

**First Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 11-0720.01 Julie Pelegrin

HOUSE BILL 11-1184

HOUSE SPONSORSHIP

McCann, Duran, Todd, Hamner, Massey, Murray, Pabon, Peniston, Schafer S., Solano, Summers

SENATE SPONSORSHIP

King K.,

House Committees

Education
Legislative Council

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING CREATION OF A COMMITTEE TO CONSIDER FUNDING FOR**
102 **THE INSTITUTIONS OF HIGHER EDUCATION IN THE STATE.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

The bill creates the higher education funding committee (committee) to review and make recommendations concerning funding for the statewide system of higher education. The committee will consist of legislative members; ex officio members from higher education and the elementary and secondary education system; appointed representatives

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

from the state and private institutions of higher education, including the junior colleges and area vocational schools; and appointed representatives from the business community. The president of the senate and the speaker of the house of representatives will jointly appoint all of the appointed members.

The committee will specifically consider funding sources and mechanisms for the state system of higher education and financial incentives and other strategies for increasing retention and completion rates and decreasing the time to completion. In considering these issues, the committee will take into account existing statutes concerning performance-based funding, maintaining enterprise status for the state institutions of higher education, and the recommendations of the higher education strategic planning steering committee.

The committee will meet at least once in each of the 4 quadrants of the state. The committee will submit its report and legislative recommendations to the legislative council. The legislative council staff, the office of legislative legal services, and the department of higher education will provide staff support to the committee.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** Title 23, Colorado Revised Statutes, is amended BY
3 THE ADDITION OF A NEW ARTICLE to read:

4 **ARTICLE 1.3**

5 **Higher Education Funding Committee**

6 **23-1.3-101. Legislative declaration.** (1) THE GENERAL
7 ASSEMBLY HEREBY FINDS THAT:

8 (a) IN 2009, THE GOVERNOR APPOINTED THE HIGHER EDUCATION
9 STRATEGIC PLANNING STEERING COMMITTEE, REFERRED TO IN THIS
10 SECTION AS THE "STEERING COMMITTEE", TO EXAMINE CLOSELY THE
11 STATE SYSTEM OF HIGHER EDUCATION IN COLORADO AND DEVELOP A
12 STRATEGIC PLAN TO ADDRESS THE FUTURE OF THE SYSTEM AND MAKE
13 RECOMMENDATIONS FOR CONTINUED GROWTH AND IMPROVEMENT.
14 SPECIFICALLY, THE STEERING COMMITTEE WAS CHARGED WITH FOCUSING
15 ON RECOMMENDATIONS THAT WILL ENABLE THE SYSTEM TO DOUBLE, BY

1 2020, THE NUMBER OF CAREER AND TECHNICAL EDUCATION CERTIFICATES
2 AND UNDERGRADUATE DEGREES EARNED BY STUDENTS IN COLORADO
3 INSTITUTIONS OF HIGHER EDUCATION.

4 (b) THE FINAL STRATEGIC PLAN ISSUED BY THE STEERING
5 COMMITTEE IN NOVEMBER 2010 NOTED THE IMPORTANCE OF HIGHER
6 EDUCATION IN CREATING AND SUSTAINING HIGH-LEVEL JOBS IN THE STATE
7 AND IN FUELING THE STATE'S ECONOMY;

8 (c) IN ITS FINAL REPORT, THE STEERING COMMITTEE FOUND THE
9 CONDITION OF HIGHER EDUCATION IN COLORADO "ALARMING AND
10 DETERIORATING", DUE IN GREAT PART TO THE DECLINE IN THE STATE'S
11 FINANCIAL SUPPORT FOR THE STATE INSTITUTIONS OF HIGHER EDUCATION,
12 THE RESULTING COST-BURDEN SHIFT TO STUDENTS AND THEIR FAMILIES,
13 AND A SUBSEQUENT DECREASE IN STUDENTS' ABILITY TO AFFORD HIGHER
14 EDUCATION AND INCREASE IN THE ACADEMIC ACHIEVEMENT GAP BETWEEN
15 MAJORITY AND MINORITY SEGMENTS OF SOCIETY. AS STATED BY THE
16 STEERING COMMITTEE, "WITHOUT CHANGING THE COURSE OUR STATE IS
17 NOW FOLLOWING, WE ARE HEADED TO A FUTURE WE DON'T WANT."

