A BILL FOR AN ACT

CONCERNING TARGETED FUNDING FOR PUBLIC INSTITUTIONS OF HIGHER EDUCATION TO HELP ACHIEVE THE COLORADO COMMISSION ON HIGHER EDUCATION MASTER PLAN GOALS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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://leg.colorado.gov.)

The bill requires that additional funding be provided to public research institutions, public 2-year institutions, rural 4-year institutions, Colorado Mesa university, and Metropolitan state university of Denver.
to fund programs targeted to achieving the goals of the Colorado commission on higher education's (commission) master plan. Institutions that receive such funding must submit a plan to the department of higher education (department) and the commission identifying how funds will be spent to advance the institution's ability to make progress on the goals of the master plan. The department is required to submit a report to the joint budget committee summarizing the institutions' plans for use of funds and describing how each institution's plan advances the goals of the master plan.

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

SECTION 1. Legislative declaration. (1) The general assembly hereby finds and declares that:

(a) The general assembly is committed to ensuring that Colorado's public higher education system continues to serve all communities throughout the state;

(b) Postsecondary credentials are more important than ever in order to meet labor market demands;

(c) The role and mission of each of Colorado's public colleges and universities is different to reflect the diverse needs of Coloradans as they pursue postsecondary credentials;

(d) The higher education funding allocation created in House Bill 14-1319, enacted in 2014, provides critical base funding to all of Colorado's public colleges and universities. It also includes a provision to ensure funds could be directed to institutions outside of the allocation model in order to target specific goals.

(e) The Colorado commission on higher education's current master plan identifies four key goals that seek to increase credential completion, erase equity gaps, improve student success, and invest in affordability and innovation; and
(f) While the base allocation model advances these goals, additional targeted funds will help advance specific programs and services identified by each institution and communicated to the Colorado commission on higher education for their feedback.

(2) The general assembly finds that these targeted investments in Colorado's public institutions of higher education will help to meet the needs of the state and achieve progress toward the master plan goals developed by the Colorado commission on higher education.

SECTION 2. In Colorado Revised Statutes, add part 4 to article 18 of title 23 as follows:

PART 4

TARGETED MASTER PLAN FUNDING

23-18-401. Definitions. As used in this part 4, unless the context otherwise requires:

(1) "Commission" means the Colorado commission on higher education established pursuant to section 23-1-102.

(2) "Department" means the Colorado department of higher education created and existing pursuant to section 24-1-114.

(3) "Institution of higher education" or "institution" means a state institution of higher education, as defined in section 23-18-102 (10)(a), a local district college, or an area technical college.

(4) "Long-term certificates" means all certificates awarded by public two-year institutions that are at least twenty-four credit hours in duration.

(5) "Master plan" means the master plan created pursuant
(6) "PELL CREDIT HOURS" MEANS THE TOTAL NUMBER OF COLLEGE OPPORTUNITY FUND STUDENT STIPEND CREDIT HOURS EARNED AT COLORADO MESA UNIVERSITY OR METROPOLITAN STATE UNIVERSITY OF DENVER BY PELL-ELIGIBLE STUDENTS.


(8) "PUBLIC TWO-YEAR INSTITUTION" MEANS A PUBLIC POSTSECONDARY INSTITUTION GOVERNED BY THE STATE BOARD FOR COMMUNITY COLLEGES AND OCCUPATIONAL EDUCATION, COLORADO MOUNTAIN COLLEGE, AIMS COMMUNITY COLLEGE, OR AN AREA TECHNICAL COLLEGE.

(9) "RURAL FOUR-YEAR INSTITUTION" MEANS A PUBLIC POSTSECONDARY INSTITUTION GOVERNED BY ANY GOVERNING BOARD THAT IS NOT PART OF A SYSTEM, PROVIDES BACHELORS' DEGREES AS A PRIMARY FACTOR IN ITS ROLE AND MISSION, AND IS LOCATED IN A COUNTY WITH A POPULATION OF LESS THAN SEVENTY THOUSAND AS REPORTED BY THE STATE DEMOGRAPHY OFFICE IN THE DEPARTMENT OF LOCAL AFFAIRS.

(10) "STEM DEGREES" MEANS ALL DEGREES AWARDED BY A PUBLIC RESEARCH INSTITUTION THAT ARE OF BACHELOR'S LEVEL AND ABOVE THAT ARE CONSIDERED STEM PRIORITY BY THE DEPARTMENT BASED UPON THE CLASSIFICATION OF INSTRUCTIONAL PROGRAM CODES FROM THE FEDERAL DEPARTMENT OF EDUCATION.
23-18-402. Targeted funds - allocation - repeal. (1) (a) In the 2018-19 state fiscal year, not less than sixteen million eight hundred twenty-one thousand one hundred seventy-eight dollars must be provided to public research institutions, public two-year institutions, rural four-year institutions, and any other institution of higher education eligible pursuant to this section in order to fund specific program and policy goals of the master plan and the institutions' commitment to meeting the master plan goals as provided in section 23-1-108 (1.5)(f)(I)(B). This subsection (1)(a) is repealed, effective June 30, 2020.

