

Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO

ENGROSSED

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

LLS NO. 10-0530.05 Jerry Barry

HOUSE BILL 10-1428

HOUSE SPONSORSHIP

Middleton,

SENATE SPONSORSHIP

Romer,

House Committees

Education
Appropriations

Senate Committees

A BILL FOR AN ACT

101 CONCERNING STUDENT LOANS.

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://www.leg.state.co.us/billsummaries>.)

Section 1 of the bill directs the department of higher education (department) to submit a restructuring report to the education committees of the general assembly on whether the department should continue to originate, disburse, service, guarantee, or administer student loans that are not guaranteed by the federal government.

If collegeinvest or any other division of the department sells its interest in student loans or obligations, **section 2** of the bill specifies

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

HOUSE
Amended 2nd Reading
May 5, 2010

where the proceeds of the sale shall be deposited.

Section 3 of the bill creates the financial need scholarship fund to receive a portion of the proceeds of the sale of the state's interest in student loans.

Sections 4 through 16 of the bill repeal, as of July 1, 2010, provisions concerning the authority of collegeinvest and any other division of the department to issue, purchase, or guarantee student loans. Collegeinvest will continue to service existing student loans.

Section 17 of the bill requires the Colorado commission on higher education to adopt policies and procedures to direct state-supported institutions of higher education to participate in student loan programs sponsored by the federal government.

The bill transfers administration of the Colorado collegeinvest scholarship program from collegeinvest to the department.

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

2 **SECTION 1.** Part 1 of article 3.1 of title 23, Colorado Revised
3 Statutes, is amended BY THE ADDITION OF A NEW SECTION to
4 read:

5 **23-3.1-104.7. Restructuring plan - legislative declaration -**
6 **repeal.** (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES
7 THAT:

8 (a) DUE TO CHANGES IN FEDERAL LAW, THE DEPARTMENT SHALL
9 NO LONGER BE INVOLVED IN STUDENT LOANS THAT ARE GUARANTEED BY
10 THE FEDERAL GOVERNMENT;

11 (b) THERE ARE A NUMBER OF EMPLOYEES OF THE DIVISION THAT
12 ARE INVOLVED IN ORIGINATING, DISBURSING, SERVICING, AND
13 ADMINISTERING STUDENT LOANS THAT ARE GUARANTEED BY THE FEDERAL
14 GOVERNMENT; AND

15 (c) IT IS IN THE BEST INTEREST OF THE STATE FOR THE
16 DEPARTMENT TO PREPARE AND SUBMIT TO THE GENERAL ASSEMBLY A
17 RESTRUCTURING PLAN TO DEAL WITH THE CHANGES IN ADMINISTERING

1 STUDENT LOANS.

2 (2) ON OR BEFORE JANUARY 1, 2011, THE DEPARTMENT SHALL
3 PREPARE AND SUBMIT TO THE EDUCATION COMMITTEES OF THE SENATE
4 AND THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES,
5 A RESTRUCTURING PLAN TO DEAL WITH CHANGES IN ADMINISTERING
6 STUDENT LOANS. THE PLAN SHALL ADDRESS, BUT NEED NOT BE LIMITED
7 TO, THE FOLLOWING ISSUES:

8 (a) ANY ONGOING OR FUTURE ROLE FOR THE COLORADO STUDENT
9 OBLIGATION BOND AUTHORITY;

10 (b) WHETHER THE DIVISION SHOULD CONTINUE TO ORIGINATE,
11 DISBURSE, SERVICE, GUARANTEE, AND ADMINISTER STUDENT LOANS;

12 (c) IF THE DIVISION DOES NOT CONTINUE ADMINISTERING STUDENT
13 LOANS, THE ENTITY THAT SHOULD BE RESPONSIBLE FOR SUCH
14 ADMINISTRATION AND THE AUTHORITY THAT ENTITY MAY NEED;

15 (d) THE NUMBER OF EMPLOYEES NECESSARY TO ADMINISTER
16 STUDENT LOANS; AND

17 (e) ADDRESS THE EMPLOYMENT OF PERSONS WHO FORMERLY WERE
18 RESPONSIBLE FOR ADMINISTERING STUDENT LOANS GUARANTEED BY THE
19 FEDERAL GOVERNMENT.

