

Second Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 14-0314.02 Richard Sweetman x4333

HOUSE BILL -

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HOUSE SPONSORSHIP

Salazar and Pettersen,

SENATE SPONSORSHIP

Ulibarri and Crowder,

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House Committees

Business, Labor, Economic, & Workforce  
Development

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING NEED-BASED TUITION ASSISTANCE FOR STUDENTS AT  
102 POSTSECONDARY INSTITUTIONS.

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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 Colorado opportunity pipeline program (program) within the department of higher education (department) to:

- ! Award scholarships or grants based upon financial need to students who are classified as Colorado residents for tuition

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.*

purposes; and

- ! Develop the connections and community partnerships necessary to ensure that every Colorado student has the support needed to enter a postsecondary opportunity, persist and succeed, and enter his or her desired position in the workforce.

The bill creates the Colorado opportunity pipeline program advisory board (board) and requires the board to promulgate rules for administration of the program, including but not limited to the following:

- ! Criteria for eligibility of state agencies, nonprofit organizations, and public institutions of higher education to participate in the program;
- ! Criteria for eligibility of students to apply for and receive grants from the program;
- ! Rules establishing permissible uses of grant moneys from the program; and
- ! Criteria for evaluating the effectiveness of the program in improving higher education outcomes in the state.

The director of the program shall administer the program in accordance with rules promulgated by the board.

The bill creates the Colorado opportunity pipeline program fund (fund), which consists of:

- ! Any moneys appropriated to the fund by the general assembly;
- ! Any contribution to the fund from taxpayers who intend to claim the new income tax credit associated with the program;
- ! Any moneys transferred to the fund from any other fund; and
- ! Any moneys received by the department as gifts, grants, or donations.

The department is authorized to spend not more than 3% of the moneys annually appropriated to the fund to pay the direct and indirect costs of administering the program. The board may promulgate rules for the administration of the fund. For the 2015-2016 fiscal year, the general assembly shall appropriate \$30 million to the fund.

The members of the state workforce development council (state council) shall serve as members of the board. The state council shall identify staff members within the department of education, the department of higher education, and the department of labor and employment who shall assist the state council in fulfilling its duties as members of the board.

The financial need scholarship fund in the department is repealed, and any moneys remaining in the financial need scholarship fund are transferred to the fund.



1 (6) "NONPROFIT ORGANIZATION" MEANS A TAX-EXEMPT  
2 CHARITABLE OR SOCIAL WELFARE ORGANIZATION OPERATING UNDER  
3 SECTION 501 (c) (3) OR 501 (c) (4) OF TITLE 26 OF THE UNITED STATES  
4 CODE, THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED.

5 (7) "PRECOLLEGIATE ORGANIZATION" MEANS A STATE- OR  
6 FEDERALLY FUNDED PROGRAM OFFERING POSTSECONDARY  
7 WORKFORCE-READY OPTIONS TO COLORADO STUDENTS.

8 (8) "PROGRAM" MEANS THE COLORADO OPPORTUNITY PIPELINE  
9 PROGRAM CREATED IN SECTION 23-3.3-1003.

10 (9) "TUITION ASSISTANCE" MEANS FINANCIAL ASSISTANCE TO AN  
11 ELIGIBLE STUDENT OF AN ELIGIBLE INSTITUTION, INCLUDING SUCH  
12 FINANCIAL ASSISTANCE AS IS NECESSARY TO PAY THE COSTS OF TUITION,  
13 FEES, BOOKS, HOUSING, FOOD, AND TRANSPORTATION.

14 **23-3.3-1003. Colorado opportunity pipeline program - created**  
15 **- report - repeal.** (1) THERE IS CREATED THE COLORADO OPPORTUNITY  
16 PIPELINE PROGRAM WITHIN THE DEPARTMENT AND THE OFFICE OF THE  
17 DIRECTOR OF THE PROGRAM. THE EXECUTIVE DIRECTOR OR HIS OR HER  
18 DESIGNEE SHALL APPOINT THE DIRECTOR OF THE PROGRAM, AND THE  
19 DIRECTOR SHALL ADMINISTER THE PROGRAM IN ACCORDANCE WITH RULES  
20 PROMULGATED BY THE BOARD PURSUANT TO SECTION 23-3.3-1004 (4).

21 (2) ON OR BEFORE JUNE 30, 2015, THE DIRECTOR OF THE PROGRAM  
22 SHALL REPORT TO THE EDUCATION COMMITTEES OF THE HOUSE OF  
23 REPRESENTATIVES AND SENATE, OR TO ANY SUCCESSOR COMMITTEES,  
24 CONCERNING THE RECOMMENDATIONS PREPARED BY THE BOARD  
25 PURSUANT TO SECTION 23-3.3-1004 (4) (c).

