

CHAPTER 348

EDUCATION - UNIVERSITIES AND COLLEGES

SENATE BILL 93-136

BY SENATORS Wells, Blickensderfer, Mares, Martinez, Meiklejohn, Mutzebaugh, Owens, Pastore, Peterson, R. Powers, Roberts, Traylor, and Trujillo;
also REPRESENTATIVES Foster, Adkins, Berry, Chlouber, Epps, Faatz, Grampsas, Jerke, Lawrence, Martin, Owen, and Romero.

AN ACT

CONCERNING POLICIES RELATING TO STATE-SUPPORTED INSTITUTIONS OF HIGHER EDUCATION, AND, IN CONNECTION THEREWITH, AUTHORIZING THE GENERAL ASSEMBLY TO PRESCRIBE ANNUALLY THE MAXIMUM AMOUNT OF CASH FUNDS THAT MAY BE RAISED, SPENT, OR TRANSFERRED TO RESERVES BY SUCH INSTITUTIONS.

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

SECTION 1. Article 1 of title 23, Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

23-1-103.5. Establishment of annual allowable tuition revenue by general assembly. (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

(a) SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION LIMITS STATE FISCAL YEAR SPENDING;

(b) SUBJECT TO CERTAIN EXCLUSIONS SPECIFIED IN SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION, ALL STATE GENERAL FUND EXPENDITURES AND ALL STATE CASH FUND EXPENDITURES, INCLUDING EXPENDITURES OF STATE-SUPPORTED INSTITUTIONS OF HIGHER EDUCATION, ARE INCLUDED IN THE LIMITATION ON STATE FISCAL YEAR SPENDING;

(c) THE LEGISLATIVE POWERS OF THE GENERAL ASSEMBLY, INCLUDING BUT NOT LIMITED TO ITS PLENARY POWER OF APPROPRIATION, AUTHORIZE AND REQUIRE THE GENERAL ASSEMBLY TO ASSURE COMPLIANCE WITH THE LIMITATION ON STATE FISCAL YEAR SPENDING AND TO MAKE FUNDAMENTAL FISCAL POLICY DECISIONS

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

ESTABLISHING THE LEVEL OF ACTIVITY OF ALL DEPARTMENTS AND AGENCIES OF STATE GOVERNMENT, INCLUDING STATE-SUPPORTED INSTITUTIONS OF HIGHER EDUCATION; AND

(d) CONSONANT WITH THE EXERCISE OF SUCH LEGISLATIVE POWERS, THE GENERAL ASSEMBLY MUST ESTABLISH LIMITS ON THE AMOUNT OF CASH FUNDS, AS DEFINED IN SUBSECTION (2) OF THIS SECTION, WHICH SHALL BE RAISED, SPENT, OR TRANSFERRED TO RESERVES BY THE GOVERNING BOARDS AND BOARDS OF TRUSTEES OF ALL STATE-SUPPORTED INSTITUTIONS OF HIGHER EDUCATION AND EXERCISE ANY OTHER NECESSARY CONTROLS ON CASH FUND REVENUES INCLUDING, BUT NOT LIMITED TO, THE POWER OF APPROPRIATION.

