

**Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO**

PREAMENDED

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

LLS NO. 18-1211.01 Conrad Imel x2313

SENATE BILL 18-262

SENATE SPONSORSHIP

Gardner,

HOUSE SPONSORSHIP

Duran and Bridges,

Senate Committees

Finance
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING TARGETED FUNDING FOR PUBLIC INSTITUTIONS OF**
102 **HIGHER EDUCATION TO HELP ACHIEVE THE COLORADO**
103 **COMMISSION ON HIGHER EDUCATION MASTER PLAN GOALS, AND,**
104 **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

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

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.

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

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

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

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

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

12 (d) The higher education funding allocation created in House Bill
13 14-1319, enacted in 2014, provides critical base funding to all of
14 Colorado's public colleges and universities. It also includes a provision
15 to ensure funds could be directed to institutions outside of the allocation
16 model in order to target specific goals.

17 (e) The Colorado commission on higher education's current
18 master plan identifies four key goals that seek to increase credential
19 completion, erase equity gaps, improve student success, and invest in
20 affordability and innovation; and

1 (f) While the base allocation model advances these goals,
2 additional targeted funds will help advance specific programs and
3 services identified by each institution and communicated to the Colorado
4 commission on higher education for their feedback.

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

9 **SECTION 2.** In Colorado Revised Statutes, **add** part 4 to article
10 18 of title 23 as follows:

11 **PART 4**

12 **TARGETED MASTER PLAN FUNDING**

13 **23-18-401. Definitions.** AS USED IN THIS PART 4, UNLESS THE
14 CONTEXT OTHERWISE REQUIRES:

15 (1) "COMMISSION" MEANS THE COLORADO COMMISSION ON
16 HIGHER EDUCATION ESTABLISHED PURSUANT TO SECTION 23-1-102.

17 (2) "DEPARTMENT" MEANS THE COLORADO DEPARTMENT OF
18 HIGHER EDUCATION CREATED AND EXISTING PURSUANT TO SECTION
19 24-1-114.

20 (3) "INSTITUTION OF HIGHER EDUCATION" OR "INSTITUTION"
21 MEANS A STATE INSTITUTION OF HIGHER EDUCATION, AS DEFINED IN
22 SECTION 23-18-102 (10)(a), A LOCAL DISTRICT COLLEGE, OR AN AREA
23 TECHNICAL COLLEGE.

24 (4) "LONG-TERM CERTIFICATES" MEANS ALL CERTIFICATES
25 AWARDED BY PUBLIC TWO-YEAR INSTITUTIONS THAT ARE AT LEAST
26 TWENTY-FOUR CREDIT HOURS IN DURATION.

27 (5) "MASTER PLAN" MEANS THE MASTER PLAN CREATED PURSUANT

1 TO SECTION 23-1-108.

2 (6) "PELL CREDIT HOURS" MEANS THE TOTAL NUMBER OF COLLEGE
3 OPPORTUNITY FUND STUDENT STIPEND CREDIT HOURS EARNED AT
4 COLORADO MESA UNIVERSITY OR METROPOLITAN STATE UNIVERSITY OF
5 DENVER BY PELL-ELIGIBLE STUDENTS.

6 (7) "PUBLIC RESEARCH INSTITUTION" MEANS A PUBLIC
7 POSTSECONDARY INSTITUTION GOVERNED BY THE BOARD OF REGENTS OF
8 THE UNIVERSITY OF COLORADO, THE BOARD OF GOVERNORS OF THE
9 COLORADO STATE UNIVERSITY SYSTEM, THE BOARD OF TRUSTEES OF THE
10 COLORADO SCHOOL OF MINES, AND THE BOARD OF TRUSTEES OF THE
11 UNIVERSITY OF NORTHERN COLORADO.

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

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

23 (10) "STEM DEGREES" MEANS ALL DEGREES AWARDED BY A
24 PUBLIC RESEARCH INSTITUTION THAT ARE OF BACHELOR'S LEVEL AND
25 ABOVE THAT ARE CONSIDERED STEM PRIORITY BY THE DEPARTMENT
26 BASED UPON THE CLASSIFICATION OF INSTRUCTIONAL PROGRAM CODES
27 FROM THE FEDERAL DEPARTMENT OF EDUCATION.

