI is less than their state share at the prior mill levy, will receive holdharmless funding equal to the difference in state share for five years. These districts must seek voter approval for a mill levy increase at least once during this time period.</td>
<td>The difference between a district's total program as set by the General Assembly and the amount of local share.</td>
</tr>
<tr>
<td>State Share</td>
<td>Districts allowed to seek voter approval for additional property taxes (mill levy overrides) to support local district operations or specific...</td>
<td>Districts are allowed to seek voter approval for mill levy overrides like current law.</td>
</tr>
<tr>
<td>Mill Levy Override</td>
<td>Districts allowed to seek voter approval for...</td>
<td>Dist...</td>
</tr>
<tr>
<td><strong>Maximum Allowable</strong></td>
<td>The maximum that can be collected is the greater of 25% of a district's total program funding, plus a certain amount for cost-of-living adjustments in FY 2001-02, or $200,000. Override revenue may be shared with district-authorized charter schools, but it is not required.</td>
<td>Raises the limit that can be collected to the greater of: (1) 25% of a district's total program plus the TLI for the applicable school year; or (2) 25% of a district's total program in FY 2014-15 before the negative factor, plus the TLI, floor funding, categorical buyout amount, and state support provided for a district's categorical programs.</td>
</tr>
<tr>
<td><strong>Additional Overrides</strong></td>
<td>No additional overrides are allowed, but districts can impose other mill levies for full-day kindergarten costs, school transportation costs, and special building and technology purposes.</td>
<td>Districts may seek voter approval for three other overrides, two of which are unlimited in size: early childhood education, technology and building maintenance, and cost of living. The latter is capped at the amount of a district's total program that is attributable to the cost of living factor, indexed to inflation in subsequent years.</td>
</tr>
<tr>
<td><strong>Charter School Institute (CSI)</strong></td>
<td>Funding for the CSI is based on the per pupil revenue of the accounting district in which a school is located, as determined by the current formula. This includes amounts calculated for current factors, such as the cost-of-living and size factors. CDE distributes funding for CSI schools through state share payments that go to the accounting district.</td>
<td>Each CSI school receives total program funding similar to an individual school district. A CSI school receives per pupil funding based on the accounting district's per pupil funding. The bill contains provisions to provide funding for charter schools in either to use more recent ADM data from the current school year.</td>
</tr>
<tr>
<td><strong>Base</strong></td>
<td>At-risk funding for CSI schools is adjusted up (or down) if they serve proportionally more (or less) at-risk students than the accounting district. Supplemental at-risk aid goes to CSI schools if their percentage of at-risk students is less than the accounting district.</td>
<td>At-risk student and ELL funding for the CSI school depends on the school's percentage of at-risk and ELL students relative to the statewide average. A school will receive at least 20% of the statewide base per pupil amount for each at-risk and ELL student a school serves, which increases up to 40%, if the school exceeds the statewide average.</td>
</tr>
</tbody>
</table>

**Charter School Institute (CSI)**

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Each CSI school receives total program funding similar to an individual school district. A CSI school receives per pupil funding based on the accounting district's per pupil funding. The bill contains provisions to provide funding for charter schools in either to use more recent ADM data from the current school year.
<table>
<thead>
<tr>
<th><strong>Online and ASCENT</strong></th>
<th>Online and ASCENT students get the statewide base per pupil amount. In FY 2013-14, the base per pupil amount is $5,954.</th>
<th>Students receive the statewide average per pupil amount, estimated at $6,021 in FY 2013-14, which increases by inflation each year.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Teaching and Leadership Investment</strong></td>
<td>None</td>
<td>Excluding online and ASCENT students, the bill initially provides $441 per pupil for each CSI school. In following years, this amount may increase depending on the growth in revenue for K-12 education.</td>
</tr>
<tr>
<td><strong>Mill Levy Override</strong></td>
<td>School districts do not share override revenue with CSI schools. However, CSI schools receive a proportional share of the capital construction money allocated to charter schools from the SEF.</td>
<td>A school will receive per pupil mill levy override equalization money, equal to the amount of per pupil override revenue authorized by the accounting district in which the school is located. CSI schools also receive their proportional share of capital construction money allocated from the State Education Fund (SEF).</td>
</tr>
<tr>
<td><strong>District-authorized charter schools</strong></td>
<td>District-authorized charter schools receive the district's per pupil funding for each student, plus the statewide base per pupil amount for each online/ASCENT student. Up to 5% of the charter school's per pupil funding may be retained by the district. The bill contains provisions to provide funding for charter schools in either their first or second year of operation, or which are adding grades to use more recent ADM data from the current school year.</td>
<td>District-authorized charter schools receive 100% of the district’s per pupil revenue, of which up to 5% may be retained by the district for administrative expenses (15% in smaller districts).</td>
</tr>
<tr>
<td><strong>Base</strong></td>
<td>Schools authorized before July 1, 2004, receive supplemental at-risk aid if they have a higher percentage of at-risk students than the district. Otherwise, the school receives an amount based on the district's per pupil revenue and its percentage of at-risk students. Schools authorized after July 1, 2004, in district's with more than 40% at-risk students receive more or less funding for at-risk students if they serve a</td>
<td>At-risk and ELL student funding is allocated to charter schools on a per pupil basis, in an amount equal to the district’s at-risk funding divided by its at-risk ADM or its ELL funding divided by its ELL ADM.</td>
</tr>
<tr>
<td><strong>At-risk Students and ELL</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
higher or lower percentage of at-risk students than the district.