(2) FOR THE 1993-94 FISCAL YEAR AND FISCAL YEARS THEREAFTER, THE AMOUNT OF CASH FUNDS APPROPRIATED IN THE GENERAL APPROPRIATION BILL BY THE GENERAL ASSEMBLY FOR THE GOVERNING BOARDS AND THE BOARDS OF TRUSTEES FOR ALL STATE-SUPPORTED INSTITUTIONS OF HIGHER EDUCATION SHALL EQUAL THE MAXIMUM AMOUNT OF CASH FUNDS THAT SUCH GOVERNING BOARDS AND BOARDS OF TRUSTEES SHALL RAISE, SPEND, OR TRANSFER TO RESERVES FOR THAT FISCAL YEAR. FOR THE PURPOSES OF THIS SECTION, "CASH FUNDS" MEANS FUNDS RECEIVED FROM TUITION INCOME, INDIRECT COST RECOVERIES, AND OTHER SOURCES OF FUNDS THAT CAN BE APPROPRIATED AS CASH FUNDS FOR INSTITUTIONS OF HIGHER EDUCATION, EXCEPTING THOSE FUNDS DERIVED FROM GIFTS, FEDERAL FUNDS, OR OTHER SOURCES WHICH ANY EXPENDITURE OR RESERVE INCREASE THEREFROM IS NOT SUBJECT TO THE PROVISIONS OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION. FOR PURPOSES OF THIS SECTION, "FISCAL YEAR SPENDING" SHALL NOT INCLUDE TRANSFERS BETWEEN OR EXPENDITURES FROM RESERVES. THE AMOUNT OF CASH FUNDS APPROPRIATED BY THE GENERAL ASSEMBLY PURSUANT TO THIS SUBSECTION (2) SHALL BE BASED UPON THE DETERMINATION OF THE LIMITATION ON STATE FISCAL YEAR SPENDING UNDER SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION AND UPON DECISIONS ESTABLISHING THE LEVEL OF ACTIVITY OF ALL DEPARTMENTS AND AGENCIES OF STATE GOVERNMENT INCLUDING STATE-SUPPORTED INSTITUTIONS OF HIGHER EDUCATION.

SECTION 2. 23-1-104 (1) (a) (I), Colorado Revised Statutes, 1988 Repl. Vol., as amended by Senate Bill 93-74, enacted at the First Regular Session of the Fifty-ninth General Assembly, is amended to read:

23-1-104. Financing the system of postsecondary education. (1) (a) (I) The general assembly shall make annual appropriations of general fund moneys and of cash funds received from tuition income pursuant to the provisions of section 23-1-103.5 as a single line ~~items~~ ITEM to each governing board for the operation of its campuses consistent with the distribution percentages developed by the commission pursuant to section 23-1-105 (3). Each governing board shall allocate said appropriations to the institutions under its control in the manner deemed most appropriate by such governing board.

SECTION 3. 23-1-105, Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

23-1-105. Duties and powers of the commission with respect to appropriations. (3.5) (a) PRIOR TO JANUARY 1, 1994, THE COMMISSION, IN

COLLABORATION WITH THE GOVERNOR, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, THE PRESIDENT OF THE SENATE, THE MAJORITY AND MINORITY LEADERS OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, AND THE JOINT BUDGET COMMITTEE, SHALL IDENTIFY FIVE POLICY AREAS FOR ADDITIONAL FUNDING WITHIN THE STATE SYSTEM OF HIGHER EDUCATION. FUNDING FOR SUCH POLICY AREAS, IF APPROVED BY THE GENERAL ASSEMBLY, SHALL BE IN ADDITION TO BASE FUNDING FOR THE STATE SYSTEM OF HIGHER EDUCATION. FOR THE PURPOSES OF THIS SECTION, "BASE FUNDING" MEANS THE APPROPRIATION DISTRIBUTED PURSUANT TO THE DISTRIBUTION FORMULA ESTABLISHED BY THE COMMISSION PURSUANT TO SUBSECTION (3) OF THIS SECTION.

(b) THE POLICY AREAS IDENTIFIED FOR FUNDING PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (3.5) SHALL BE RECOMMENDED TO THE GENERAL ASSEMBLY IN A BILL WHICH SHALL BE INTRODUCED IN THE HOUSE OF REPRESENTATIVES WITHIN THE FIRST FOURTEEN DAYS OF EACH REGULAR SESSION OF EACH GENERAL ASSEMBLY BEGINNING WITH THE SECOND REGULAR SESSION OF THE FIFTY-NINTH GENERAL ASSEMBLY. WITHIN THIRTY DAYS OF THE PASSAGE OF SUCH BILL BY THE GENERAL ASSEMBLY, THE COMMISSION SHALL ESTABLISH FOR EACH OF THE ADOPTED POLICY AREAS A DISTRIBUTION FORMULA OF APPROPRIATIONS TO EACH GOVERNING BOARD UNDER THE PRINCIPLES ESTABLISHED IN SUBSECTION (3) OF THIS SECTION.