1 **23-18-402. Targeted funds - allocation - repeal.** (1) (a) IN THE
2 2018-19 STATE FISCAL YEAR, NOT LESS THAN SIXTEEN MILLION EIGHT
3 HUNDRED TWENTY-ONE THOUSAND ONE HUNDRED SEVENTY-EIGHT
4 DOLLARS MUST BE PROVIDED TO PUBLIC RESEARCH INSTITUTIONS, PUBLIC
5 TWO-YEAR INSTITUTIONS, RURAL FOUR-YEAR INSTITUTIONS, AND ANY
6 OTHER INSTITUTION OF HIGHER EDUCATION ELIGIBLE PURSUANT TO THIS
7 SECTION IN ORDER TO FUND SPECIFIC PROGRAM AND POLICY GOALS OF THE
8 MASTER PLAN AND THE INSTITUTIONS' COMMITMENT TO MEETING THE
9 MASTER PLAN GOALS AS PROVIDED IN SECTION 23-1-108 (1.5)(f)(I)(B).
10 THIS SUBSECTION (1)(a) IS REPEALED, EFFECTIVE JUNE 30, 2020.

11 (b) IN THE 2019-20 STATE FISCAL YEAR AND EACH STATE FISCAL
12 YEAR THEREAFTER, NOT LESS THAN EIGHTEEN MILLION DOLLARS MUST BE
13 PROVIDED TO PUBLIC RESEARCH INSTITUTIONS, PUBLIC TWO-YEAR
14 INSTITUTIONS, RURAL FOUR-YEAR INSTITUTIONS, AND ANY OTHER
15 INSTITUTION OF HIGHER EDUCATION ELIGIBLE PURSUANT TO THIS SECTION
16 IN ORDER TO FUND SPECIFIC PROGRAM AND POLICY GOALS OF THE MASTER
17 PLAN AND THE INSTITUTIONS' COMMITMENT TO MEETING THE MASTER
18 PLAN GOALS AS PROVIDED IN SECTION 23-1-108 (1.5)(f)(I)(B).

19 (2) FOR THE 2018-19 STATE FISCAL YEAR, FUNDING IS ALLOCATED
20 AS FOLLOWS:

21 (a) THREE MILLION SEVEN HUNDRED THIRTY-EIGHT THOUSAND
22 FORTY DOLLARS TO THE RURAL FOUR-YEAR INSTITUTIONS IN IDENTICAL
23 DOLLAR AMOUNTS. THE INSTITUTIONS SHALL USE THIS FUNDING TO
24 ADVANCE THE MASTER PLAN GOALS, WHICH MAY INCLUDE INVESTMENT IN
25 AFFORDABILITY AND INNOVATION.

26 (b) THREE MILLION SEVEN HUNDRED THIRTY-EIGHT THOUSAND
27 FORTY DOLLARS TO COLORADO MESA UNIVERSITY AND METROPOLITAN

1 STATE UNIVERSITY OF DENVER BASED ON EACH INSTITUTION'S
2 PERCENTAGE SHARE OF THE ACTUAL PELL CREDIT HOURS IN THE MOST
3 RECENTLY COMPLETED FISCAL YEAR. THE INSTITUTIONS SHALL USE THIS
4 FUNDING TO ADVANCE THE MASTER PLAN GOALS, WHICH MAY INCLUDE
5 INVESTMENT IN PROGRAMS THAT SUPPORT CREDENTIAL COMPLETION FOR
6 LOW-INCOME STUDENTS.

7 (c) FOUR MILLION SIX HUNDRED SEVENTY-TWO THOUSAND FIVE
8 HUNDRED FORTY-NINE DOLLARS TO THE PUBLIC RESEARCH INSTITUTIONS
9 BASED ON EACH INSTITUTION'S PERCENTAGE SHARE OF ALL STEM
10 DEGREES AWARDED IN THE MOST RECENTLY COMPLETED FISCAL YEAR.
11 THE INSTITUTIONS SHALL USE THIS FUNDING TO ADVANCE THE MASTER
12 PLAN GOALS, WHICH MAY INCLUDE INVESTMENTS TO INCREASE
13 HIGH-DEMAND CREDENTIAL COMPLETION.

14 (d) FOUR MILLION SIX HUNDRED SEVENTY-TWO THOUSAND FIVE
15 HUNDRED FORTY-NINE DOLLARS TO THE PUBLIC TWO-YEAR INSTITUTIONS
16 BASED ON EACH INSTITUTION'S PERCENTAGE SHARE OF LONG-TERM
17 CERTIFICATES AWARDED IN THE MOST RECENTLY COMPLETED FISCAL
18 YEAR. THE INSTITUTIONS SHALL USE THIS FUNDING TO ADVANCE THE
19 MASTER PLAN GOALS, WHICH MAY INCLUDE INVESTMENTS TO INCREASE
20 ANNUAL CREDENTIAL COMPLETION.

21 (e) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE JUNE 30, 2020.

