

# 2017 END OF SESSION REPORT

COLORADO STATE BOARD OF EDUCATION & DEPT. OF EDUCATION

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## SESSION OVERVIEW

Negotiation, compromise and cooperation were critical to success in the 2017 Legislative Session, particularly given split control of the House and Senate. New leadership in both Chambers and the election of over twenty new legislators created opportunities to pursue fresh ideas. Perhaps most significantly, after two years of extensive debate, the legislature reached a conclusion about how the Hospital Provider Fee is accounted for within the state budget (more on SB17-267 below). There was partial progress on construction defects and transportation funding, the status quo largely prevailed on health care issues and the legislature continued to address marijuana revenue and emerging technologies.

While HB17-1279 addressed only one aspect of construction defects reform, it was an important step forward. This bill, supported by the Homeownership Opportunity Coalition, requires that a majority of the membership of a Homeowners Association approve the initiation of a legal complaint. The bill further mandates certain disclosures to homeowners detailing the expected cost and time of pursuing a complaint and the potential difficulty of selling their unit during a lawsuit.

Prior to the legislative session, legislative leaders from both parties conducted conversations with a large stakeholder group that included business organizations, the Colorado Department of Transportation, transportation advocates and local governments to discuss increased funding for transportation. After months of negotiations, HB17-1242, New Transportation Infrastructure Funding Revenue, was introduced. The bill would have required a ballot question to be submitted to the voters of the state in 2017. The initiative would have increased the state sales and use tax rate for 20 years. After passing with a bi-partisan vote in the House, HB17-1242 failed in the Senate Finance Committee.

In addition to these headline issues, the legislature spent much energy discussing and debating health care legislation. There were approximately sixty bills related to health care and health insurance introduced, several of which were championed by the Executive Branch.

Continuing the trend of adopting legislation related to Colorado's legalization of recreational marijuana, there was a focus this year on spending some of the tax revenue generated with this new economic activity. The Governor's proposal to spend \$15.3 million building housing units for homeless individuals was approved as part of the budget. Additionally, \$9 million was added to the School Health Professionals Grant Program for substance abuse education in the schools.

Finally, the State continued to demonstrate leadership in the adoption and acceptance of new technologies with the passage of SB17-213, Automated Driving Motor Vehicles. The bill declares the regulation of automated driving systems as a matter of statewide concern. State and local government jurisdictions are prohibited under the amended version of the bill from adopting or enforcing a policy, rule or ordinance that sets standards for an automated driving system that are different from the standards set for a human driver.

## SB17-267 SUSTAINABILITY OF RURAL COLORADO

One of the most notable endeavors of the 2017 Legislative Session was the adoption of SB17-267. Senate President Pro Tempore Jerry Sonnenberg, Senate Minority Leader Lucia Guzman, House Majority Leader K.C. Becker and Rep. Jon Becker worked incredibly hard to create legislation that would address some of the challenges faced by rural areas of the state. Several issues were addressed including making the Hospital Provider Fee an Enterprise Fund. In doing so, a \$528 million cut to hospitals for this fiscal year was avoided and the state's revenue cap was lowered by \$200 million. Additional key components of SB17-267 include the following:

- \$150 million to bond \$1.8 billion in transportation projects for four years;
- \$120 million for controlled maintenance capital funding;
- \$30 million for rural and small rural schools;
- Creation of a Business Personal Property Tax Credit for small businesses funded through an increase in the retail marijuana tax;
- Targeted copay increases for Medicaid patients using outpatient services and pharmacies;
- Protection for the Senior Homestead Property Tax Exemption which becomes the first funding priority if there is a TABOR refund;
- A requirement that state agencies submit plans for a two percent budget reduction.

SB17-287 passed with bi-partisan support in both Chambers. In the Senate, the bill was adopted by a vote of 25-15 and in the House the bill succeeded by a 49-16 vote.