18 (d) THE STEERING COMMITTEE ALSO FOUND THAT, OF ONE
19 HUNDRED STUDENTS ENTERING NINTH GRADE, ONLY SEVENTY OF THEM
20 WILL GRADUATE FROM HIGH SCHOOL; FORTY-FOUR OF THEM WILL ENTER
21 A POSTSECONDARY INSTITUTION; AND TWENTY-TWO OF THE ORIGINAL ONE
22 HUNDRED WILL ACTUALLY GRADUATE FROM COLLEGE WITH A CERTIFICATE
23 OR DEGREE WITHIN SIX YEARS AFTER ENTERING;

24 (e) ALTHOUGH TOTAL APPROPRIATIONS FOR THE STATE SYSTEM OF
25 HIGHER EDUCATION HAVE INCREASED SINCE FISCAL YEAR 2007-08, THIS
26 HAS BEEN ACCOMPLISHED ONLY BY INCREASING THE AMOUNT OF TUITION
27 AND FEES CHARGED TO STUDENTS AND USING ONE-TIME FEDERAL

1 STIMULUS FUNDS TO SUBSTITUTE FOR STATE GENERAL FUND
2 APPROPRIATIONS;

3 (f) FROM FISCAL YEAR 2007-08 TO FISCAL YEAR 2010-11, THE
4 GENERAL FUND APPROPRIATION FOR THE INSTITUTIONS OF HIGHER
5 EDUCATION IN THE STATE DECREASED BY EIGHTY-EIGHT MILLION SEVEN
6 HUNDRED EIGHTY-TWO THOUSAND FOUR HUNDRED FORTY DOLLARS OR
7 THIRTEEN AND TWO-TENTHS PERCENT. THE CASH FUND APPROPRIATION,
8 REPRESENTING TUITION AND FEES, INCREASED DURING THIS PERIOD BY
9 FOUR HUNDRED EIGHTY-EIGHT MILLION EIGHT HUNDRED FIFTY THOUSAND
10 FOUR HUNDRED SIXTY-NINE DOLLARS OR FORTY-THREE AND NINE-TENTHS
11 PERCENT. THE AMOUNT OF FEDERAL FUNDS APPROPRIATED FOR THE STATE
12 INSTITUTIONS OF HIGHER EDUCATION DURING THIS PERIOD INCREASED BY
13 EIGHTY-NINE MILLION FOUR THOUSAND THIRTY-FIVE DOLLARS OR FOUR
14 HUNDRED THIRTY-FOUR AND SIX-TENTHS PERCENT.

15 (g) THE BUDGET REQUEST FOR FISCAL YEAR 2011-12 CONTINUES
16 THE TREND OF SHIFTING THE BURDEN FROM GENERAL FUND
17 APPROPRIATIONS TO TUITION AND FEES. THE DEPARTMENT OF HIGHER
18 EDUCATION HAS PROPOSED DECREASING THE GENERAL FUND
19 APPROPRIATION FOR THE INSTITUTIONS OF HIGHER EDUCATION BY
20 THIRTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS OR TWO AND
21 THREE-TENTHS PERCENT. THE DEPARTMENT HAS ALSO REQUESTED AN
22 INCREASE IN THE CASH FUND APPROPRIATION OF SEVENTY-EIGHT MILLION
23 FIVE HUNDRED THOUSAND DOLLARS OR FOUR AND NINE-TENTHS PERCENT.

24 (h) IN ITS FINAL REPORT, THE STEERING COMMITTEE IDENTIFIED
25 THE TWO CRITICAL LEVERS FOR IMPROVING HIGHER EDUCATION IN THE
26 STATE AS INCREASING THE FUNDING LEVELS AND PLACING GREATER FOCUS
27 ON INCENTIVES AND OTHER STRATEGIES TO INCREASE THE COMPLETION

1 RATE FOR CAREER AND TECHNICAL EDUCATION CERTIFICATES AND
2 UNDERGRADUATE DEGREES.

3 (2) THE GENERAL ASSEMBLY CONCLUDES, THEREFORE, THAT IT IS
4 NECESSARY TO CREATE A HIGHER EDUCATION FUNDING COMMITTEE TO
5 EXAMINE WAYS TO INCREASE THE LEVEL OF FUNDING FOR THE
6 INSTITUTIONS OF HIGHER EDUCATION IN THE STATE AND TO CONSIDER
7 FINANCIAL INCENTIVES AND OTHER STRATEGIES FOR RETAINING STUDENTS
8 AND ENABLING THEM TO EFFICIENTLY COMPLETE CAREER AND TECHNICAL
9 EDUCATION CERTIFICATES AND UNDERGRADUATE DEGREES.