(c) THE GENERAL ASSEMBLY MAY, AT ITS DISCRETION, ALLOCATE FUNDING AMONG THE POLICY AREAS APPROVED BY THE GENERAL ASSEMBLY PURSUANT TO THIS SUBSECTION (3.5) AND THE BASE FUNDING FOR THE STATE SYSTEM OF HIGHER EDUCATION. FUNDING FOR EACH POLICY AREA APPROVED AND FUNDED BY THE GENERAL ASSEMBLY SHALL BE INCLUDED IN THE GENERAL APPROPRIATIONS BILL IN THE LINE ITEM APPROPRIATION FOR EACH GOVERNING BOARD WITH A LETTERED NOTE EXPLANATION OF THE PERCENTAGE INCLUDED FOR BASE FUNDING AND THE PERCENTAGE INCLUDED FOR EACH OF THE POLICY AREAS APPROVED BY THE GENERAL ASSEMBLY.

(d) IF INTRODUCTION OF A BILL DURING ANY REGULAR SESSION OF THE GENERAL ASSEMBLY PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (3.5) DOES NOT RESULT IN PASSAGE OF SUCH BILL BY THE GENERAL ASSEMBLY DURING SUCH REGULAR SESSION, THE TOTAL AMOUNT OF THE GENERAL FUND APPROPRIATION WHICH IS APPROPRIATED TO THE GOVERNING BOARDS IN THE GENERAL APPROPRIATIONS BILL INTRODUCED DURING SUCH REGULAR SESSION SHALL NOT EXCEED THE TOTAL AMOUNT OF THE GENERAL FUND APPROPRIATION APPROPRIATED TO THE GOVERNING BOARDS IN THE IMMEDIATELY PRECEDING FISCAL YEAR.

SECTION 4. 23-1-110 (2), Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

23-1-110. Organization, meetings, and staff. (2) The ~~commission~~ GOVERNOR shall appoint, with the consent of the senate, an executive director qualified by substantial training and experience in the field of higher education. The executive director shall be the executive officer of the commission and the department of higher education, shall serve at the pleasure of the ~~commission~~ GOVERNOR, and shall receive ~~such~~ compensation commensurate with ~~his~~ THE DUTIES OF THE OFFICE as determined by the ~~commission~~ GOVERNOR. THE DUTIES AND RESPONSIBILITIES OF THE EXECUTIVE DIRECTOR SHALL BE DISCHARGED IN ACCORDANCE WITH THE POLICIES, PROCEDURES,

AND DIRECTIVES OF THE COMMISSION. The executive director ~~with the approval of the commission~~, shall employ such professional and clerical personnel as deemed necessary to carry out the duties and functions of the commission. Offices held by the executive director and professional personnel are declared to be educational in nature and not under the state personnel system.

SECTION 5. 23-1-113 (1) (a), Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

23-1-113. Commission directive - admission standards for baccalaureate and graduate institutions of higher education. (1) (a) The commission shall commence immediately to establish and the governing boards shall implement academic admission standards for first-time freshmen and transfer students at all state-supported baccalaureate and graduate institutions of higher education in the state. The standards shall be established by the commission, after consultation with the governing boards of institutions, and the first step of implementation shall be completed by the governing boards by the beginning of the fall term in 1986. EFFECTIVE JULY 1, 1993, THE ACADEMIC ADMISSION STANDARDS ESTABLISHED FOR DETERMINING ADMISSION OF STUDENTS WHO DO NOT HAVE IN-STATE STATUS, AS DETERMINED PURSUANT TO SECTION 23-7-103, SHALL EQUAL OR EXCEED THOSE ESTABLISHED FOR DETERMINING ADMISSION OF IN-STATE STUDENTS.