## STATE BOARD POSITIONS

The State Board was actively involved in two pieces of legislation this session. HB17-1271, Standards for Innovation District Waivers, was initiated and supported by the Board. The bill passed and is on its way to the Governor for signature. As introduced, the bill would have raised the standard for approving innovation plans and given the board the ability to review previously approved plans for good and just cause. As a result of negotiations in the House, the review language was removed from the bill. In its final form, the legislation states that the Board shall approve an innovation plan if it will, "enhance educational opportunity, standards and quality within the innovation schools or innovation school zones and is fiscally feasible."

Additionally, HB17-1359, Colorado Department of Education Positions Exempt from State Personnel System, was introduced to address the concerns raised by the Joint Budget Committee about CDE's personnel classification policies. As passed, the bill clarifies the statutory standard for designating open positions as at-will or classified. It also protects current CDE staff who may have been misclassified at the time of their hiring.

Overall the State Board took a position on eleven bills. Of the eight bills the Board supported, seven passed. Both of the bills the Board opposed were killed and the bill the Board wanted to amend (HB17-1160) was amended.

<b>2017 State Board Legislative Positions</b>				
<b>Bill #</b>	<b>Short Title</b>	<b>Sponsors</b>	<b>Board Position</b>	<b>Final Status</b>
<b>HB17-1106</b>	Extend Early Childhood Commission	Pettersen/Wilson/ Martinez Humenik/ Todd	Support	Passed
<b>HB17-1160</b>	Kindergarten Through Third Grade English Learner Reading Assessment Language	Hamner/Wilson/ Fields/Priola	Amend	Passed
<b>HB17-1181</b>	Required State Assessment for Ninth-grade Students	Pettersen/Lundeen/Todd/Priola	Support	Passed
<b>HB17-1271</b>	Standards for Innovation District Waivers	Pettersen/Priola	Support	Passed
<b>HB17-1287</b>	Achieving a Vision for Education in Colorado	Rankin/Hamner/ Kerr/Priola	Support	Failed
<b>HB17-1340</b>	Legislative Interim Committee on School Finance	Garnett/Lundeen/ Moreno/Hill	Support	Passed
<b>HB17-1359</b>	Colorado Department of Education Positions Exempt from State Personnel System	Young/Gardner	Support	Passed
<b>SB17-076</b>	Authority to Spend Money for School Awards	Priola/Coleman	Support	Passed
<b>SB17-114</b>	Accountability for School Districts and Schools	Moreno	Oppose	Failed
<b>SB17-144</b>	Sunset Review Education Data Advisory Committee	Hill/Zenzinger/ Pettersen	Support	Passed
<b>SB17-272</b>	Measures of Postsecondary and Workforce Readiness	Priola/Lundeen/ Pettersen	Support	Passed

## ASSESSMENTS

Though there were several bills this year related to assessments, overall the conversation was not as contentious as it has been the last several years. HB17-1181, Required State Assessments for Ninth-Grade Students, requires that ninth-grade students take tests in math and English language arts in the Spring. The tests must be aligned to the content standards and to the tenth-grade exam. The bill passed with strong bipartisan support.

As introduced, HB17-1160, Kindergarten Through Third Grade English Language Learner Assessment Language, would have allowed school districts complete control over the language in which they

administer READ Act assessments. The bill was amended in the Senate Education Committee to state that in determining the language for the reading assessment the school shall review the student's score on the most recent English proficiency exam. If the student scores within the range that the local education provider determines demonstrates partial proficiency in English, then the student is to take at least one reading assessment annually in English. The bill passed with this amended language.

HB17-1117, Repeal Assessments in 9<sup>th</sup> Grade and Social Studies, and SB17-101, 9<sup>th</sup> and 10<sup>th</sup>-grade Assessments in Public Schools, both failed in their first committee hearing.

## ACCOUNTABILITY

As the State Board has considered actions for schools and districts at the end of the accountability clock, those proceedings have sparked much dialogue and thought at the State Capitol about accountability issues.

SB17-114, which failed in its first committee, was the most direct attempt to recalibrate the current accountability system. The bill would have required that CDE use a longitudinal growth performance indicator to measure student improvement over a four-year span. Further, the State Board would have been directed to put the greatest emphasis on the longitudinal growth indicator when determining the accreditation level of schools and districts. The bill also removed the ability of the State Board to remove district accreditation for schools or districts that reach the end of the clock.