22 (3) FOR THE 2019-20 STATE FISCAL YEAR, AND EACH STATE FISCAL
23 YEAR THEREAFTER, THE TOTAL AMOUNT APPROPRIATED FOR TARGETED
24 FUNDING IN ORDER TO MAKE PROGRESS ON THE MASTER PLAN GOALS
25 SHALL BE ALLOCATED AS FOLLOWS:

26 (a) TWENTY-TWO AND TWENTY-TWO ONE-HUNDREDTHS PERCENT
27 OF THE TOTAL SHALL BE ALLOCATED TO THE RURAL FOUR-YEAR

1 INSTITUTIONS, IN EQUAL SHARES;

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

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

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

17 **23-18-403. Institution spending plan - department review -**
18 **report.** (1) (a) (I) NO LATER THAN JULY 1, 2018, EACH PUBLIC RESEARCH
19 INSTITUTION, PUBLIC TWO-YEAR INSTITUTION, RURAL FOUR-YEAR
20 INSTITUTION, AND ANY OTHER INSTITUTION OF HIGHER EDUCATION THAT
21 RECEIVES MONEY PURSUANT TO SECTION 23-18-402 SHALL SUBMIT A PLAN
22 TO THE DEPARTMENT AND THE COMMISSION IDENTIFYING HOW MONEY
23 ALLOCATED PURSUANT TO SECTION 23-18-402 (2) WILL BE SPENT TO
24 ADVANCE THE INSTITUTION'S ABILITY TO MEET THE GOALS OF THE MASTER
25 PLAN, AS PROVIDED IN SECTION 23-1-108 (1.5)(f)(I)(B).

26 (II) IN ORDER TO RECOGNIZE THE UNIQUE ROLE AND MISSION OF
27 THE PUBLIC INSTITUTIONS OF HIGHER EDUCATION, THE PLANS SUBMITTED

1 PURSUANT TO THIS SECTION MAY VARY IN PROGRAM AND SCOPE BUT MUST
2 DIRECTLY RELATE TO ONE OF THE GOALS IDENTIFIED IN THE CURRENT
3 MASTER PLAN.

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

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

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

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

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

26 (3) NOTWITHSTANDING THE PROVISIONS OF SECTION 24-1-136
27 (11)(a), ON OR BEFORE DECEMBER 15, 2018, AND BY DECEMBER 15 EACH

1 YEAR THEREAFTER, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE
2 JOINT BUDGET COMMITTEE SUMMARIZING THE INSTITUTIONS' PLANS FOR
3 USE OF MONEY ALLOCATED PURSUANT TO THIS SECTION IN THE CURRENT
4 FISCAL YEAR. THE REPORT MUST EXPLAIN THE USE OF SUCH MONEY AT
5 EACH INSTITUTION AND DESCRIBE HOW EACH INSTITUTION'S PLAN
6 ADVANCES THE GOALS OF THE MASTER PLAN.

7 **SECTION 3. In Colorado Revised Statutes, 23-3.3-103, add (4)**
8 **as follows:**

9 **23-3.3-103. Annual appropriations. (4) THE PROVISIONS OF**
10 **SUBSECTION (1) OF THIS SECTION CONCERNING APPROPRIATIONS FOR**
11 **STUDENT FINANCIAL ASSISTANCE UNDER THIS ARTICLE 3.3 SHALL NOT**
12 **APPLY TO APPROPRIATIONS MADE PURSUANT TO SECTION 23-18-402.**

13 **SECTION 4. Appropriation.** (1) For the 2018-19 state fiscal
14 year, \$16,085,510 is appropriated to the department of higher education.
15 This appropriation is from the general fund. To implement this act, the
16 department shall use this appropriation for the college opportunity fund
17 program to be used for limited purpose fee-for-service contracts with
18 state institutions.

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

24	Trustees of Adams state university	\$1,246,014
25	Trustees of Colorado Mesa university	\$1,167,073
26	Trustees of Metropolitan state university	
27	of Denver	\$2,570,967

1	Trustees of Western state Colorado	
2	university	\$1,246,014
3	Board of governors of the Colorado state	
4	university system	\$1,254,862
5	Trustees of Fort Lewis college	\$1,246,012
6	Regents of the university of Colorado	\$2,465,807
7	Trustees of the Colorado school of mines	\$679,491
8	University of northern Colorado	\$272,389
9	State board for community colleges and	
10	occupational education state system	
11	community colleges	\$3,936,881

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

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

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

25 **SECTION 5. Safety clause.** The general assembly hereby finds,
26 determines, and declares that this act is necessary for the immediate
27 preservation of the public peace, health, and safety.