Excluding online and ASCENT students, the bill initially provides $441 per pupil for each district-authorized school. In following years, this amount may increase depending on the growth in revenue associated with the ballot measure that provides new tax revenue for K-12 education.

School districts and charter schools shall negotiate an amount to be provided to district charter schools if the scope of the mill levy override has programs the charter school participates in.

Per pupil funding at facility schools is equal to 1.33 times the statewide average per pupil funding level.

Per pupil funding at facility schools is equal to 1.73 times the statewide base per pupil amount.

The bill contains several legislative declarations that specify the intent of the General Assembly to increase or decrease appropriations for certain programs in the future. In particular, if a measure to increase tax revenue for K-12 education receives voter approval, the bill specifies that it is the intent of the General Assembly to appropriate:

- $100 million for an education innovation grant program;
- $18 million for charter school capital construction from the State Education Fund;
- $6 million to provide career opportunities for highly effective educators;
- $7 million for gifted and talented student programs with $1 million earmarked for testing of students;
- $5 million to CDE to implement the ADM and financial reporting requirements;
- $1.3 million for distribution to boards of cooperative educational services; and
- $1 million for mill levy election administrative expenses.
The bill also specifies that beginning in FY 2015-16, it is the intent of the General Assembly to re-appropriate the money previously spent on the English Language Proficiency Act and the Expelled and At-Risk Student Services Grant Program for special education programs instead.

### Potential Revenue Expenditures for Jan. 2014 through July 2015:
- 40% to the Preschool through 12th grade Education Reserve Fund
- 15% to the Educator Effectiveness Reserve Fund for existing educator effectiveness programs to recruit, prepare, and retain educators.
- 5% to the Technology Fund to assist school districts and public schools in purchasing and maintaining technology, including hardware and software, that is needed to support educational reforms and programmatic enhancements.
- 40% to the BEST Capital Construction board for financial assistance for public school facility capital construction projects, including up to 50% for facilities for full-day kindergarten and preschool programs.

### Accountability
- **SB13-053** - Exchange Of Student Data K-12 And Postsecondary (Sen. A. Kerr (D)/ Rep. M. Hamner (D))
  - Governor Signed (04/08/2013)
  - Introduced by the Education Success Task Force, SB13-053 establishes a procedure between CDE and CDHE that allows for the transfer of available student data relevant to the transition from high school to the postsecondary system. The procedure is required to utilize student unit record data currently collected and maintained by CDE (State Assigned Student Identifier Number (SASID) and to be administered at no charge to local education providers, public institutions of higher education, or students.
- **SB13-071** - Student ID Number For Adult Education Programs (Rep. R. Fields (D) / Sen. E. Hudak (D))
  - Governor Signed (04/19/2013)
  - Recommended by the Education Success Task Force, SB13-071 expands the duties of the Education Data Subcommittee (EDS), which includes members from both the Departments of Education and Higher Education, to include a requirement that the EDS, if feasible, identify a method for assigning a unique student identifier for individuals enrolled in an adult basic education program or a high school GED program. This legislation continues the trend of expanding SASID numbers to allow for improved data collection and records.