20 **SECTION 2.** 23-3.1-205.4 (1), Colorado Revised Statutes, is
21 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

22 **23-3.1-205.4. Collegeinvest fund - creation - control - use.**

23 (1) (c) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF THIS
24 SUBSECTION (1) TO THE CONTRARY, IF THE AUTHORITY OR ANY OTHER
25 DIVISION OF THE DEPARTMENT SELLS, TRANSFERS, OR ENTERS INTO A
26 CONTRACT WITH ANOTHER ENTITY CONCERNING ALL OR ANY PORTION OF
27 THE AUTHORITY'S OR DIVISION'S INTEREST IN ANY STUDENT LOANS OR

1 STUDENT OBLIGATIONS, THE AUTHORITY OR THE DIVISION SHALL DEPOSIT
2 THE NET PROCEEDS OF THE SALE, TRANSFER, OR CONTRACT AS FOLLOWS:

3 (I) UP TO FIVE MILLION DOLLARS SHALL REMAIN IN THE RESERVE
4 ACCOUNT IN THE COLLEGEINVEST FUND, WHICH ACCOUNT IS HEREBY
5 CREATED, AND MAY BE USED: TO FUND THE REPURCHASE OF STUDENT
6 LOANS SOLD BY THE AUTHORITY IF A GUARANTEE AGENCY REFUSES TO
7 HONOR A CLAIM FILED WITH RESPECT TO ANY SUCH LOANS ON ACCOUNT
8 OF AN EVENT THAT OCCURRED PRIOR TO THE SALE; AND TO PAY ALL
9 LIABILITIES, COSTS, AND EXPENSES WITH RESPECT TO THE AUTHORITY'S
10 PROGRAMS TO UNDERTAKE FORGIVENESS OF INDEBTEDNESS UNDER SUCH
11 STUDENT LOANS SOLD BY THE AUTHORITY. ANY MONEYS REMAINING IN
12 THE RESERVE ACCOUNT AS OF JANUARY 1, 2011, SHALL BE TRANSFERRED
13 TO THE FINANCIAL NEED SCHOLARSHIP FUND CREATED IN SECTION
14 23-3.3-502.

15 (II) AFTER THE RETENTION OF THE AMOUNT REQUIRED IN
16 SUBPARAGRAPH (I) OF THIS PARAGRAPH (c), UP TO FIVE MILLION DOLLARS
17 OF THE REMAINING PROCEEDS SHALL REMAIN IN THE TRANSITION ACCOUNT
18 IN THE COLLEGEINVEST FUND, WHICH ACCOUNT IS HEREBY CREATED TO
19 PAY COSTS AND EXPENSES ASSOCIATED WITH THE TRANSITION AND
20 WIND-DOWN OF THE AUTHORITY'S STUDENT LOAN PROGRAM. ANY
21 EXPENDITURE FROM THE TRANSITION ACCOUNT IN EXCESS OF ONE
22 HUNDRED THOUSAND DOLLARS SHALL REQUIRE THE APPROVAL OF THE
23 EXECUTIVE DIRECTOR. ANY MONEYS REMAINING IN THE TRANSITION
24 ACCOUNT AS OF JANUARY 1, 2011, SHALL BE TRANSFERRED TO THE
25 FINANCIAL NEED SCHOLARSHIP FUND CREATED IN SECTION 23-3.3-502.