HB17-1089 Parent Choice in Low-Performing School Districts, which also failed, would have required that school districts accredited with priority improvement or turnaround status for five consecutive years create a parent choice account for each enrolled student. The annual per-pupil amount of the state share of total program was to be deposited in the account. Parents would have the ability to purchase qualifying educational services which could include instructional materials or enrollment in non-sectarian private or online schools.

For the first time, we also saw several bills designed to use the accountability system to incentivize or reward more specific actions by schools and districts.

- Under HB17-103, which passed, low performing schools and districts may: 1) receive support in improving the quality of local early learning programs; 2) include a review of access to quality early learning within the existing required needs assessment; and 3) allow elementary schools to implement a turnaround plan that includes research-based early learning and development strategies focused on Preschool through third-grade.
- Under HB17-107, which did not pass, CDE would have been required to consider access to course or educational programs in the arts as a performance indicator.
- Finally, SB17-272 changes the way that CDE determines the Postsecondary and Workforce Readiness indicator. Beginning with the 2020-21 academic year, schools and districts will calculate the percentage of high school students who demonstrate college and PWR based on various demonstration options adopted by the Board. Additionally, districts must report adopted graduation requirements to the Department.

## RECURRING BILLS

For the last few years, there has been legislation introduced repeatedly regarding charter school funding, rural flexibility, changes to the educator effectiveness system, oversight of online schools and a diploma endorsement in biliteracy. On some of these topics, most notably charter school funding, legislation was adopted that will change current practices.

HB17-1375 was introduced on Monday and passed the Senate on the last day of session. This is the compromise bill to address long-standing concerns expressed by charter schools about how districts distribute mill levy revenue. Under the compromise, for new mill levy revenue, districts will be given the opportunity to create a distribution plan. Beginning with the 2019-20 budget year, districts must either implement their plan or distribute to charter and innovation schools an amount equal to at least 95 percent of the per pupil mill levy share. The district's plan must be posted on the district's website. Additionally, charter schools will be required to post via website the list of statutes waived, the replacement plan for non-automatic waivers and the rationale for each automatic waiver invoked by the school. Finally, two statutes were added to the list of items that cannot be automatically waived. These include procedures for competitive bidding for goods and services and the power to accept and extend gifts, grants and donations.

A proposal similar to SB17-213, Seal of Biliteracy for High School Diplomas, failed in 2016. However, this year the legislation passed. It authorizes the granting of a high school diploma endorsement in biliteracy to a student who demonstrates proficiency in English and at least one foreign language.

SB17-070 Certify Authorizers of Multi-district Online Schools was introduced in the same form as it was in 2016. Perhaps as a result, the bill was killed in its first committee hearing in Senate Education. On the other hand, HB17-1178, Administrative Flexibility for School Districts, continued a theme from previous years but was different in terms of the details. The bill, which was also killed in its first committee hearing, would have expanded the ability of rural school districts to hire unlicensed educators and would have allowed groups of rural school districts to seek waivers from the State Board of Education. Finally, SB17-067 Educator Effectiveness 50% Student Academic Growth which would have eliminated the requirement that at least 50% of a teacher/principal's evaluation be determined by the academic growth of students also failed for the third year in a row.

## TEACHER RECRUITMENT

Concern about teacher shortages, particularly in rural areas, was another prominent theme during the 2017 session.

- HB17-1003, Strategic Plan to Address Teacher Shortages, passed and will require the Department of Higher Education in partnership with CDE to examine recruitment, preparation and retention of teachers. Additionally, there is a requirement to prepare a strategic plan to address teacher shortages.

- HB17-1344 was another substantive bill that would have created an innovative teacher preparation program at CDE. The Department would have been directed to create a system to collect data concerning teacher preparation and create multiple pilot programs to support and investigate approaches to teacher preparation and induction. Introduced late in the session and with a significant cost, the bill did not make it out of its first committee.
- Finally, HB17-1176 PERA Public Employees' Retirement Association Retirees Employed by Rural School Districts, allows rural school districts to hire retirees without reducing their PERA benefits.