### Career Training
  - Governor signed (05/28/13)
  - HB13-1004 is another piece of legislation promoting the jobs and economy agenda of the Democratic majorities. The bill requires that the Department of Human Services (DHS) administer a transitional jobs program from July 1, 2013, through December 30, 2014. The purpose of the program is to provide unemployed and under-employed adults an opportunity to experientially learn, model, and practice successful workplace behaviors that help them to obtain long-term unsubsidized employment. Requirements include identification of potential organizations and employers to hire adults into transitional jobs, defining eligibility for participation in the program, selection of local level agencies to administer the jobs program and a local level and DHS collection of performance outcomes and data evaluation. The bill also includes a $2.4 million appropriation to DHS for the administration and payments of the new program.
- **HB13-1005** - Basic Education & Career & Technical Education Pilot Program (Rep. R. Fields (D), J. Buckner (D) / Sen. N. Todd (D))
Governor signed (05/28/2013)

Introduced by the Education Success Task Force and amended in committee, the final version of the bill now grants authority to the State Board for Community Colleges and Occupational Education to design an unspecified number of new certificate programs to allow certain unemployed or underemployed adults to obtain a career and technical education certificate in 12 months or less. The certificate programs are intended to integrate information and math literacy development with career and technical training. In developing these programs, the Colorado Community College State Board (CCCSB) may consult with local district junior colleges, area vocational schools, local workforce development councils, and the appropriate staff at CDE. Senate Education removed the statutory requirement that the community college system must develop these programs and removed the 20-program limit in the bill and instead granted the authority to develop these certificates to CCCSB. Senate committee members felt that it was important that these programs be developed due to student-need and the ability of the system to create the programs.

– SB13-218 - CO Key Industries Workforce Grant Program (Sen. R. Heath (D)/ Rep. D. Young (D))
  o House Appropriations Postponed Indefinitely (05/03/2013)
  o Introduced late in the session, SB13-218 would have created the Colorado Key Industries Workforce Program to provide funding to CDHE to assist students who are seeking bachelor's degrees, including a bachelor's of applied science degree in key industry sectors. To receive a grant, an institution would have been required to submit an application that required demonstration that: 1) The institution had partnered with a business in a key industry that expects to employ students who complete the bachelor's degree and that the business is agreeing to pay a dollar-for-dollar match to the institution for the grant moneys received; 2) The institution had entered into the necessary agreements with other institutions to ensure transferability of credits; and 3) There is a recognized workforce need for persons who hold the type of bachelor's degree that the institution would have provided.
  o Earlier this session, SB13-165, a bill allowing the community college system to provide bachelors degrees, was narrowly defeated due to intense opposition by several four-year institutions. The impacts of SB13-165’s defeat and issues of equity of opportunity in funding and program development between two and four-year higher education institutions led to widespread scrutiny of bills appropriating state dollars towards program development in colleges. SB13-218 appropriated funds to four-year institutions, as approved by the Department of Higher Education, for the development of bachelors of applied science degree programs. Coincidentally, these are the same type of degrees that the community colleges were seeking to offer in SB13-165 and, currently, only one institution offers this type of program and would be eligible for funding under SB13-218. SB13-218 sponsors refused to allow two-year institutions to be eligible for funding under the bill even though the bill requires students to have an associates of applied science, which is only offered by community colleges, and requires a partnership with business to create degrees needed in the workforce, which is also a practice currently in place with many community colleges.

Councils & Task Forces

  o Governor Action – Signed (06/05/2013)
  o Approved by the bi-chamber Legislative Council committee, HB13-1299 was given final approval to modify the 2010 government-accountability oriented SMART Act. The original bill formed standing interim committees dedicated to subjects similar to each legislative committee of reference, such as Education or Transportation. Rather than legislators being required to run a piece of legislation to create an interim committee, something that requires passage in both chambers and a signature by the governor, the final bill now requires individual legislators to request interim committees through letters to Legislative Council. In approving committees,
Legislative Council can now recommend how many bill titles interims can be allotted, who is on these committees and how many members. The current bill limit for interim committees is 8, typically one per each legislative member of a committee, and Senate bill sponsor Pat Steadman (D, Denver) remarked that ‘they seem to always want to introduce eight’. These new regulations for interim committees are intended to allow committees to be more flexibly composed as each concept arises and simplifies creation of interim committees. As a result, the legislature can now independently create interims without the approval or oversight of any other branch of government.