26 (III) AFTER THE RETENTION OF THE AMOUNTS REQUIRED IN
27 SUBPARAGRAPHS (I) AND (II) OF THIS PARAGRAPH (c), UP TO FIFTEEN

1 MILLION DOLLARS OF THE REMAINING PROCEEDS SHALL BE TRANSFERRED
2 TO THE FINANCIAL NEED SCHOLARSHIP FUND CREATED IN SECTION
3 23-3.3-502 TO INCREASE THE AVAILABILITY OF FINANCIAL NEED
4 SCHOLARSHIPS.

5 (IV) AFTER THE RETENTION OF THE AMOUNTS REQUIRED BY
6 SUBPARAGRAPHS (I) AND (II) OF THIS PARAGRAPH (c) AND THE TRANSFER
7 REQUIRED BY SUBPARAGRAPH (III) OF THIS PARAGRAPH (c), ANY
8 REMAINING AMOUNT OF THE PROCEEDS SHALL BE TRANSFERRED TO THE
9 FINANCIAL NEED SCHOLARSHIP FUND CREATED IN SECTION 23-3.3-502 AND
10 MAY REDUCE THE NEED FOR GENERAL FUND APPROPRIATIONS IN THE SAME
11 AMOUNT TO THE DEPARTMENT FOR NEED-BASED GRANTS.

12 **SECTION 3.** Part 5 of article 3.3 of title 23, Colorado Revised
13 Statutes, is amended BY THE ADDITION OF A NEW SECTION to
14 read:

15 **23-3.3-502. Financial need scholarships and grants - fund.**

16 (1) THE DEPARTMENT OF HIGHER EDUCATION IS AUTHORIZED TO SEEK
17 AND ACCEPT GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC
18 SOURCES FOR THE PURPOSES OF MAKING SCHOLARSHIPS OR GRANTS BASED
19 UPON FINANCIAL NEED IN ADDITION TO THOSE FUNDED PURSUANT TO
20 SECTION 23-3.3-501; EXCEPT THAT THE DEPARTMENT OF HIGHER
21 EDUCATION MAY NOT ACCEPT A GIFT, GRANT, OR DONATION THAT IS
22 SUBJECT TO CONDITIONS THAT ARE INCONSISTENT WITH THIS SECTION OR
23 ANY OTHER LAW OF THE STATE. THE DEPARTMENT OF HIGHER EDUCATION
24 SHALL TRANSMIT ALL PRIVATE AND PUBLIC MONEYS RECEIVED THROUGH
25 GIFTS, GRANTS, OR DONATIONS PURSUANT TO THIS SECTION TO THE STATE
26 TREASURER, WHO SHALL CREDIT THE SAME TO THE FINANCIAL NEED
27 SCHOLARSHIP FUND, WHICH FUND IS HEREBY CREATED AND REFERRED TO

1 IN THIS SECTION AS THE "FUND". IN ADDITION TO GIFTS, GRANTS, OR
2 DONATIONS, THE FUND SHALL CONSIST OF ANY MONEYS DEPOSITED IN THE
3 FUND PURSUANT TO SECTION 23-3.1-205.4 (1) (c) AND ANY MONEYS
4 APPROPRIATED TO THE FUND BY THE GENERAL ASSEMBLY. THE MONEYS
5 IN THE FUND SHALL BE SUBJECT TO ANNUAL APPROPRIATION BY THE
6 GENERAL ASSEMBLY TO THE DEPARTMENT OF HIGHER EDUCATION FOR THE
7 DIRECT AND INDIRECT COSTS ASSOCIATED WITH AWARDING SCHOLARSHIPS
8 OR GRANTS BASED UPON FINANCIAL NEED.

9 (2) THE STATE TREASURER MAY INVEST, AS PROVIDED BY LAW,
10 ANY MONEYS IN THE FUND NOT EXPENDED FOR THE PURPOSE OF THIS
11 SECTION. ALL INTEREST AND INCOME DERIVED FROM THE INVESTMENT
12 AND DEPOSIT OF MONEYS IN THE FUND SHALL BE CREDITED TO THE FUND.
13 ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND
14 AT THE END OF A FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT
15 BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANOTHER FUND.