## TECHNOLOGY AND STEM EDUCATION

Bills about increasing student access both to technology and to technology related courses continue to benefit from support by high-placed legislative leaders including House Speaker Crisanta Duran and Senate President Kevin Grantham.

- HB17-1082 BEST Building Excellent Schools Today Act Technology Grant Funding, expands the definition of capital construction under the BEST program to include technology.
- HB17-1184, Modern Technology Education in Public Schools, passed as well. Under the terms of this this bill, within the current process the State Board has for revising academic standards, the Board is to incorporate into the standards for each subject skills that relate to the use of information and communications technologies. Additionally, the Department is directed to create a resource bank of materials for computer science programs.
- Finally, under HB17-1201 districts may grant a diploma endorsement in science, technology, engineering and mathematics to graduating students who demonstrate mastery. The bill identifies the minimum requirements a student must satisfy to be eligible to receive the endorsement.

## STUDENT DISCIPLINE

A new trend emerged this year with the introduction of several legislative proposals connected to student discipline.

- HB17-1038 would have prohibited the use of corporal punishment by employees or volunteers at public schools. The bill died in the Senate.
- HB17-1210, School Discipline for Preschool Through 2<sup>nd</sup> Grade, would have placed restrictions on the ability of schools to expel young students. The Senate State Affairs committee killed HB17-1210.
- Sponsors found more success with HB17-1276 which restricts the use of restraints on public school students.
- HB17-1211 also passed and will create the discipline strategies pilot program to provide professional development funding for districts to train educators about discipline and behavioral issues.
- On a slightly different note, HB17-1301 which restricts the ability of districts to withhold student transcripts for nonpayment of library and other fines, was also adopted.

## LOOKING AHEAD

As is the case in most non-election years, legislators will have a greater opportunity to focus on substantive policy issues.

Several interim committees have been given the funding needed to meet over the summer and Fall. These include committees on Opioid and Other Substance Use Disorders, Support for Young and Beginning Farmers, Sentencing in the Criminal Justice System, County Courthouse and County Jail Funding and Overcrowding Solutions, School Finance and Sales and Use Tax Simplification.

Members of these Interim committees will be appointed by legislative leadership and they will start meeting after June 1. There will also be a process to review transportation commission districts. Additionally, the standing interim committees including the Transportation Legislative Review Committee and the Water Resources Review Committee will meet as usual.

Several ballot initiatives have been filed for potential inclusion on the 2017 statewide ballot. Thirteen separate titles have been submitted that would provide additional funding for transportation needs through sales tax increases or increased bonding authority. In addition to transportation, titles have been filed regarding a Prohibition on Sales of Smartphones to Minors, State Scholarship Program and Prohibit Conversion Therapy.

In addition to efforts to find solutions to Colorado's transportation challenges, we believe there will also be substantive conversations during the interim about the K-12 accountability system, the system for selling beer and wine, and the health care delivery system.

As always, the BBMK team will spend a great deal of time over the Summer and Fall meeting with legislators and engaging in policy discussions with our clients and members of the General Assembly. We look forward to providing additional information.

## COMPREHENSIVE LIST OF K-12 EDUCATION LEGISLATION

There were 68 bills introduced that addressed P-12 education in the 2017 Session. Of these, 38 passed and 30 died.

Bill #	Short Title	Sponsors	Final Status
HB17-1001	Employee Leave Attend Child's Academic Activities	J. Buckner / A. Kerr	Failed
HB17-1002	Child Care Expenses Income Tax Credit Extension	B. Pettersen   T. Exum / B. Martinez Humenik   J. Kefalas	Passed
HB17-1003	Strategic Plan To Address Teacher Shortages	B. McLachlan / D. Coram	Passed
HB17-1022	Teaching Competent History In Public Schools	J. Salazar / D. Moreno	Failed
HB17-1036	Concealed Carry In Public Schools	P. Neville   K. Ransom / T. Neville	Failed