26 **23-3.3-1004. Colorado opportunity pipeline program advisory**  
27 **board - created - duties - rules.** (1) THERE IS CREATED THE COLORADO

1 OPPORTUNITY PIPELINE PROGRAM ADVISORY BOARD, WHICH SHALL  
2 CONSIST OF THE MEMBERS OF THE STATE WORK FORCE DEVELOPMENT  
3 COUNCIL CREATED IN SECTION 24-46.3-101, C.R.S., AS WELL AS THE  
4 FOLLOWING THREE PERSONS, TO BE APPOINTED BY THE GOVERNOR OR HIS  
5 OR HER DESIGNEE:

6 (a) ONE PERSON REPRESENTING THE FOUR-YEAR RESEARCH  
7 INSTITUTIONS OF HIGHER EDUCATION IN THE STATE;

8 (b) ONE PERSON REPRESENTING THE SYSTEM OF FOUR-YEAR  
9 POSTSECONDARY INSTITUTIONS IN THE STATE; AND

10 (c) ONE PERSON REPRESENTING THE COMMUNITY COLLEGES AND  
11 AREA VOCATIONAL DISTRICTS OF THE STATE.

12 (2) THE GOVERNOR OR HIS OR HER DESIGNEE SHALL MAKE HIS OR  
13 HER APPOINTMENTS TO THE BOARD ON OR BEFORE AUGUST 1, 2014. THE  
14 MEMBERS OF THE BOARD SHALL ELECT PRESIDING OFFICERS FOR THE  
15 BOARD, INCLUDING A CHAIR AND VICE-CHAIR, FROM AMONG THE BOARD  
16 MEMBERS APPOINTED PURSUANT TO SUBSECTION (1) OF THIS SECTION,  
17 WHICH PRESIDING OFFICERS SHALL SERVE TERMS OF TWO YEARS. BOARD  
18 MEMBERS MAY REELECT A PRESIDING OFFICER.

19 (3) EACH MEMBER OF THE BOARD APPOINTED BY THE GOVERNOR  
20 OR HIS OR HER DESIGNEE SHALL SERVE AT THE PLEASURE OF THE  
21 GOVERNOR OR HIS OR HER DESIGNEE FOR A TERM OF FOUR YEARS. THE  
22 GOVERNOR OR HIS OR HER DESIGNEE MAY REAPPOINT THE MEMBER FOR AN  
23 ADDITIONAL TERM OR TERMS. MEMBERS OF THE BOARD SHALL SERVE  
24 WITHOUT COMPENSATION.

25 (4) THE BOARD SHALL HOLD ITS FIRST MEETING ON OR BEFORE  
26 NOVEMBER 1, 2014, AT A TIME AND PLACE TO BE DESIGNATED BY THE  
27 EXECUTIVE DIRECTOR OR BY HIS OR HER DESIGNEE. THE BOARD SHALL

1 MEET AT LEAST FOUR TIMES EACH YEAR AND SHALL CARRY OUT THE  
2 FOLLOWING DUTIES:

3 (a) PROMULGATE RULES FOR ADMINISTRATION OF THE PROGRAM,  
4 INCLUDING BUT NOT LIMITED TO THE FOLLOWING:

5 (I) CRITERIA FOR ELIGIBILITY OF STATE AGENCIES, NONPROFIT  
6 ORGANIZATIONS, AND PUBLIC INSTITUTIONS OF HIGHER EDUCATION TO  
7 PARTICIPATE IN THE PROGRAM;

8 (II) CRITERIA FOR ELIGIBILITY OF STUDENTS TO APPLY FOR AND  
9 RECEIVE GRANTS FROM THE PROGRAM;

10 (III) RULES ESTABLISHING PERMISSIBLE USES OF GRANT AND  
11 SCHOLARSHIP MONEYS FROM THE PROGRAM, WHICH RULES SHALL  
12 STIPULATE THAT:

13 (A) NOT MORE THAN TEN PERCENT OF THE MONEYS APPROPRIATED  
14 TO THE FUND IN ANY FISCAL YEAR MAY BE AWARDED TO STATE AGENCIES  
15 AND NONPROFIT ORGANIZATIONS TO ASSIST SUCH AGENCIES AND  
16 ORGANIZATIONS WITH ENSURING THAT STUDENT-SUCCESS,  
17 PRECOLLEGIATE, POSTSECONDARY STUDENT SUPPORT SERVICES ARE  
18 AVAILABLE TO STUDENTS WHO ARE CLASSIFIED AS COLORADO RESIDENTS  
19 FOR TUITION PURPOSES; INCREASING THE CAPACITY FOR STUDENT SUPPORT  
20 SERVICES AT POSTSECONDARY INSTITUTIONS; AND DEVELOPING  
21 CONNECTIONS BETWEEN LOCAL EMPLOYERS, PUBLIC SCHOOLS,  
22 PRECOLLEGIATE ORGANIZATIONS, AND POSTSECONDARY INSTITUTIONS;

23 (B) ANY MONEYS APPROPRIATED TO THE FUND THAT ARE NOT  
24 USED FOR THE PURPOSES DESCRIBED IN SUB-SUBPARAGRAPH (A) OF THIS  
25 SUBPARAGRAPH (III), OR TO PAY THE DIRECT AND INDIRECT COSTS OF  
26 ADMINISTERING THE PROGRAM AS DESCRIBED IN SECTION 23-3.3-1005 (4),  
27 MUST BE USED TO PROVIDE TUITION ASSISTANCE TO ELIGIBLE COLORADO

1 STUDENTS IN COLORADO WHO WILL ATTEND ELIGIBLE INSTITUTIONS OF  
2 HIGHER EDUCATION WITHIN THE STATE. TUITION ASSISTANCE PROVIDED  
3 PURSUANT TO THIS SUB-SUBPARAGRAPH (B) MAY TAKE THE FORM OF  
4 DIRECT AWARDS, MATCHING INCENTIVES TO CREATE OR INCREASE THE  
5 NUMBER OF OTHER SCHOLARSHIPS, LOANS WITH A PROGRESSIVE  
6 REPAYMENT STRUCTURE, OR ANY COMBINATION THEREOF.

7 (C) TO THE EXTENT PRACTICABLE, GRANTS OF TUITION  
8 ASSISTANCE MUST BE AWARDED TO STUDENTS REPRESENTING RURAL AND  
9 URBAN AREAS OF THE STATE AND TO STUDENTS ATTENDING PUBLIC  
10 VOCATIONAL SCHOOLS, COMMUNITY COLLEGES, FOUR-YEAR INSTITUTIONS  
11 OF HIGHER EDUCATION, AND RESEARCH INSTITUTIONS.

12 (IV) CRITERIA FOR EVALUATING THE EFFECTIVENESS OF THE  
13 PROGRAM IN IMPROVING HIGHER EDUCATION OUTCOMES IN THE STATE,  
14 WHICH CRITERIA MUST INCLUDE, BUT NEED NOT BE LIMITED TO:

15 (A) REDUCTIONS IN REMEDIATION RATES AND ASSOCIATED COSTS;

16 (B) INCREASES IN GRADUATION RATES;

17 (C) REDUCTIONS IN AVERAGE TIME REQUIRED TO EARN A DEGREE;

18 (D) INCREASES IN STUDENT RETENTION RATES;

19 (E) REDUCTIONS IN DISPARITIES BETWEEN THE ACADEMIC  
20 ACHIEVEMENTS OF CERTAIN STUDENT POPULATIONS BASED ON  
21 DEMOGRAPHIC, GEOGRAPHIC, AND ECONOMIC INDICATORS;

22 (F) ADOPTION OF BEST PRACTICES FOR STUDENT SUPPORT  
23 SERVICES;

24 (G) FULFILLMENT OF LOCAL WORKFORCE NEEDS;

25 (H) REDUCTIONS IN STUDENT LOAN DEBT;

26 (I) IMPROVEMENTS IN TUITION AFFORDABILITY; AND

27 (J) IMPROVEMENTS IN STUDENTS' ACCESS TO FEDERAL GRANT

1 PROGRAMS AND OTHER FEDERAL SOURCES OF SUPPORT FOR  
2 POSTSECONDARY STUDENTS;

3 (b) IDENTIFY AND CONSIDER THE FEASIBILITY OF POTENTIAL  
4 FUNDING SOURCES FOR THE PROGRAM, INCLUDING BUT NOT LIMITED TO:

5 (I) THE IMPLEMENTATION OF AN INCOME TAX CREDIT FOR  
6 TAXPAYERS OF THE STATE WHO ELECT TO MAKE A CONTRIBUTION TO THE  
7 FUND; AND