10 **23-1.3-102. Higher education funding committee - created.**

11 (1) THERE IS HEREBY CREATED THE HIGHER EDUCATION FUNDING
12 COMMITTEE, REFERRED TO IN THIS ARTICLE AS THE "COMMITTEE", TO
13 CONSIDER AND MAKE RECOMMENDATIONS TO THE GENERAL ASSEMBLY
14 CONCERNING FUNDING FOR THE STATEWIDE SYSTEM OF HIGHER
15 EDUCATION WITH THE GOAL OF INCREASING THE OVERALL FUNDING LEVEL
16 OF THE STATEWIDE SYSTEM OF HIGHER EDUCATION. THE COMMITTEE
17 SHALL CONSIST OF THE FOLLOWING MEMBERS:

18 (a) FOUR MEMBERS OF THE SENATE, TWO OF WHOM ARE APPOINTED
19 BY THE PRESIDENT OF THE SENATE AND TWO OF WHOM ARE APPOINTED BY
20 THE MINORITY LEADER OF THE SENATE;

21 (b) FOUR MEMBERS OF THE HOUSE OF REPRESENTATIVES, TWO OF
22 WHOM ARE APPOINTED BY THE SPEAKER OF THE HOUSE OF
23 REPRESENTATIVES AND TWO OF WHOM ARE APPOINTED BY THE MINORITY
24 LEADER OF THE HOUSE OF REPRESENTATIVES;

25 (c) FOUR EX OFFICIO MEMBERS, OR THEIR DESIGNEES, AS FOLLOWS:

26 (I) THE CHAIR OF THE COLORADO COMMISSION ON HIGHER
27 EDUCATION;

1 (II) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF HIGHER
2 EDUCATION;

3 (III) THE CHAIR OF THE STATE BOARD OF EDUCATION;

4 (IV) THE COMMISSIONER OF EDUCATION; AND

5 (d) THE FOLLOWING MEMBERS APPOINTED JOINTLY BY THE
6 PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF
7 REPRESENTATIVES:

8 (I) THE CHIEF EXECUTIVE OFFICER, OR HIS OR HER DESIGNEE, OR A
9 MEMBER OF THE GOVERNING BOARD OF EACH OF THE FOLLOWING
10 INSTITUTIONS OR SYSTEMS OF HIGHER EDUCATION:

11 (A) THE UNIVERSITY OF COLORADO SYSTEM;

12 (B) THE UNIVERSITY OF COLORADO HEALTH SCIENCES CENTER;

13 (C) THE COLORADO STATE UNIVERSITY SYSTEM;

14 (D) THE UNIVERSITY OF NORTHERN COLORADO;

15 (E) THE COLORADO SCHOOL OF MINES;

16 (F) ADAMS STATE COLLEGE;

17 (G) FORT LEWIS COLLEGE;

18 (H) MESA STATE COLLEGE;

19 (I) METROPOLITAN STATE COLLEGE OF DENVER;

20 (J) WESTERN STATE COLLEGE OF COLORADO;

21 (II) THE CHIEF EXECUTIVE OFFICER, OR HIS OR HER DESIGNEE, OF
22 EACH OF THE COMMUNITY COLLEGES IN THE STATE SYSTEM OF
23 COMMUNITY AND TECHNICAL COLLEGES, AS LISTED IN SECTION 23-60-205;

24 (III) A REPRESENTATIVE FROM EACH OF THE JUNIOR COLLEGES, AS
25 DEFINED IN SECTION 23-71-102 (1);

26 (IV) A PERSON WHO REPRESENTS THE AREA VOCATIONAL
27 SCHOOLS;

1 (V) A PERSON WHO REPRESENTS THE PRIVATE INSTITUTIONS OF
2 HIGHER EDUCATION, AS DEFINED IN SECTION 23-18-102 (9);

3 (VI) TWO STUDENTS, ONE OF WHOM IS ENROLLED IN A COMMUNITY
4 COLLEGE AND ONE OF WHOM IS ENROLLED IN A FOUR-YEAR INSTITUTION
5 OR A RESEARCH INSTITUTION; AND

6 (VII) SIX PERSONS WHO REPRESENT THE BUSINESS COMMUNITY IN
7 THE STATE, ONE OF WHOM HAS EXPERIENCE WORKING WITH
8 APPRENTICESHIP PROGRAMS.

9 (2) THE APPOINTING AUTHORITIES SHALL APPOINT THE MEMBERS
10 OF THE COMMITTEE AS SOON AS POSSIBLE AFTER THE EFFECTIVE DATE OF
11 THIS ARTICLE, BUT NO LATER THAN JULY 1, 2011. IN APPOINTING THE
12 MEMBERS, THE APPOINTING AUTHORITIES SHALL CONSULT WITH THE EX
13 OFFICIO MEMBERS OF THE COMMITTEE.