- **HB13-1244 - Continuation of Education Success Task Force (Rep. D. Young (D), R. Fields (D) / Sen. E. Hudak (D))**
  - Legislative Council Postponed Indefinitely (04/26/2013)
  - HB13-1244 would have continued the Education Success Task Force that has met during the interim period for the past three years to develop legislation related to remediation and the P-20 pipeline. The Task Force was created in 2011 by former Senator Keith King and was scheduled to expire this summer. HB13-1244 also separated the task force into two committees – one committee with voting legislators that were given the authority to introduce legislation and one committee of practitioners and stakeholder groups. The bill was also amended to reduce the number of voting participants on the bill-drafting side of the task force and to add additional focus on adult basic education. CDE and CDHE would have continued to provide staff and resources for the committee and the extension was set to run until 2018.
  - Legislative Council, the bi-chamber council responsible for official approval of interim task forces, was required to narrow down a proposed 15 legislative interim committees to 4 legislatively-funded and staffed committees and either kill the remaining requests or send them to Appropriations committees in an attempt to find alternate funding. Legislative Council nearly unanimously voted to kill the Education Success Task Force due to what they felt was the low-priority nature of the committee’s assignments in relation to other requests, including groups dedicated to wildfire studies and juvenile defense attorney issues.

**Curriculum & Instructional Programs**

- **SB13-165 - Community Colleges Limited Number Bachelor Degrees (Sen. N. Todd (D)/ Rep. J. Wilson (R))**
  - House Education Postponed Indefinitely (04/08/2013)
  - After a difficult debate and journey through the Senate, in early April the House Education committee considered the highly-controversial SB13-165, a bill that would have granted the community college system permission to create 7 bachelor degree programs. The bill was amended in the Senate Education committee to reduce the number of degree programs from 10 to 7 and to create a needs-assessment that must be completed to demonstrate geographical and student need for the creation of new degree programs.
  - Stakeholder meetings were convened with higher education institutions and the sponsors, but little progress was made and lobbying efforts on both sides of the bill remained aggressive. An amendment was offered in House Education to limit the degree programs to bachelors of applied science and examples of programs in demand, including mortuary science, water quality, information technology, construction supervision, multimedia graphic design and dental hygiene. Programs would also have needed CO Commission of Higher Education approval before they were established. Opponents of the bill argued that allowing the community colleges to create new programs would strain an already underfunded system and would begin a trend of ‘mission creep’, meaning that four-year degree programs were outside the role and mission of the community college system. Proponents of the bill argued that there is a high need for these programs that is currently unfulfilled. President Nancy McCallin stated that the community college system awards 2,700 career and technical degrees but only 35 of those students transfer to a four-year institution to continue their programs. Lack of transferability and absence of these degree programs at four-year schools have created a roadblock for many of these students, she argued.
Higher Education

House Education Representatives killed the bill by a vote of 7-6 with members from both parties voting on both sides of the issue. House Education Chair Representative Millie Hamner (D, Summit County) voted against the bill stating that the higher education institutions need more time to work out a solution that is amenable to all. Stakeholder groups are slated to begin work this summer on the issues and legislation is anticipated in the 2014 session.

- Governor signed (05/28/13)
- HB13-1165 was yet another bill that waited on the House Appropriations committee calendar for months until final figures were set for the fiscal year 2013-14 state budget. Approximately $500,000 in fiscal year 2013-14 and almost $700,000 in fiscal year 2014-15 were appropriated from the general fund for HB13-1165. These funds are designated to cover need-based higher education grants, College Opportunity Fund/Fee-for-Service institutional contracts, and expenditures related to the bill for the community college board and occupational education state system of community colleges. Although widely supported, many legislators have criticized the bill for expending funds that could be utilized for further buying down the K-12 negative factor and restoring school districts back to previous funding levels prior to the economic downturn.

**Election & Voting Issues**

- **HB13-1135 - Voter Preregistration at Age 16 (Rep. J. Singer (D) / Sen. A. Kerr (D))**
  - Governor Signed (05/10/2013)
  - HB13-1135 allows a person who has reached 16 years old, but who will not reach 18 years old by the date of the next election, to preregister to vote using any means available to persons of current voting age. The registration will automatically become active when the preregistered person reaches 18.

- **HB13-1147 - Voter Registration at Public Higher Education Institution (Rep. J. Melton (D) / Sen. L. Newell (D))**
  - Governor Signed (04/18/2013)
  - HB13-1147, an effort to increase voter registration, requires a state institution of higher education to provide its students, when a student registers at the institution for the first time, the opportunity to apply for voter registration as follows:
    - 1) For a student who is registering electronically at the institution and who is eligible to register to vote on-line, the institution must give him or her the option of registering electronically using the web site maintained by the Secretary of State.
    - 2) For any student registering at the institution in person or any student ineligible to register to vote electronically, the institution must provide him or her a voter registration application. After the student completes the application, an authorized employee of the institution must forward the application to the county clerk and recorder for the county in which the student resides. The county clerk and recorder determine whether the application is complete. If so, the applicant is deemed registered. If not, the clerk and recorder must so notify the applicant.

