



CSCA & CCHS/CR Weekly Legislative Narrative March 22-26, 2010

Overview

The legislature was able to rest midway through this week, as the House and Senate were closed on Wednesday due to the heavy and wet snowstorm in Denver. The School Finance Act (HB10-1369) continued its process through the legislature, passing House third reading on Monday, introduced in the Senate on Tuesday, and passing through Senate Education on Thursday and Senate Appropriations on Friday. Additionally, the Joint Budget Committee finalized their comebacks, meaning they finalized the FY 10-11 budget and made final decisions on programs under consideration for funding suspensions and cuts. Prior to the declared snow day, the legislature was contemplating taking Friday, April 2, off in observance of Good Friday.

Budget

This week the JBC finalized the budget and program funding for the 2010-11 fiscal year. After receiving information from the forecast, they were able to balance the budget as required. There are 6 bills still moving through the legislative process that must pass in order for the budget to be in balance. If any of those bills do not pass, K-12 will be cut additionally below the 08-09 funding level, thus triggering the need to divert stimulus money from higher education to K-12. The end result is a cut to K-12 and higher education. Those bills include:

- Reintroduction of the Old Age Pension Fund legislation that was killed last week and provided approximately \$14-20M in revenue. The bill would limit benefits to immigrants receiving those funds.
- Introduction of the College Invest legislation, as recommended by the Governor in his budget balancing plan, to liquidate the Scholarship Fund available to students in middle school who earn a certain GPA and meet statutory criteria. The scholarships are approximately \$900-1000/year for those students once they enter college. This bill creates \$46 million in revenue. This will have no effect on the portion of the scholarship fund that allows parents to save and invest money for their own children's college funding.
- An extension of the homestead exemption passed last year is expected to generate about \$90M in revenue.
- HB 1320 use of tobacco tax proceeds, HB 1327 pertaining to distribution of cash funds, and HB 1339 regarding use of limited gaming funds, which combined total approximately \$112M in revenue.

School Finance Act

Senate Education spent 4 ½ hours on what was supposed to be a simple bill. The committee spent the better part of the hearing trying to understand the various numbers that have been discussed in relation to the cuts and what that means exactly to school districts. One issue discussed at length was the effects on school districts of the passage of proposed Amendment 61 on this November's ballot. It would force school districts to cut their mill levy in half, leaving them unable to repay bonded indebtedness obligations. The committee felt like it was an important issue, but statutory language didn't belong in School Finance, but rather a separate stand-alone bill.

Another issue the committee spent a considerable amount of time on was what to do with the 7 school districts that don't receive any state funding towards school finance—how does the legislature force them to take the same cuts and should they be forced into that situation? Some Senators felt that those districts should 'share the pain' with the rest of the state, while others felt that if they are fortunate enough to be able to have mill levy overrides and assessed valuation to support the district entirely, why should they be punished? Further conversation will be taking place to determine a plan of action for these districts and amendments are expected on Senate 2nd reading.

Long Bill

The long bill will be introduced on Monday, March 29, in the House. The House will spend the majority of the week in caucus and on the floor debating the bill. During the week of April 5, the Senate will undertake the same process.

Counselor Corps Grant Program

On Monday and Tuesday the Joint Budget Committee worked on their comebacks and reconsidered the funding suspension for FY10-11 of the Counselor Corps Grant Program. The JBC decided to fully fund the program at \$5 million. The program will be funded with a portion of an unanticipated additional \$8 million of un-appropriated funds in the State Education Fund that the JBC calculated after hearing the March Revenue Forecast last Friday. The Department of Education and Governor's Office had requested this program be fully funded when proposals were first given to the JBC.

Notable Bill Movement this Week

- Passed Through Committee:
 - SB10-088 Two-Year College Degree Designation (Rep. Massey) and SB10-108 Higher Education Core Courses (Rep. Middleton) both passed through the House Education committee unanimously and unamended on Thursday. SB10-088 allows students to transfer a full two years of credit at a community college towards an approved and designated degree program at a four-year institution. SB10-108 allows students to test out of approved core courses at the university level without tuition charges.
- Postponed Indefinitely:
 - SB10-026 College in Colorado (Rep. Middleton): On Monday the House Education committee postponed SB10-026 indefinitely at the request of the sponsor. The bill originally moved the office of College in Colorado over to the Colorado Department of Education and was subsequently amended into a data sharing bill between the departments of education and College in Colorado. Subsequent amendments mistakenly eliminated the current statutory requirement that all sixth grade students register with College in Colorado. Due to complications with these amendments and already existing data sharing capabilities, the stakeholders and sponsors decided to maintain the status quo regulations.

Upcoming Dates

- Bill Hearings –
 - ** Note: There are no scheduled meetings of the House Education Committee this week due to the introduction of the Long Bill.
 - Monday
 - Introduction of the Long Bill in the House

- House Committees will meet to discuss the Long Bill throughout the day
- Senate 2nd reading of the School Finance Act
- Tuesday
 - House Appropriations Committee
 - Various budget-balancing measures
 - House Committees will continue to meet to discuss the Long Bill throughout the day
- Wednesday
 - Joint Education Committee
 - Presentation From the Office of Dropout Prevention and Student Re-Engagement – CDE
 - Presentation on the New Teacher Project’s Work in Colorado - The New Teacher Project
 - ** Postponed: the Declining Enrollment Study will be presented to Joint Education on April 7, 2010
- Thursday
 - Senate Education Committee
 - HB10-1273 Arts Ed For Workforce Development (Sens. Spence and Steadman)