14 **23-1.3-103. Committee - duties.** (1) THE COMMITTEE SHALL
15 CONSIDER AND MAKE RECOMMENDATIONS CONCERNING THE FUNDING OF
16 THE STATEWIDE SYSTEM OF HIGHER EDUCATION, INCLUDING THE
17 FOLLOWING ISSUES:

18 (a) THE SOURCES OF FUNDING FOR THE STATEWIDE SYSTEM OF
19 HIGHER EDUCATION AND STRATEGIES AND MECHANISMS FOR INCREASING
20 THE OVERALL LEVEL OF FUNDING; AND

21
22 (b) FINANCIAL INCENTIVES OR OTHER STRATEGIES TO INCREASE
23 THE RATES OF STUDENT RETENTION AND COMPLETION AND TO REDUCE THE
24 TIME TO CERTIFICATE AND DEGREE COMPLETION.

25 (2) IN CONSIDERING THE ISSUES AND MAKING RECOMMENDATIONS,
26 THE COMMITTEE SHALL TAKE INTO ACCOUNT:

27 (a) EXISTING STATUTES CONCERNING PERFORMANCE-BASED

1 FUNDING, MAINTAINING THE INTENT OF REWARDING DEMONSTRATED
2 INSTITUTIONAL PERFORMANCE THAT CONTRIBUTES TO ACHIEVEMENT OF
3 THE GOALS FOR THE STATEWIDE SYSTEM OF HIGHER EDUCATION;

4 (b) THE REVENUE AND SPENDING LIMITATIONS IMPOSED BY
5 SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION AND MAINTAINING
6 THE ENTERPRISE STATUS OF THE STATE INSTITUTIONS OF HIGHER
7 EDUCATION;

8 (c) THE RECOMMENDATIONS FOUND IN THE FINAL REPORT OF THE
9 HIGHER EDUCATION STRATEGIC PLANNING STEERING COMMITTEE
10 APPOINTED BY THE GOVERNOR TO ADDRESS STATE HIGHER EDUCATION
11 NEEDS, GOVERNANCE, AND FUNDING AND IMPROVING STUDENT ACCESS
12 AND SUCCESS; AND

13 (d) RESEARCH ON HIGHER EDUCATION SYSTEMS CONDUCTED
14 NATIONALLY, INCLUDING BUT NOT LIMITED TO RESEARCH CONCERNING
15 FUNDING FOR HIGHER EDUCATION AND STRATEGIES FOR INCREASING
16 PRODUCTIVITY AND GRADUATION AND COMPLETION RATES AT
17 INSTITUTIONS OF HIGHER EDUCATION. THE COMMITTEE IS ENCOURAGED
18 TO CONSULT WITH REPRESENTATIVES FROM BIPARTISAN OR NONPARTISAN,
19 NONPROFIT ORGANIZATIONS THAT STUDY HIGHER EDUCATION ISSUES.

20 (3) THE COMMITTEE SHALL HOLD ITS FIRST MEETING NO LATER
21 THAN JULY 15, 2011. THE COMMITTEE SHALL MEET AT LEAST ONCE IN
22 EACH OF THE FOUR QUADRANTS OF THE STATE, IN ADDITION TO MEETING
23 IN THE DENVER-BOULDER METROPOLITAN AREA.

24 (4) THE LEGISLATIVE COUNCIL STAFF, THE OFFICE OF LEGISLATIVE
25 LEGAL SERVICES, AND THE DEPARTMENT OF HIGHER EDUCATION MAY,
26 WITHIN AVAILABLE APPROPRIATIONS, PROVIDE STAFF SUPPORT TO THE
27 COMMITTEE.

1 (5) THE COMMITTEE SHALL REPORT ITS FINDINGS AND
2 RECOMMENDATIONS FOR LEGISLATION TO THE LEGISLATIVE COUNCIL IN
3 ACCORDANCE WITH JOINT RULE 24 (b) (1) (D) OF THE SENATE AND THE
4 HOUSE OF REPRESENTATIVES AND SHALL BE SUBJECT TO THE LIMITATIONS
5 ON BILLS SPECIFIED IN SAID JOINT RULE.

6 **SECTION 2. Safety clause.** The general assembly hereby finds,
7 determines, and declares that this act is necessary for the immediate
8 preservation of the public peace, health, and safety.