**Higher Education Tuition, Funding & Scholarships**

- **HB13-1194 - In-state Tuition For Military Dependents (Rep. J. Everett (R) / Sen. V. Marble (R))**
  - Governor Signed (05/28/2013)
  - HB13-1194 grants in-state tuition at Colorado public higher education institutions to any eligible dependent of a member of the armed forces. To qualify as a dependent, a spouse must have been the armed forces member’s spouse both at the time the member was stationed in Colorado and when the spouse is requesting in-state tuition. For a child of an armed forces member to qualify, they must be under 22 years-of-age and enrolled in a public institution of higher education within 10 years after the member was stationed in Colorado. The bill also eliminates the current military dependent legal
requirement that the student be a graduate of a high school in Colorado. A student who qualifies for the in-state rate under this bill is also eligible to receive College Opportunity Fund (COF) stipends. HB13-1194 includes a modest state appropriation of $16,800 for projected increases in COF payments, but otherwise anticipates any additional tuition revenue to be utilized for the operating procedures of institutions.

- **HB13-1320 - Support For Meritorious Colorado Students (Rep. D. Hullinghorst (D), M. Waller (R) / Sen. R. Heath (D))**
  - Governor Action – Signed (06/05/2013)
  - Beginning in the fall semester of 2013, HB13-1320 allows a qualifying institution of higher education to count any student identified as a “Colorado Scholar” as two resident students for the purposes of calculating the required ratio of resident to non-resident students. The number of Colorado Scholars that an institution counts in a year cannot be more than 8% of the total number of resident students that the institution counts for either incoming freshmen or for total student enrollment.
  - During the Senate Education committee hearing, the Department of Higher Education (CDHE) remained neutral on the proposal but provided information on a current national trend of higher education institutions admitting increased percentages of out-of-state students. CDHE provoked several hours of committee debate by posing the question, “Would it be beneficial for Colorado and its students to allow the state’s flagship institution to potentially admit more out-of-state students than resident students?” Previous commitments by committee members to support the legislation put several Senators in a difficult position voting in favor of the bill, but ultimately the measure passed by party-line votes in the final remaining days of session.
  - HB13-1320 was supported by the University of Colorado and initially included $3 million in state funds to support merit-based scholar programs. The $3 million in merit-based aid had been a contentious issue for the JBC during the fiscal year 2013-14 budget process. Specifically at issue was the eligibility of undocumented students to receive the merit-based funds. The funds were considered to be state financial aid dollars, in which undocumented students are not eligible. The money was stripped out of HB13-1320 in the Senate and debate was refocused around the bill’s modifications of the in-state and out-of-state percentage admission requirements.

- **SB13-033 – ASSET - In-State Classification CO High School Completion (Sen. M. Johnston (D), A. Giron (D)/Rep. A. Williams (D), C. Duran (D))**
  - Governor Signed (04/29/2013)
  - SB13-033, commonly referred to as Advancing Students for a Stronger Economic Tomorrow (ASSET), requires an institution of higher education in Colorado to classify a student as an in-state student for tuition purposes if the student:
    - 1) Attends a public or private high school in Colorado for at least 3 years immediately preceding graduation or completion of a GED in Colorado; and
    - 2) Is admitted to a Colorado institution or attends an institution under a reciprocity agreement.
    - 3) A student who does not have lawful immigration status must submit an affidavit stating that the student has applied for lawful presence or will apply as soon as he or she is able to do so.
  - These students shall not be counted as resident students for any other purpose, but are eligible for the College Opportunity Fund stipend, but may be eligible for institutional or other financial aid. The bill also creates an exception to the requirement of admission to an institution within 12 months after graduating or completing a GED for certain students who either graduated or completed a GED prior to September 1, 2013, and who have been continuously present in Colorado for 18 months prior to enrolling in an institution.
  - SB13-033 also exempts institutions of higher education from having to verify any required documentation of students demonstrating lawful presence in the U.S.
  - The bill received bi-partisan support in both chambers for the first time and was moved through both chambers with relatively little vocal opposition in comparison to previous years. The
Higher Education Access Alliance, the group that brought ASSET forward as legislation and the Department of Higher Education are working with institutions, high schools, counselors and students to implement the new tuition rate.