SECTION 6. Article 1 of title 23, Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

23-1-113.5. Commission directive - resident admissions. IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT ALL STATE-SUPPORTED INSTITUTIONS OF HIGHER EDUCATION OPERATE PRIMARILY TO SERVE AND EDUCATE THE PEOPLE OF COLORADO. THE GENERAL ASSEMBLY THEREFORE DIRECTS THE COMMISSION TO DEVELOP ADMISSION POLICIES TO ENSURE THAT, BEGINNING WITH THE SCHOOL YEAR WHICH BEGINS IN THE FALL OF 1994 AND FOR EACH SCHOOL YEAR THEREAFTER, NOT LESS THAN FIFTY-FIVE PERCENT OF THE INCOMING FRESHMAN CLASS AT EACH STATE-SUPPORTED INSTITUTION OF HIGHER EDUCATION ARE IN-STATE STUDENTS AS DEFINED IN SECTION 23-7-102 (5). SUCH FIFTY-FIVE PERCENT REQUIREMENT SHALL ALSO APPLY TO THE UP TO TWENTY PERCENT OF INCOMING FRESHMEN STUDENTS ADMITTED BASED ON CRITERIA OTHER THAN STANDARDIZED TEST SCORES, HIGH SCHOOL CLASS RANK, AND HIGH SCHOOL GRADE POINT AVERAGE PURSUANT TO SECTION 23-1-113 (1) (b). IN ADDITION, THE COMMISSION SHALL DEVELOP ADMISSION POLICIES TO ENSURE, BEGINNING WITH THE SCHOOL YEAR WHICH BEGINS IN THE FALL OF 1994 AND FOR EACH SCHOOL YEAR THEREAFTER, THAT NOT LESS THAN TWO-THIRDS OF THE TOTAL STUDENT ENROLLMENT, INCLUDING UNDERGRADUATE AND GRADUATE STUDENTS, AT EACH CAMPUS OF EACH STATE-SUPPORTED INSTITUTION OF HIGHER EDUCATION, EXCEPT THE COLORADO SCHOOL OF MINES, ARE IN-STATE STUDENTS AS DEFINED IN SECTION 23-7-102 (5) AND THAT NOT LESS THAN SIXTY PERCENT OF THE TOTAL STUDENT ENROLLMENT, INCLUDING UNDERGRADUATE AND GRADUATE STUDENTS, AT THE COLORADO SCHOOL OF MINES ARE IN-STATE STUDENTS AS DEFINED IN SECTION 23-7-102 (5). SUCH POLICIES SHALL BE IMPLEMENTED NO LATER THAN JULY 1, 1994. THE COMMISSION SHALL REPORT TO THE GENERAL ASSEMBLY ON OR BEFORE JANUARY 1, 1995, THE POLICIES IT HAS ESTABLISHED PURSUANT TO THIS SECTION.

SECTION 7. 23-1-108 (7), Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

23-1-108. Duties and powers of the commission with regard to systemwide planning. (7) (a) The commission shall establish, after consultation with the governing boards of institutions, and enforce student transfer agreements between two-year and four-year institutions and among four-year institutions. Governing boards and institutions shall conform to such agreements and to commission policies relating to such agreements. Such transfer agreements shall include provisions under which institutions shall accept all credit hours of acceptable course work for automatic transfer to another state-supported institution of higher education in Colorado. The commission shall have final authority in resolving transfer disputes.

(b) ON OR BEFORE OCTOBER 1, 1993, THE COMMISSION SHALL ESTABLISH AND ENFORCE STUDENT TRANSFER AGREEMENTS BETWEEN DEGREE PROGRAMS OFFERED ON THE SAME CAMPUS OR WITHIN THE SAME INSTITUTIONAL SYSTEM. GOVERNING BOARDS AND INSTITUTIONS SHALL CONFORM TO SUCH AGREEMENTS AND TO COMMISSION POLICIES RELATING TO SUCH AGREEMENTS. IN ACCORDANCE WITH THE PROVISIONS OF SECTION 23-5-122, SUCH AGREEMENTS SHALL PROVIDE THAT:

(I) IF, NOT MORE THAN TEN YEARS PRIOR TO TRANSFERRING INTO AN UNDERGRADUATE DEGREE PROGRAM, A STUDENT EARNS CREDIT HOURS WHICH ARE REQUIRED FOR GRADUATION FROM SUCH UNDERGRADUATE DEGREE PROGRAM, SUCH CREDIT HOURS SHALL APPLY TO THE COMPLETION OF SUCH STUDENT'S GRADUATION REQUIREMENTS FROM SUCH UNDERGRADUATE DEGREE PROGRAM FOLLOWING SUCH TRANSFER;