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17 **SECTION 4.** 23-3.1-104 (1) (g), (1) (o), (2) (j), (2) (k), and (2)
18 (o), Colorado Revised Statutes, are amended to read:

19 **23-3.1-104. Duties and powers of division.** (1) The division
20 shall:

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22 (g) ~~Recruit lenders to participate in the network;~~

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24 (o) ~~Evaluate the degree of access to loans and report, at least~~
25 ~~semiannually, on the sufficiency or insufficiency of such access to the~~
26 ~~authority established by part 2 of this article;~~

27 (2) The division may:

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~~(j) Contract with institutions of higher education to originate, disburse, or guarantee student loans;~~

~~(k) Hire consultants to advise the division on matters regarding student loans;~~

~~(o) Prescribe the terms and conditions by which loans from the proceeds of institutional loans established under part 2 of this article are made, through either the promulgation of rules or otherwise;~~

SECTION 5. 23-3.1-201, Colorado Revised Statutes, is amended to read:

23-3.1-201. Legislative declaration. The general assembly hereby declares that the availability of improved access to and choice of higher education opportunities in this state will benefit the residents of the state and that ~~the establishment of a student obligation bond program, with proceeds of bonds to be used for the purchase or making of student obligations or the making of institutional loans, and~~ the establishment of a prepaid postsecondary education expense program will ~~enhance the availability of student obligations and~~ assist residents in meeting the expenses incurred in availing themselves of higher education opportunities. It is the intent of the general assembly in enacting this part 2 to create collegeinvest, which shall be a division within the department of higher education and which authority shall make or purchase student obligations ~~shall make institutional loans,~~ and shall develop and administer a prepaid postsecondary education expense program. This part 2 shall be liberally construed to accomplish the intentions expressed in

1 this section.

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3 **SECTION 6. Repeal.** 23-3.1-206 (1) (v) and (1) (x), Colorado
4 Revised Statutes, are repealed as follows:

5 **23-3.1-206. General powers and duties of the authority.** (1) In
6 addition to any other powers and duties specifically granted to the
7 authority in this part 2, the authority has the following powers:

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9 ~~(v) To implement and administer, including marketing, the~~
10 ~~Colorado collegeinvest scholarship program established in section~~
11 ~~23-3.1-206.9;~~

12 ~~(x) To organize entities pursuant to title 7, C.R.S., and transfer~~
13 ~~funds to the entities for the purpose of investing the moneys in the~~
14 ~~Colorado collegeinvest scholarship trust fund and any other trusts and~~
15 ~~funds under the authority's control; and~~

16 **SECTION 7.** 23-3.1-206 (1) (h), Colorado Revised Statutes, is
17 amended to read:

18 **23-3.1-206. General powers and duties of the authority.** (1) In
19 addition to any other powers and duties specifically granted to the
20 authority in this part 2, the authority has the following powers:

21 ~~(h) To make or participate in the making of student obligations or~~
22 ~~institutional loans;~~

23 **SECTION 8.** 23-3.1-206 (1) (o) and (1) (w), Colorado Revised
24 Statutes, are amended to read:

25 **23-3.1-206. General powers and duties of the authority.** (1) In
26 addition to any other powers and duties specifically granted to the
27 authority in this part 2, the authority has the following powers:


1 (o) To do all things necessary and convenient to carry out the
2 purposes of this part 2 and of part 3 of this article including funding of
3 grants, scholarships, and loan forgiveness; ~~and to do all things necessary~~
4 ~~and convenient in connection with the servicing of student obligations by~~
5 ~~the authority including sale, public or private, to the student loan~~
6 ~~marketing association or any successor organization;~~