8 (II) ANY FUNDRAISING FOR THE PROGRAM THAT MAY RESULT FROM  
9 A MEMORANDUM OF UNDERSTANDING EXECUTED BETWEEN THE BOARD  
10 AND A NONPROFIT ORGANIZATION, AS DESCRIBED IN SUBSECTION (5) OF  
11 THIS SECTION; AND

12 (c) ON OR BEFORE MAY 30, 2015, PREPARE AND SUBMIT TO THE  
13 DIRECTOR ANY RECOMMENDATIONS THE BOARD HAS FOR THE GENERAL  
14 ASSEMBLY CONCERNING THE IMPLEMENTATION OF THE PROGRAM. THE  
15 DIRECTOR SHALL REPORT THE RECOMMENDATIONS OF THE BOARD TO THE  
16 EDUCATION COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND  
17 SENATE, OR TO ANY SUCCESSOR COMMITTEES, AS DESCRIBED IN SECTION  
18 23-3.3-1003 (2).

19 (5) THE BOARD MAY ENTER INTO A MEMORANDUM OF  
20 UNDERSTANDING WITH A NONPROFIT ORGANIZATION FOR THE PURPOSE OF  
21 RAISING MONEYS FOR THE PROGRAM.

22 **23-3.3-1005. Colorado opportunity pipeline program fund -**  
23 **created - rules - repeal.** (1) THERE IS CREATED IN THE STATE TREASURY  
24 THE COLORADO OPPORTUNITY PIPELINE FUND, WHICH CONSISTS OF:

25 (a) ANY MONEYS APPROPRIATED TO THE FUND BY THE GENERAL  
26 ASSEMBLY;

27 (b) ANY MONEYS TRANSFERRED TO THE FUND FROM ANY OTHER



1 FUND; AND

2 (c) ANY MONEYS RECEIVED BY THE DEPARTMENT AS GIFTS,  
3 GRANTS, OR DONATIONS PURSUANT TO SUBSECTION (3) OF THIS SECTION.

4 (2) THE MONEYS IN THE FUND ARE CONTINUOUSLY APPROPRIATED  
5 TO THE DEPARTMENT FOR THE PURPOSES DESCRIBED IN THIS PART 10. ALL  
6 INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEYS IN  
7 THE FUND MUST REMAIN IN THE FUND. ANY UNEXPENDED OR  
8 UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF A  
9 FISCAL YEAR MUST REMAIN IN THE FUND AND NOT BE TRANSFERRED OR  
10 CREDITED TO THE GENERAL FUND OR ANOTHER FUND.

11 (3) THE DEPARTMENT IS AUTHORIZED TO ACCEPT ANY GIFTS,  
12 GRANTS, OR DONATIONS FROM ANY PRIVATE OR PUBLIC SOURCE ON  
13 BEHALF OF THE STATE FOR THE PURPOSES DESCRIBED IN THIS PART 10. THE  
14 DEPARTMENT SHALL TRANSMIT ALL SUCH GIFTS, GRANTS, AND DONATIONS  
15 TO THE STATE TREASURER, WHO SHALL CREDIT THE SAME TO THE FUND.

16 (4) THE DEPARTMENT IS AUTHORIZED TO SPEND NOT MORE THAN  
17 THREE PERCENT OF THE MONEYS ANNUALLY APPROPRIATED TO THE FUND  
18 TO PAY THE DIRECT AND INDIRECT COSTS OF ADMINISTERING THE  
19 PROGRAM.

20 (5) THE BOARD MAY PROMULGATE RULES FOR THE  
21 ADMINISTRATION OF THE FUND.

22 (6) (a) FOR THE 2015-2016 FISCAL YEAR, THE GENERAL ASSEMBLY  
23 SHALL APPROPRIATE THIRTY MILLION DOLLARS TO THE FUND.

24 (b) THIS SUBSECTION (6) IS REPEALED, EFFECTIVE JULY 1, 2015.

25 **SECTION 2.** In Colorado Revised Statutes, 24-46.3-101, **add** (9)  
26 as follows:

27 **24-46.3-101. State work force development council - creation**

1    **- membership.** (9) (a) THE MEMBERS OF THE STATE COUNCIL SHALL  
2    SERVE AS MEMBERS OF THE COLORADO OPPORTUNITY PIPELINE PROGRAM  
3    ADVISORY BOARD CREATED PURSUANT TO SECTION 23-3.3-1004, C.R.S.