(b) In the 2019-20 state fiscal year and each state fiscal year thereafter, not less than eighteen million dollars must be provided to public research institutions, public two-year institutions, rural four-year institutions, and any other institution of higher education eligible pursuant to this section in order to fund specific program and policy goals of the master plan and the institutions' commitment to meeting the master plan goals as provided in section 23-1-108 (1.5)(f)(I)(B).

(2) For the 2018-19 state fiscal year, funding is allocated as follows:

(a) Three million seven hundred thirty-eight thousand forty dollars to the rural four-year institutions in identical dollar amounts. The institutions shall use this funding to advance the master plan goals, which may include investment in affordability and innovation.

(b) Three million seven hundred thirty-eight thousand forty dollars to Colorado Mesa University and Metropolitan
STATE UNIVERSITY OF DENVER based on each institution’s percentage share of the actual Pell credit hours in the most recently completed fiscal year. The institutions shall use this funding to advance the master plan goals, which may include investment in programs that support credential completion for low-income students.

(c) Four million six hundred seventy-two thousand five hundred forty-nine dollars to the public research institutions based on each institution’s percentage share of all STEM degrees awarded in the most recently completed fiscal year. The institutions shall use this funding to advance the master plan goals, which may include investments to increase high-demand credential completion.

(d) Four million six hundred seventy-two thousand five hundred forty-nine dollars to the public two-year institutions based on each institution’s percentage share of long-term certificates awarded in the most recently completed fiscal year. The institutions shall use this funding to advance the master plan goals, which may include investments to increase annual credential completion.

(e) This subsection (2) is repealed, effective June 30, 2020.

(3) For the 2019-20 state fiscal year, and each state fiscal year thereafter, the total amount appropriated for targeted funding in order to make progress on the master plan goals shall be allocated as follows:

(a) Twenty-two and twenty-two one-hundredths percent of the total shall be allocated to the rural four-year
INSTITUTIONS, IN EQUAL SHARES;

(b) TWENTY-TWO AND TWENTY-TWO ONE-HUNDREDTHS PERCENT
OF THE TOTAL SHALL BE ALLOCATED TO COLORADO MESA UNIVERSITY
AND METROPOLITAN STATE UNIVERSITY OF DENVER BASED ON EACH
INSTITUTION'S GOVERNING BOARD'S PERCENTAGE SHARE OF PELL CREDIT
HOURS PROVIDED IN THE MOST RECENTLY COMPLETED FISCAL YEAR;

(c) TWENTY-SEVEN AND SEVENTY-EIGHT ONE-HUNDREDTHS
PERCENT OF THE TOTAL SHALL BE ALLOCATED TO THE PUBLIC RESEARCH
INSTITUTIONS BASED ON EACH INSTITUTION'S PERCENTAGE SHARE OF ALL
STEM DEGREES AWARDED IN THE MOST RECENTLY COMPLETED FISCAL
YEAR; AND

(d) TWENTY-SEVEN AND SEVENTY-EIGHT ONE-HUNDREDTHS
PERCENT OF THE TOTAL SHALL BE ALLOCATED TO THE PUBLIC TWO-YEAR
INSTITUTIONS BASED ON EACH INSTITUTION'S PERCENTAGE SHARE OF ALL
LONG-TERM CERTIFICATES AWARDED IN THE MOST RECENTLY COMPLETED
FISCAL YEAR.

23-18-403. Institution spending plan - department review -
report. (1) (a) (I) No later than July 1, 2018, each public research
institution, public two-year institution, rural four-year
institution, and any other institution of higher education that
receives money pursuant to section 23-18-402 shall submit a plan
to the department and the commission identifying how money
allocated pursuant to section 23-18-402 (2) will be spent to
advance the institution's ability to meet the goals of the master
plan, as provided in section 23-1-108 (1.5)(f)(I)(B).

(II) In order to recognize the unique role and mission of
the public institutions of higher education, the plans submitted
PURSUANT TO THIS SECTION MAY VARY IN PROGRAM AND SCOPE BUT MUST
DIRECTLY RELATE TO ONE OF THE GOALS IDENTIFIED IN THE CURRENT
MASTER PLAN.

