

Pat Steadman, Mendez Steadman & Associates
Legislative Update
March 20, 2009

Jessica Gerber has been doing a great job working with Pat Steadman on behalf of Council.

Legislative summary is done jointly with CCHS/CR and CSCA. Under each bill, lists position of each organization.

HB 1319: Concurrent Enrollment & Ascent Program

- P-20 bill on concurrent enrollment
- Repeals existing programs and replaces them with consolidated program
- Major philosophical shift – K-12 and higher education will have to work closer together. Argument can be made that this is a more cost effective way to get students to a college degree.
- Pretty strong support for this (Governor, P-20, CDHE supporting).
- Encourages Council to take active role in bill – support, testify?
- Funding comes from per pupil funding from School Finance Act (required by Amendment 23 to be funded).
- Financial structure is different – school districts would receive per pupil funding from the state and would then pay the college/university. Students would be required to reimburse school district if they withdraw or fail the course.
- Would require data reporting so that we know how many students are being served, how they're doing, etc. Currently, no data collection.
- Advisory Council that will work on this – will have people appointed by a variety of individuals once bill passes. Council could submit nomination to Governor for someone to serve on this advisory council.

SB045: Higher Education Guaranteed Credit Transfer

- Controversial, not sure if this will pass.
- Requires CCHE to establish articulation agreements for at least 5 baccalaureate degree programs by July 1, 2011.

HB1272: Limited Gaming – Amendment 50 – Community College Funding

- Quite a bit of squabble about this earlier in the Legislative session.
- Bill just finally passed and is on its way to the Governor's Desk. Expected to sign it into law within the next week or so.
- Tax revenue that comes in from new games and higher limits will be allocated to community college system. Determining what was "new" revenue was source of squabbling.

SB170: Nondiscrimination in Higher Ed Tuition Rates

- Currently sitting in Senate appropriations committee – looking at revenue that might be generated by these students (who were not previously in higher education system) attending colleges. Might lose some non-resident (or international) revenue, but may gain some in-state revenue.
- Requires student to have attended Colorado high school for 3 years; requires them to say that they will seek permanent residency once they become eligible.

SB228: Increase General Assembly's Flexibility in Using Revenue

- Passed Senate as amended and is headed to committee review in House.
- Among other things, eliminates the 6% limit on growth of total general fund appropriations.
- Council is actively supporting this bill.
- Gives Legislature discretion to allocate revenues and build budget based upon state's needs from year to year. Other urgency – if we don't remove the 6% limit, we're looking at a situation where we're cutting 1 billion dollars from the budget and creates a ratchet down situation (we can only grow 6% from a lower point). We know that economy goes up and down – this allows Legislator to respond accordingly.
- Growing coalition of advocates working on this (many of the same advocates that worked to pass Referendum C in 2005). Bill has become very partisan; likely to be challenged in court if passed.

Budget Update

- Legislature is receiving quarterly estimate this afternoon. March estimate is important because this is used in preparing Long Bill.
- Takes a while for taxes to be paid, so tax collections lag behind economic activity. As state starts to recover, state is slow to see revenues recover.
- A lot of apprehension that estimates released this afternoon will have bad news. Whole host of budget cuts – nothing is sacred. “Everything is on the table.” Budget cuts to higher education budget have been fairly modest (compared to what it could be) – Governor is committed to protecting higher education. However, DHE may be first place to be cut if additional cuts are required next week.
- Big unknown is federal stimulus act. Colorado has received a significant amount of money. State Fiscal Stabilization Fund – moneys that have been paid to the Governor's Office. Under our system, Legislature has no authority to allocate Federal Funds – these funds (and ability to allocate) go to Executive branch. As a result, Governor's office will determine where those moneys go. Perhaps Governor will be able to use Federal Funds to back-fill state cuts to education? Working with a great deal of uncertainty – several Federal departments are still working on guidelines/rules on how states can use the money so not sure when/how Governor's office will be able to spend money. Expecting more information to be released by Feds at the end of the month. Quite simply, there's just a whole lot that is still unknown.
- JBC decided that they would make budget cut to Colorado Counselor Corp Grant Program – last week they zeroed out the line item. Yesterday the Governor's Office went back to JBC with “comeback” for Counselor Corps. Pat has been told it was approved, but hasn't been able to confirm this. JBC will continue voting on comebacks this afternoon after quarterly budget estimates.
- Lots of uncertainties – will need to play out over the next several weeks. Speculation that this may not be finalized by end of Legislative Session, so Governor may need to call Legislature back for special session to finalize budget.
- Colorado will be submitting a “Race to the Top” grant application. The Lt. Governor will be spearheading this effort.