4           (b) THE STATE COUNCIL SHALL IDENTIFY STAFF MEMBERS WITHIN  
5    THE DEPARTMENT OF EDUCATION CREATED PURSUANT TO SECTION  
6    24-1-115, THE DEPARTMENT OF HIGHER EDUCATION CREATED PURSUANT  
7    TO SECTION 24-1-114, AND THE DEPARTMENT OF LABOR AND  
8    EMPLOYMENT CREATED PURSUANT TO SECTION 24-1-121 WHO SHALL BE  
9    CHARGED WITH ASSISTING THE STATE COUNCIL IN FULFILLING ITS DUTIES  
10   PURSUANT TO THIS SUBSECTION (9).

11           **SECTION 3.** In Colorado Revised Statutes, 23-3.1-206.2, **add** (3)  
12   as follows:

13           **23-3.1-206.2. Financial need scholarships and grants - fund -**  
14   **repeal.** (3) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2014.  
15   THE STATE TREASURER SHALL TRANSFER ANY MONEYS REMAINING IN THE  
16   FUND ON SUCH DATE TO THE COLORADO OPPORTUNITY PIPELINE FUND  
17   CREATED IN SECTION 23-3.3-1004, FOR THE CONTINUING PURPOSE OF  
18   AWARDING SCHOLARSHIPS OR GRANTS BASED UPON FINANCIAL NEED.

19           **SECTION 4.** In Colorado Revised Statutes, 23-3.1-205.4, **amend**  
20   (1) (c) (I), (1) (c) (II); and **repeal** (1) (c) (III) and (1) (c) (IV) as follows:

21           **23-3.1-205.4. Collegeinvest fund - creation - control - use.**  
22   (1) (c) Notwithstanding any provision of paragraph (a) of this subsection  
23   (1) to the contrary, if the authority or any other division of the department  
24   sells, transfers, or enters into a contract with another entity concerning all  
25   or any portion of the authority's or division's interest in any student loans  
26   or student obligations, the authority or the division shall deposit the net  
27   proceeds of the sale, transfer, or contract as follows:

1 (I) Up to five million dollars shall remain in the reserve account  
2 in the collegeinvest fund, which account is hereby created, and may be  
3 used: To fund the repurchase of student loans sold by the authority if a  
4 guarantee agency refuses to honor a claim filed with respect to any such  
5 loans on account of an event that occurred prior to the sale; and to pay all  
6 liabilities, costs, and expenses with respect to the authority's programs to  
7 undertake forgiveness of indebtedness under such student loans sold by  
8 the authority. ~~Any moneys remaining in the reserve account as of January~~  
9 ~~1, 2011, shall be transferred to the financial need scholarship fund created~~  
10 ~~in section 23-3.1-206.2.~~

11 (II) After the retention of the amount required in subparagraph (I)  
12 of this paragraph (c), up to five million dollars of the remaining proceeds  
13 shall remain in the transition account in the collegeinvest fund, which  
14 account is hereby created to pay costs and expenses associated with the  
15 transition and wind-down of the authority's student loan program. Any  
16 expenditure from the transition account in excess of one hundred  
17 thousand dollars shall require the approval of the executive director. ~~Any~~  
18 ~~moneys remaining in the transition account as of January 1, 2011, shall~~  
19 ~~be transferred to the financial need scholarship fund created in section~~  
20 ~~23-3.1-206.2.~~

21 ~~(III) After the retention of the amounts required in subparagraphs~~  
22 ~~(I) and (II) of this paragraph (c), up to fifteen million dollars of the~~  
23 ~~remaining proceeds shall be transferred to the financial need scholarship~~  
24 ~~fund created in section 23-3.1-206.2 to increase the availability of~~  
25 ~~financial need scholarships.~~

26 (IV) ~~After the retention of the amounts required by subparagraphs~~  
27 ~~(I) and (II) of this paragraph (c) and the transfers required by~~

1 ~~subparagraphs (III) and (III.5) of this paragraph (c), any remaining~~  
2 ~~amount of the proceeds shall be transferred to the financial need~~  
3 ~~scholarship fund created in section 23-3.1-206.2 and may reduce the need~~  
4 ~~for general fund appropriations in the same amount to the department for~~  
5 ~~need-based grants.~~

6           **SECTION 5. Act subject to petition - effective date.** This act  
7 takes effect at 12:01 a.m. on the day following the expiration of the  
8 ninety-day period after final adjournment of the general assembly (August  
9 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a  
10 referendum petition is filed pursuant to section 1 (3) of article V of the  
11 state constitution against this act or an item, section, or part of this act  
12 within such period, then the act, item, section, or part will not take effect  
13 unless approved by the people at the general election to be held in  
14 November 2014 and, in such case, will take effect on the date of the  
15 official declaration of the vote thereon by the governor.