

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

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 26-0754.01 Jacob Baus x2173

HOUSE BILL 26-1176

HOUSE SPONSORSHIP

Sirota and Taggart, Brown, Duran, McCluskie, Velasco

SENATE SPONSORSHIP

Amabile and Bridges, Kirkmeyer

House Committees
Appropriations

Senate Committees
Appropriations

A BILL FOR AN ACT

101 **CONCERNING MODIFICATIONS TO THE FOURTH-YEAR INNOVATION**
102 **PILOT PROGRAM, AND, IN CONNECTION THEREWITH, REDUCING**
103 **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/>.)

Joint Budget Committee. Under current law, the fourth-year innovation pilot program (program) provides state funding to students with low incomes who graduate early from a high school participating in the program.

Under the program, each year the general assembly appropriates

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

SENATE
2nd Reading Unamended
February 19, 2026

HOUSE
3rd Reading Unamended
February 12, 2026

HOUSE
2nd Reading Unamended
February 11, 2026

an amount to the department of education (department) for the department to distribute to local education providers from which an eligible graduate graduated early.

The bill:

- Discontinues the amount appropriated by the general assembly to the department for distribution to eligible local education providers for eligible graduates who graduate during the 2025-26 school year; and
- Requires the department to prorate the amount distributed from the appropriation, if any.

Under the program, an eligible graduate may receive funding for tuition, fees, books, transportation, and other costs of attendance associated with their postsecondary program if, among other requirements, the eligible graduate commences their postsecondary program within 18 months after graduating early.

The bill requires an eligible graduate who graduates early in the 2025-26 school year to commence their postsecondary program by December 31, 2026.

Under current law, the department of higher education is required to submit a final evaluation report, including the impacts and outcomes of the program on the student cohorts that participated in the program and recommended next steps for the program. The bill repeals this requirement.

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

2 **SECTION 1.** In Colorado Revised Statutes, 23-3.3-1303, **amend**
3 (3)(b)(II) as follows:

4 **23-3.3-1303. Fourth-year innovation pilot program - creation**
5 **- eligibility - award of state funding - commission policies.**

6 (3) (b) (II) (A) FOR AN ELIGIBLE GRADUATE WHO GRADUATES
7 EARLY DURING THE 2021-22, 2022-23, 2023-24, OR 2024-25 SCHOOL
8 YEAR, the general assembly ~~shall also~~ MAY appropriate to the department
9 of education in the budget year that commences in July following the
10 student's early graduation an amount ~~sufficient for payment of~~ NOT TO
11 EXCEED twenty-five percent of the average state share of the state average
12 per-pupil revenues for the 2021-22 budget year, as calculated during the

1 2021 regular legislative session, for distribution to the local education
2 provider from which the eligible graduate graduated early prior to
3 completion of the eligible graduate's fourth year of high school. The local
4 education provider is encouraged to direct a portion of the money
5 received pursuant to this subsection (3)(b)(II) to high-quality career and
6 postsecondary counseling and supports to ensure that students who may
7 be eligible for state funding are aware of the pilot program and receive
8 appropriate assistance in determining how to allocate state funding
9 received pursuant to the pilot program to their intended postsecondary
10 program.

11 (B) IN A STATE FISCAL YEAR FOR WHICH THE AMOUNT
12 APPROPRIATED IS LESS THAN TWENTY-FIVE PERCENT OF THE AVERAGE
13 STATE SHARE AS DESCRIBED IN SUBSECTION (3)(b)(II)(A) OF THIS SECTION,
14 THE DEPARTMENT OF EDUCATION SHALL PRORATE THE DISTRIBUTION TO
15 EACH LOCAL EDUCATION PROVIDER FROM WHICH AN ELIGIBLE GRADUATE
16 GRADUATED FROM ANY MONEY APPROPRIATED PURSUANT TO SUBSECTION
17 (3)(b)(II)(A) OF THIS SECTION.

18 **SECTION 2.** In Colorado Revised Statutes, 23-3.3-1305, **repeal**
19 (4) and (5) as follows:

20 **23-3.3-1305. Reporting requirements.**

21 ~~(4) On or before November 1, 2026, the department, in~~
22 ~~collaboration with the department of education, shall submit a final~~
23 ~~evaluation to the governor's office of state planning and budgeting, the~~
24 ~~joint budget committee, and the education committees of the house of~~
25 ~~representatives and of the senate, or their successor committees, which~~
26 ~~must be posted to the department's website and include, at a minimum,~~
27 ~~the following:~~

1 ~~(a) Analysis of all the data collected pursuant to the annual~~
2 ~~reporting requirements of this section to assess the impacts and outcomes~~
3 ~~of the pilot program on the student cohorts participating in the pilot~~
4 ~~program;~~

5 ~~(b) Objective measures of changes in student behavior resulting~~
6 ~~from implementation of the pilot program, including whether a student~~
7 ~~enrolled in a participating school is:~~

8 ~~(I) More likely to graduate early; and~~

9 ~~(II) More likely to enroll in a postsecondary program, if the~~
10 ~~student graduated early;~~

11 ~~(c) Analysis of the cost-effectiveness of the pilot program,~~
12 ~~including the impact on the state budget of the pilot program's incentives~~
13 ~~for school districts and students when students graduate from high school~~
14 ~~a single semester or a year early;~~

15 ~~(d) Other information relevant to the costs, benefits, successes,~~
16 ~~and challenges of the pilot program; and~~