7 (w) To deposit moneys into the Colorado collegeinvest
8 scholarship trust fund ~~to accept moneys appropriated to the fund by the~~
9 ~~general assembly; to accept gifts, grants, and donations from third parties~~
10 ~~for deposit into the fund; and to expend moneys from the fund for~~
11 ~~Colorado collegeinvest scholarships ESTABLISHED PURSUANT TO SECTION~~
12 ~~23-3.3-1001;~~

13 **SECTION 9.** 23-3.1-206.5 (2), Colorado Revised Statutes, is
14 amended to read:

15 **23-3.1-206.5. Origination, disbursement, and servicing of**
16 **student obligations and institutional loans.** (2) The authority may
17 contract with the division to ~~originate, disburse, or~~ service student
18 obligations made or purchased by the authority.

19 **SECTION 10. Repeal.** 23-3.1-206.9, Colorado Revised Statutes,
20 is repealed.

21 
22 **SECTION 11.** Article 1 of title 23, Colorado Revised Statutes, is
23 amended BY THE ADDITION OF A NEW SECTION to read:

24 **23-1-129. Commission directive - student loans.** ON OR BEFORE
25 JULY 1, 2010, THE COMMISSION SHALL ADOPT THE NECESSARY POLICIES
26 AND PROCEDURES TO REQUIRE STATE-SUPPORTED INSTITUTIONS OF HIGHER
27 EDUCATION TO PARTICIPATE IN STUDENT LOAN PROGRAMS SUPPORTED BY

1 THE FEDERAL GOVERNMENT.

2 **SECTION 12.** Article 3.3 of title 23, Colorado Revised Statutes,
3 is amended BY THE ADDITION OF A NEW PART to read:

4 PART 10

5 COLLEGEINVEST SCHOLARSHIP PROGRAM

6 **23-3.3-1001. Colorado collegeinvest scholarship program -**
7 **administration - fund - policies - repeal.** (1) THE COLORADO
8 COLLEGEINVEST SCHOLARSHIP PROGRAM FOR THE PURPOSE OF INCREASING
9 ACCESS TO POSTSECONDARY EDUCATION IS HEREBY TRANSFERRED FROM
10 COLLEGEINVEST TO THE DEPARTMENT. ON AND AFTER JULY 1, 2010, THE
11 COLORADO COLLEGEINVEST SCHOLARSHIP PROGRAM SHALL BE
12 IMPLEMENTED AND ADMINISTERED BY THE DEPARTMENT. A SCHOLARSHIP
13 UNDER THE COLORADO COLLEGEINVEST SCHOLARSHIP PROGRAM MAY BE
14 AWARDED ONLY TO AN UNDERGRADUATE STUDENT WHO, EACH YEAR IN
15 WHICH THE STUDENT RECEIVES THE SCHOLARSHIP:

16 (a) (I) ATTENDS A STATE INSTITUTION OF HIGHER EDUCATION OR
17 A PARTICIPATING PRIVATE INSTITUTION OF HIGHER EDUCATION AS DEFINED
18 IN SECTION 23-18-102 (8) AND IS ELIGIBLE TO RECEIVE A STIPEND
19 PURSUANT TO ARTICLE 18 OF THIS TITLE; OR

20 (II) ATTENDS A JUNIOR COLLEGE THAT IS PART OF A JUNIOR
21 COLLEGE DISTRICT ORGANIZED PURSUANT TO ARTICLE 71 OF THIS TITLE;
22 OR

23 (III) ATTENDS AN AREA VOCATIONAL SCHOOL, AS DEFINED IN
24 SECTION 23-60-103 (1), AND IS EARNING POSTSECONDARY CREDITS THAT
25 MAY BE TRANSFERRED INTO AN ASSOCIATE DEGREE PROGRAM AT A
26 COMMUNITY COLLEGE OR INTO A DEGREE PROGRAM AT A FOUR-YEAR
27 INSTITUTION OF HIGHER EDUCATION AS PROVIDED IN SECTION 23-1-108 (7)