- **SB13-031 - Tuition For Dropout Recovery Program Students (Sen. A. Giron (D) /Rep. B. Pettersen (D))**
  - Governor Signed (03/15/2013)
  - Created in 2012 by HB12-1146, Colorado’s dropout recovery program allows a school district and a community college to establish a program permitting a student who has dropped out of high school, or students at-risk of dropping out, to complete their high school requirements exclusively at a community college or local district junior college (LDJC). SB13-031 requires that a school district participating in the state’s dropout recovery program pay the student portion of tuition for each class in which the student is enrolled. Currently, districts reimburse the community college or LDJC for each participating student and funding is contingent upon course completion.

**Resolutions**

- **SB13-SJR016 - GA Amicus Participation in Federal TABOR Lawsuit (Sen. M. Carroll (D)/Rep. D. Pabon (D))**
  - Signed by the Speaker of the House (03/14/2013)
  - In 2011, 32 plaintiffs filed a lawsuit in Federal District Court against Governor John Hickenlooper seeking a ruling that the "Taxpayer's Bill of Rights" (TABOR) is unconstitutional and null and void because it violates several provisions of the United States Constitution, as well as the Colorado Enabling Act of 1875. The plaintiffs, who include state legislators, local government officials, educators and education officials, and citizens of Colorado, claim that TABOR also violates the Guarantee Clause and the Equal Protection Act by eliminating the General Assembly's plenary power to legislate on matters of taxation and appropriations and thereby denying the state of Colorado and its citizens an effective representative democracy, which is contrary to the constitutional guarantee of a Republican form of government. As part of their claims, the plaintiffs argue that TABOR has inflicted an institutional injury upon all members of the General Assembly through the nullification of their ability to enact taxes to provide for the state's expenses, thus rendering the General Assembly unable to effectively fulfill its legislative obligations in a representative democracy. The resolution contends that it is in the best interests of the General Assembly and the state of Colorado that the General Assembly participate in the Kerr v. Hickenlooper case as an amicus curiae (someone who is not a party to a case and offers information that bears on the case but that has not been solicited by any of the parties to assist the court) on the limited issue of the standing of legislator-plaintiffs based upon the institutional interests of the General Assembly.

**School Safety**

- **HB13-1170 - Policies Allowing Concealed Carry in Public School (Rep. S. Humphrey (R) / Sen. O. Hill (R))**
  - House Judiciary Postponed Indefinitely (02/19/2013)
  - Identical to SB13-009, HB13-1170 was one of many pieces of legislation introduced this session to address firearm statute that was killed by a party-line vote in its first committee. HB13-1170 authorized a school district board of education and the governing board of a charter school to adopt a written policy to allow an employee of the school district or charter school to carry a concealed handgun on school grounds if the person held a valid permit to carry a concealed handgun.

- **HB13-1226 - No Concealed Carry at Colleges (Rep. C. Levy (D) / Sen. R. Heath (D))**
  - Senate Second Reading Laid Over to 05/10/2013 effectively killing the bill
  - Current law authorizes a concealed carry permit holder to carry a concealed handgun in all areas of Colorado, with the exceptions of federally owned facilities, public elementary, middle and high schools and specific public buildings. HB13-1226 would have added public higher education campuses and buildings, including structures being temporarily utilized by a public higher education institution, to the list of concealed carry prohibited areas. HB13-1226 was
introduced in a package of firearm control bills introduced by Democrats this session, but was the only piece of legislation introduced to address a lawsuit that was lost by the University of Colorado over their ban of concealed carry on their campuses. Highly emotional testimony was brought from witnesses across the country. The bill passed through the House and Senate committees on party-line votes, but encountered a roadblock on the Senate floor. Mischaracterized comments by Senators turned this bill into one of the most controversial proposals. Sen. Heath did not have enough support to pass the bill on the Senate floor, therefore, he asked that the bill be ‘laid over on the calendar’ until a date after the adjournment of session. This effectively killed the bill without an official vote on the Senate floor.

- **SB13-009 - School Board Policies Allowing Concealed Carry (Sen. T. Harvey (R), S. Renfroe (R)/ Rep. L. Saine (R))**
  - Senate Judiciary Postponed Indefinitely (01/28/2013)
  - Introduced in a package of Senate Republican-led firearm bills, SB13-009 authorized a school district board of education and the governing board of a charter school to adopt a written policy to allow an employee of the school district or charter school to carry a concealed handgun on school grounds if the person holds a valid permit to carry a concealed handgun. The bill was identical to HB13-1170 and was killed in its first committee hearing in the Senate.