17 ~~(e) Recommendations concerning the feasibility and advisability~~
18 ~~of continuing the pilot program beyond the pilot stage and changes, if~~
19 ~~any, that are needed to continue the program beyond the pilot stage.~~

20 ~~(5) (a) The department, in collaboration with the department of~~
21 ~~education, may request, and participating local education providers shall~~
22 ~~provide, data necessary to complete the final evaluation required in~~
23 ~~subsection (4) of this section.~~

24 ~~(b) Student data collected pursuant to subsection (4) of this~~
25 ~~section and this subsection (5) must be disaggregated by gender, grade~~
26 ~~level, local education provider type, ethnicity, disability, English language~~
27 ~~learner status, free and reduced-price lunch status, and housing status to~~

1 the maximum extent possible in compliance with the "Colorado Privacy
2 Act", established pursuant to part 13 of article 1 of title 6; the federal
3 "Family Educational Rights and Privacy Rights Act of 1974", 20 U.S.C.
4 sec. 1232g; and the "Student Data Transparency and Security Act"
5 created pursuant to article 16 of title 22. The department and the
6 department of education shall maintain strict standards for student data
7 privacy; comply with standards for reporting data for a student with an
8 accommodation pursuant to section 504 of the federal "Rehabilitation Act
9 of 1973", 29 U.S.C. sec. 701 et seq., as amended, and its implementing
10 regulations, or a student with an individualized education plan; and shall
11 not publicly report individual student data for any purpose.

12 **SECTION 3.** In Colorado Revised Statutes, 23-3.3-1304, **amend**
13 (1) and (2)(a) as follows:

14 **23-3.3-1304. Receipt and use of state funding.**

15 (1) To receive state funding pursuant to the pilot program, an
16 eligible graduate must graduate early from a high school participating in
17 the pilot program. ~~THE~~ AN eligible graduate WHO GRADUATES EARLY
18 DURING THE 2021-22, 2022-23, 2023-24, OR 2024-25 SCHOOL YEAR must
19 commence a postsecondary program within eighteen months after
20 graduating early, or the eligible graduate forfeits the state funding. AN
21 ELIGIBLE GRADUATE WHO GRADUATES EARLY DURING THE 2025-26
22 SCHOOL YEAR MUST COMMENCE A POSTSECONDARY PROGRAM NO LATER
23 THAN DECEMBER 31, 2026, OR THE ELIGIBLE GRADUATE FORFEITS THE
24 STATE FUNDING.

25 (2) (a) The department shall disburse state funding on behalf of
26 the eligible graduate to the eligible graduate's postsecondary program
27 within thirty business days after a request is made in the manner

1 determined pursuant to commission policies and department guidelines.
2 The eligible graduate's postsecondary program shall remit to the eligible
3 graduate that portion of state funding remaining after payment of tuition,
4 fees, and other expenses related to the student's cost of attendance that are
5 payable to the postsecondary program. The eligible graduate shall use
6 remaining state funding for the purposes described in subsection (2)(b)
7 of this section. NOTWITHSTANDING ANY OTHER REQUIREMENTS OF THIS
8 SECTION, THE DEPARTMENT SHALL MAKE ALL DISBURSEMENTS TO ELIGIBLE
9 GRADUATES' POSTSECONDARY PROGRAMS REQUIRED PURSUANT TO THIS
10 SUBSECTION (2)(a) NO LATER THAN THE CLOSE OF THE 2026-27 STATE
11 FISCAL YEAR.

APPROPRIATION FROM

	ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$

1 **SECTION 4. Appropriation to the department of higher education for the fiscal year beginning July 1, 2025.** In Session Laws of Colorado 2025, section 2 of chapter
 2 476, (SB 25-206), **amend** Part VII (3)(C) and the affected totals as follows:

3 Section 2. **Appropriation.**

PART VII

DEPARTMENT OF HIGHER EDUCATION

7 **(3) COLORADO COMMISSION ON HIGHER EDUCATION FINANCIAL AID**

8 **(C) Special Purpose**

9 Veterans'/Law Enforcement/

10 POW Tuition Assistance	1,643,700		1,643,700			
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11 Native American

12 Students/Fort Lewis College	21,307,918		21,307,918			
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13 Colorado Opportunity

14 Scholarship Initiative Fund	10,000,000		10,000,000			
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APPROPRIATION FROM

	ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$
1	Tuition Assistance for Career						
2	and Technical Education						
3	Certificate Programs	450,000	450,000				
4	Fourth-year Innovation Pilot						
5	Program	555,573	555,573				
6		524,615	524,615				
7			(1.0 FTE)				
8			(0.7 FTE)				
9	State Aid for Foster Students						
10	Program	2,962,463	2,962,463				
11			(4.0 FTE)				

APPROPRIATION FROM

	ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$
1							
2							
3	1,655,041		1,655,041				
4				(2.0 FTE)			
5	<u>38,574,695.0</u>						
6	38,543,737						
7							
8							
9		\$6,492,016,560	\$452,336,026	\$1,232,865,809 ^a	\$3,430,837,406 ^b	\$1,349,232,021	\$26,745,298 ^c
10		<u>\$6,491,985,602</u>	<u>\$452,305,068</u>				
11							

12 ^a This amount shall be from the General Fund Exempt Account created in Section 24-77-103.6 (2), C.R.S.

13 ^b Of this amount, \$329,555,015 contains an (I) notation.

14 ^c This amount contains an (I) notation.

1 **SECTION 5. Safety clause.** The general assembly finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, or safety or for appropriations for
4 the support and maintenance of the departments of the state and state
5 institutions.