1 AND THE STATE CREDIT TRANSFER POLICIES ESTABLISHED BY THE
2 COMMISSION; AND

3 (b) DEMONSTRATES FINANCIAL NEED THROUGH THE STUDENT'S
4 ELIGIBILITY FOR THE FEDERAL PELL GRANT, 20 U.S.C. SEC. 1070a, OR ITS
5 SUCCESSOR PROGRAM; AND

6 (c) MEETS ANY OTHER ELIGIBILITY REQUIREMENTS ESTABLISHED
7 BY THE COMMISSION, WHICH SHALL INCLUDE BUT NEED NOT BE LIMITED TO
8 REQUIRING THE STUDENT TO MAINTAIN A HIGH SCHOOL CUMULATIVE
9 GRADE POINT AVERAGE OF AT LEAST 2.5.

10 (2) (a) THE COLORADO COLLEGEINVEST SCHOLARSHIP TRUST
11 FUND, WHICH IS HEREBY CREATED AND REFERRED TO IN THIS SUBSECTION
12 (2) AS THE "FUND", SHALL CONSIST OF MONEYS DEPOSITED INTO THE FUND
13 BY COLLEGEINVEST PURSUANT TO SECTION 23-3.1-206 (1) (w); ANY
14 MONEYS APPROPRIATED TO THE FUND BY THE GENERAL ASSEMBLY; AND
15 ANY GIFTS, GRANTS, AND DONATIONS RECEIVED BY THE DEPARTMENT FOR
16 THE COLORADO COLLEGEINVEST SCHOLARSHIP PROGRAM. MONEYS
17 DEPOSITED INTO THE FUND SHALL BE DEEMED TO BE TRUST FUNDS AND
18 SHALL BE ADMINISTERED BY THE DEPARTMENT TO BE USED FOR THE
19 DIRECT AND INDIRECT COSTS OF IMPLEMENTING AND ADMINISTERING,
20 INCLUDING MARKETING, THE COLORADO COLLEGEINVEST SCHOLARSHIP
21 PROGRAM. ANNUAL EXPENDITURES ON DIRECT MARKETING SHALL NOT
22 EXCEED FIVE PERCENT OF THE ANNUAL REVENUE OF THE FUND. ANY
23 UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND AT
24 THE END OF A FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT
25 BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR TO ANY OTHER
26 FUND. ANY MONEYS APPROPRIATED BY THE GENERAL ASSEMBLY TO THE
27 FUND SHALL BE SUBJECT TO ANNUAL APPROPRIATION.

1 (b) (I) AS OF JULY 1, 2010, ANY UNEXPENDED AND
2 UNENCUMBERED MONEYS REMAINING IN THE COLORADO COLLEGEINVEST
3 SCHOLARSHIP TRUST FUND CREATED PURSUANT TO SECTION 23-3.1-206.9,
4 AS IT EXISTED PRIOR TO THE EFFECTIVE DATE OF THIS SECTION, SHALL BE
5 CREDITED TO THE COLORADO COLLEGEINVEST SCHOLARSHIP TRUST FUND
6 CREATED PURSUANT TO THIS SUBSECTION (2).

7 (II) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JULY 1, 2011.

8 (3) THE COMMISSION SHALL ADOPT ANY POLICIES NECESSARY FOR
9 THE IMPLEMENTATION AND ADMINISTRATION OF THE COLORADO
10 COLLEGEINVEST SCHOLARSHIP PROGRAM, WHICH SHALL INCLUDE BUT
11 NEED NOT BE LIMITED TO IMPLEMENTING THE PROGRAM FOR THE HIGH
12 SCHOOL GRADUATING CLASS OF 2008, PROVIDING AWARDS TO BOTH
13 PART-TIME AND FULL-TIME STUDENTS, AND SPECIFYING THAT A
14 SCHOLARSHIP UNDER THE PROGRAM SHALL BE PAID TO A STUDENT ONLY
15 FOR UP TO FIVE ACADEMIC YEARS. THE COMMISSION SHALL DEVELOP AN
16 APPLICATION FOR THE COLORADO COLLEGEINVEST SCHOLARSHIP
17 PROGRAM THAT SHALL BE RETURNED AS SPECIFIED BY THE COMMISSION.
18 THE APPLICATION SHALL INCLUDE THE REQUIREMENTS FOR AND THE
19 DISQUALIFICATIONS FROM THE COLORADO COLLEGEINVEST SCHOLARSHIP
20 PROGRAM.