(III) THE PLANS SUBMITTED PURSUANT TO THIS SECTION MUST
IDENTIFY WHAT THE INSTITUTION PLANS TO ACHIEVE AS A RESULT OF THE
INVESTMENT AND MUST EXPLAIN HOW THIS OUTCOME WILL BE MEASURED.

(b) WITHIN THIRTY DAYS OF SUBMISSION OF THE PLANS, THE
DEPARTMENT, IN COORDINATION WITH THE COMMISSION, MAY PROVIDE
FEEDBACK TO AN INSTITUTION REGARDING A PLAN SUBMITTED PURSUANT
TO THIS SECTION.

(c) IF AN INSTITUTION MAKES CHANGES TO ITS PLAN AFTER
RECEIVING THE DEPARTMENT'S FEEDBACK, THE INSTITUTION SHALL
FORWARD ITS FINAL PLAN TO THE DEPARTMENT WITHIN THIRTY DAYS
AFTER RECEIVING THE DEPARTMENT'S FEEDBACK.

(2) (a) IF AN INSTITUTION REDIRECTS MONEY ALLOCATED
PURSUANT TO SECTION 23-18-402 FOR ANOTHER PERMITTED USE, THE
INSTITUTION SHALL SUBMIT A REVISED PLAN WITHIN THIRTY DAYS AFTER
THE CHANGE TO THE DEPARTMENT AND, WITHIN THIRTY DAYS AFTER
SUBMISSION, THE DEPARTMENT, IN COORDINATION WITH THE COMMISSION,
MAY PROVIDE FEEDBACK TO THE INSTITUTION REGARDING THE REVISED
PLAN.

(b) IF AN INSTITUTION MAKES CHANGES TO ITS PLAN AFTER
RECEIVING THE DEPARTMENT'S FEEDBACK ON THE REVISED PLAN, THE
INSTITUTION SHALL FORWARD ITS FINAL PLAN TO THE DEPARTMENT
WITHIN THIRTY DAYS AFTER RECEIVING THE DEPARTMENT'S FEEDBACK.

(3) NOTWITHSTANDING THE PROVISIONS OF SECTION 24-1-136
(11)(a), ON OR BEFORE DECEMBER 15, 2018, AND BY DECEMBER 15 EACH
YEAR THEREAFTER, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE
JOINT BUDGET COMMITTEE SUMMARIZING THE INSTITUTIONS' PLANS FOR
USE OF MONEY ALLOCATED PURSUANT TO THIS SECTION IN THE CURRENT
FISCAL YEAR. THE REPORT MUST EXPLAIN THE USE OF SUCH MONEY AT
EACH INSTITUTION AND DESCRIBE HOW EACH INSTITUTION'S PLAN
ADVANCES THE GOALS OF THE MASTER PLAN.

SECTION 3. Appropriation. (1) For the 2018-19 state fiscal
year, $16,085,510 is appropriated to the department of higher education.
This appropriation is from the general fund. To implement this act, the
department shall use this appropriation for the college opportunity fund
program to be used for limited purpose fee-for-service contracts with
state institutions.

(2) For the 2018-19 state fiscal year, $16,085,510 is appropriated
to the department of higher education. This appropriation is from
reappropriated funds received from the limited purpose fee-for-service
contracts with state institutions under subsection (1) of this section. To
implement this act, the department shall use the appropriation as follows:

Trustees of Adams state university  $1,246,014
Trustees of Colorado Mesa university $1,167,073
Trustees of Metropolitan state university
of Denver  $2,570,967
Trustees of Western state Colorado university  $1,246,014
Board of governors of the Colorado state university system  $1,254,862
Trustees of Fort Lewis college  $1,246,012
Regents of the university of Colorado  $2,465,807
Trustees of the Colorado school of mines $679,491
University of northern Colorado $272,389
State board for community colleges and
occupational education state system
community colleges $3,936,881

(3) For the 2018-19 state fiscal year, $218,585 is appropriated to
the department of higher education. This appropriation is from the general
fund. To implement this act, the department shall use this appropriation
for local district college grants, pursuant to section 23-71-301, C.R.S., for
Aims community college.

(4) For the 2018-19 state fiscal year, $89,314 is appropriated to
the department of higher education. This appropriation is from the general
fund. To implement this act, the department shall use this appropriation
for local district college grants, pursuant to section 23-71-301, C.R.S., for
Colorado mountain college.

(5) For the 2018-19 state fiscal year, $427,769 is appropriated to
the department of higher education from the general fund for use by the
division of occupational education for area technical colleges.

SECTION 4. Safety clause. The general assembly hereby finds,
determines, and declares that this act is necessary for the immediate
preservation of the public peace, health, and safety.