(II) A STUDENT WHO TRANSFERS INTO AN UNDERGRADUATE DEGREE PROGRAM SHALL NOT BE REQUIRED TO COMPLETE A GREATER NUMBER OF CREDIT HOURS IN THOSE COURSES WHICH ARE REQUIRED FOR GRADUATION FROM SUCH UNDERGRADUATE DEGREE PROGRAM THAN ARE REQUIRED OF STUDENTS WHO BEGAN IN SUCH UNDERGRADUATE DEGREE PROGRAM, NOR SHALL THERE BE ANY MINIMUM NUMBER OF CREDIT HOURS REQUIRED POST-TRANSFER OTHER THAN THE NORMAL DEGREE REQUIREMENTS FOR NONTRANSFERRING STUDENTS; AND

(III) THE GRADE POINT AVERAGE WHICH IS REQUIRED FOR A STUDENT TO APPLY FOR AND BE FULLY CONSIDERED FOR TRANSFER INTO AN UNDERGRADUATE DEGREE PROGRAM SHALL BE NO HIGHER THAN THAT WHICH IS REQUIRED FOR GRADUATION FROM SUCH UNDERGRADUATE DEGREE PROGRAM.

SECTION 8. Article 5 of title 23, Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

23-5-122. Intrainstitutional and intrasystem transfers. (1) ON OR BEFORE OCTOBER 1, 1993, THE GOVERNING BOARD OF EVERY STATE-SUPPORTED INSTITUTION OF HIGHER EDUCATION SHALL HAVE IN PLACE AND ENFORCE POLICIES REGARDING TRANSFERS BY STUDENTS BETWEEN UNDERGRADUATE DEGREE PROGRAMS WHICH ARE OFFERED WITHIN THE SAME INSTITUTION OR WITHIN THE SAME INSTITUTIONAL SYSTEM. SUCH POLICIES SHALL INCLUDE, BUT SHALL NOT BE LIMITED TO, THE FOLLOWING PROVISIONS:

(a) IF, NOT MORE THAN TEN YEARS PRIOR TO TRANSFERRING INTO AN UNDERGRADUATE DEGREE PROGRAM, A STUDENT EARNS CREDIT HOURS WHICH ARE REQUIRED FOR GRADUATION FROM SUCH UNDERGRADUATE DEGREE PROGRAM, SUCH CREDIT HOURS SHALL APPLY TO THE COMPLETION OF SUCH STUDENT'S GRADUATION REQUIREMENTS FROM SUCH UNDERGRADUATE DEGREE PROGRAM FOLLOWING SUCH TRANSFER;

(b) A STUDENT WHO TRANSFERS INTO AN UNDERGRADUATE DEGREE PROGRAM SHALL NOT BE REQUIRED TO COMPLETE A GREATER NUMBER OF CREDIT HOURS IN THOSE COURSES WHICH ARE REQUIRED FOR GRADUATION FROM SUCH UNDERGRADUATE DEGREE PROGRAM THAN ARE REQUIRED OF STUDENTS WHO BEGAN IN SUCH UNDERGRADUATE DEGREE PROGRAM, NOR SHALL THERE BE ANY MINIMUM NUMBER OF CREDIT HOURS REQUIRED POST-TRANSFER OTHER THAN THE NORMAL DEGREE REQUIREMENTS FOR NONTRANSFERRING STUDENTS; AND

(c) THE GRADE POINT AVERAGE WHICH IS REQUIRED FOR A STUDENT TO APPLY FOR AND BE FULLY CONSIDERED FOR TRANSFER INTO AN UNDERGRADUATE DEGREE PROGRAM SHALL BE NO HIGHER THAN THAT WHICH IS REQUIRED FOR GRADUATION FROM SUCH UNDERGRADUATE DEGREE PROGRAM.

SECTION 9. Effective date. This act shall take effect upon passage; except that section 2 of this act shall take effect only if Senate Bill 93-74 is enacted and becomes law.

SECTION 10. 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.

Approved: June 11, 1993