21 (4) ON OR BEFORE FEBRUARY 1, 2011, AND ON OR BEFORE
22 FEBRUARY 1 EACH YEAR THEREAFTER, THE COMMISSION SHALL REPORT TO
23 THE EDUCATION COMMITTEES OF THE SENATE AND THE HOUSE OF
24 REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES, ON THE STATUS OF
25 THE COLORADO COLLEGEINVEST SCHOLARSHIP PROGRAM. THE REPORT
26 SHALL INCLUDE, BUT NEED NOT BE LIMITED TO, THE FINANCIAL STATUS OF
27 THE COLORADO COLLEGEINVEST SCHOLARSHIP TRUST FUND, THE AMOUNT

1 OF MONEY ANNUALLY SPENT ON ADMINISTRATION OF THE PROGRAM, THE
2 AVERAGE SCHOLARSHIP AWARD AMOUNT, AND THE NUMBER OF STUDENTS
3 PARTICIPATING IN THE COLORADO COLLEGEINVEST SCHOLARSHIP
4 PROGRAM.

5 **SECTION 13.** 23-3.1-205.4 (1) (c) (IV), Colorado Revised
6 Statutes, as enacted in House Bill 10-1428, is amended, and the said
7 23-3.1-205.4 (1) (c) is further amended BY THE ADDITION OF A NEW
8 SUBPARAGRAPH, to read:

9 **23-3.1-205.4. Collegeinvest fund - creation - control - use.**
10 (1) (c) Notwithstanding any provision of paragraph (a) of this subsection
11 (1) to the contrary, if the authority or any other division of the department
12 sells, transfers, or enters into a contract with another entity concerning all
13 or any portion of the authority's or division's interest in any student loans
14 or student obligations, the authority or the division shall deposit the net
15 proceeds of the sale, transfer, or contract as follows:

16 (III.5) AFTER THE RETENTION OF THE AMOUNTS REQUIRED BY
17 SUBPARAGRAPHS (I) AND (II) OF THIS PARAGRAPH (c) AND THE TRANSFER
18 REQUIRED BY SUBPARAGRAPH (III) OF THIS PARAGRAPH (c), UP TO ONE
19 HUNDRED THOUSAND DOLLARS OF THE REMAINING PROCEEDS SHALL BE
20 TRANSFERRED TO THE JOB RETRAINING CASH FUND CREATED PURSUANT TO
21 SECTION 23-3.1-310.

22 (IV) After the retention of the amounts required by subparagraphs
23 (I) and (II) of this paragraph (c) and the ~~transfer~~ TRANSFERS required by
24 ~~subparagraph~~ SUBPARAGRAPHS (III) AND (III.5) of this paragraph (c), any
25 remaining amount of the proceeds shall be transferred to the financial
26 need scholarship fund created in section 23-3.3-502 and may reduce the
27 need for general fund appropriations in the same amount to the

1 department for need-based grants.

2 **SECTION 14. Specified effective date.** (1) Except as provided
3 in subsection (2) of this section, this act shall take effect upon passage.

4 (2) (a) Section 7 of this act shall take effect September 30, 2010.

5 (b) Section 13 of this act shall only take effect if Senate Bill
6 10-202 is enacted and becomes law.

7 **SECTION 15. Safety clause.** The general assembly hereby finds,
8 determines, and declares that this act is necessary for the immediate
9 preservation of the public peace, health, and safety.