<b>HB17-1038</b>	Prohibit Corporal Punishment Of Children	S. Lontine / R. Zenzinger	Failed
<b>HB17-1041</b>	Inform Students And Parents Of Education Leading To Jobs	P. Covarrubias / K. Priola	Passed
<b>HB17-1042</b>	Increasing Funding For Full-day Kindergarten	J. Wilson	Failed
<b>HB17-1062</b>	Making Certain State Assessments Optional	P. Buck / V. Marble   M. Merrifield	Failed
<b>HB17-1069</b>	Subcommittee On Data Privacy	T. Carver   J. Melton / K. Lundberg	Failed
<b>HB17-1082</b>	BEST Building Excellent Schools Today Act Technology Grant Funding	D. Pabon / J. Tate	Passed
<b>HB17-1089</b>	Parent Choice In Low-performing School Districts	P. Lundeen	Failed
<b>HB17-1106</b>	Extend Early Childhood Leadership Commission	B. Pettersen   J. Wilson / B. Martinez Humenik   N. Todd	Passed
<b>HB17-1117</b>	Repeal Assessments In 9th Grade And Social Studies	T. Leonard / T. Neville	Failed
<b>HB17-1146</b>	Parents' Rights Related To Minors	P. Neville	Failed
<b>HB17-1160</b>	Kindergarten Through Third Grade English Learner Reading Assessment Language	M. Hamner   J. Wilson / R. Fields   K. Priola	Passed
<b>HB17-1176</b>	PERA Public Employees' Retirement Association Retirees Employed By Rural School Districts	J. Becker   B. McLachlan / J. Sonnenberg	Passed
<b>HB17-1178</b>	Administrative Flexibility For School Districts	J. Wilson	Failed
<b>HB17-1181</b>	Required State Assessment For Ninth-grade Students	B. Pettersen   P. Lundeen / N. Todd   K. Priola	Passed
<b>HB17-1182</b>	Charter School And District Student Revenue True Up	A. Benavidez	Failed
<b>HB17-1184</b>	Modern Technology Education In Public Schools	C. Duran / K. Grantham	Passed
<b>HB17-1194</b>	Technical Changes For P-tech Schools	M. Foote / J. Cooke	Passed
<b>HB17-1201</b>	Science Technology Engineering Math Diploma Endorsement	J. Coleman / K. Priola   R. Zenzinger	Passed
<b>HB17-1210</b>	School Discipline For Preschool Through 2nd Grade	S. Lontine   J. Buckner / R. Fields   K. Priola	Failed



<b>HB17-1211</b>	Educators Professional Development Discipline Strategies	J. Coleman / K. Priola	Passed
<b>HB17-1267</b>	Reporting Requirements By Education Agencies To General Assembly	J. Arndt / D. Moreno	Passed
<b>HB17-1271</b>	Standards For Innovation District Waivers	B. Pettersen / K. Priola	Passed
<b>HB17-1276</b>	Restrict Restraints On Public School Students	S. Lontine / R. Fields   B. Gardner	Passed
<b>HB17-1287</b>	Achieving A Vision For Education In Colorado	B. Rankin   M. Hamner / A. Kerr   K. Priola	Failed
<b>HB17-1294</b>	Counting ASCENT Program Students In Graduation Rate	M. Weissman / N. Todd	Passed
<b>HB17-1301</b>	No Withholding Student Transcripts For Library Fines	D. Michaelson Jenet / C. Holbert / R. Fields	Passed
<b>HB17-1306</b>	Test Lead In Public Schools' Drinking Water	B. McLachlan / T. Exum / K. Donovan / D. Coram	Passed
<b>HB17-1324</b>	Educational Opportunity Tax Incentives	B. McLachlan / B. Pettersen / N. Todd	Failed
<b>HB17-1332</b>	Teachers Nonpublic Child Care & Preschool Facility	J. Bridges / J. Wilson / S. Fenberg / J. Smallwood	Passed
<b>HB17-1340</b>	Legislative Interim Committee On School Finance	P. Lundeen / A. Garnett / O. Hill / D. Moreno	Passed
<b>HB17-1344</b>	Innovative Teacher Preparation Pilot Programs	J. Bridges / B. Pettersen / N. Todd / K. Priola	Failed
<b>HB17-1347</b>	Transfer Student Threat And Suicide Assessment Documents	A. Garnett / K. Priola	Failed
<b>HB17-1359</b>	CDE Colorado Department of Education Positions Exempt From State Personnel System	D. Young / B. Gardner	Passed
<b>HB17-1375</b>	Distributing Mill Levy Override Revenue To Schools	B. Pettersen / L. Sias / O. Hill / A. Williams	Passed
<b>SB17-005</b>	Handgun Safety Training For School Employees	C. Holbert / P. Neville	Failed
<b>SB17-025</b>	Marijuana Education Materials Resource Bank	R. Baumgardner / C. Holbert / J. Singer	Passed
<b>SB17-029</b>	Funding For Full-day Kindergarten	A. Kerr / B. Pettersen	Failed
<b>SB17-039</b>	Education Income Tax Credits For Nonpublic School	K. Lundberg / K. Ransom	Failed

<b>SB17-052</b>	Statutory Revision Committee Colorado Department of Education Title 22 Corrections	A. Kerr / D. Thurlow	Passed
<b>SB17-060</b>	Colorado Student Leaders Institute Relocation To Colorado Department Of Higher Education.	N. Todd / J. Wilson	Passed
<b>SB17-061</b>	Additional Funding Charter School Operating Costs	A. Williams / O. Hill / P. Rosenthal / L. Sias	Failed
<b>SB17-067</b>	Educator Effectiveness 50% Student Academic Growth	M. Merrifield	Failed
<b>SB17-068</b>	School Counselors Early Support For Students	N. Todd / J. Singer	Passed
<b>SB17-070</b>	Certify Authorizers Of Multi-district Online Schools	A. Kerr / D. Young	Failed
<b>SB17-076</b>	Authority To Spend Money For School Awards	K. Priola / J. Coleman	Passed
<b>SB17-101</b>	9th And 10th-grade Assessments In Public Schools	N. Todd / T. Carver	Failed
<b>SB17-102</b>	Prohibit Use Of Certain Student Personal Information	R. Zenzinger / B. Pettersen	Failed
<b>SB17-103</b>	Early Learning Strategies In Education Accountability	M. Merrifield / B. Pettersen	Passed
<b>SB17-107</b>	Reward Access To Arts Education In Public Schools	M. Merrifield / B. McLachlan	Failed
<b>SB17-114</b>	Accountability For School Districts & Schools	D. Moreno	Failed
<b>SB17-119</b>	Restoration Of School District Mill Levies	L. Court	Failed
<b>SB17-123</b>	Seal Of Biliteracy For High School Diplomas	K. Priola / R. Zenzinger / M. Hamner / J. Wilson	Passed
<b>SB17-144</b>	Sunset Review Education Data Advisory Committee	O. Hill / R. Zenzinger / B. Pettersen	Passed
<b>SB17-160</b>	Supplemental Appropriations Department of Education	K. Lambert / M. Hamner	Passed
<b>SB17-173</b>	School Finance Mid-year Adjustments	K. Lambert / M. Hamner	Passed
<b>SB17-197</b>	Legal Services For Department Of Education	K. Lundberg / D. Young	Passed
<b>SB17-200</b>	Reward Excellence With Annual Redirected Dollars	K. Priola / C. Navarro	Failed

<b>SB17-250</b>	Student Exemption From Immunization Requirements	T. Neville / V. Marble / P. Neville / S. Lebsock	Failed
<b>SB17-258</b>	Using Open Educational Resources In Higher Education	K. Lundberg / B. Rankin	Passed
<b>SB17-267</b>	Sustainability Of Rural Colorado	L. Guzman / J. Sonnenberg / J. Becker / K. Becker	Passed
<b>SB17-272</b>	Measures Of Postsecondary And Workforce Readiness	K. Priola / P. Lundeen / B. Pettersen	Passed
<b>SB17-291</b>	Sunset School Safety Resource Center Advisory Board	B. Martinez Humenik / J. Bridges	Passed
<b>SB17-296</b>	Financing Public Schools	O. Hill / B. Pettersen	Passed