5.6.08

FIRST REPORT OF SECOND CONFERENCE COMMITTEE ON HB08-1388

To the President of the Senate and the Speaker of the House of Representatives:

Your second conference committee appointed on HB08-1388, concerning the financing of public schools, and making an appropriation therefor, has met and reports that it has agreed upon the following:

1. That the House accede to the Senate amendments made to the bill, as the amendments appear in the rerevised bill, with the following changes:

Amend rerevised bill, page 5, line 8, strike "\$5,269.63," and substitute "\$5,270.13,";

line 9, strike "\$19.22" and substitute "\$19.72";

line 10, strike "\$19.22" and substitute "\$19.72";

line 20, strike "nine million seven hundred";

line 21, strike "thousand" and substitute "ten million".

Page 6, line 5, strike "\$5,269.63," and substitute "\$5,270.13,";

line 6, strike "\$182.02" and substitute "\$182.52";

line 7, strike "\$19.22" and substitute "\$19.72".



Page 9, line 9, strike the second "and";

line 10, strike "kindergarten";

line 17, after "THE" insert "MINIMUM";

line 27, strike "FOR" and substitute "Such FOR", and after "THEREAFTER, THE", insert "MINIMUM".

Page 15, line 6, after "FUND.", add "OF SUCH ADDITIONAL MONEYS APPROPRIATED IN THE 2008-09 BUDGET YEAR, ONE HUNDRED THIRTY-FIVE THOUSAND DOLLARS SHALL BE DISTRIBUTED PURSUANT TO SECTION 22-54-133.".

Page 25, line 27, strike "YEAR AND EACH BUDGET YEAR".

Page 26, strike line 1;

line 2, strike "MILLION DOLLARS TO BE USED" and substitute "YEAR, OF THE MONEYS APPROPRIATED";

line 3, strike "22-20-114.5," and substitute "22-54-124 (3),";

line 4, strike "ADDITIONAL", and after "SECTION.", add "THIS SECTION SHALL NOT AFFECT THE ABILITY OF A CHARTER SCHOOL FOR THE DEAF OR THE BLIND TO APPLY FOR AND TO BE ELIGIBLE TO RECEIVE ADDITIONAL MONEYS PURSUANT TO SECTION 22-54-124 (3).".

Page 30, line 24, strike "YEAR; EXCEPT THAT, FOR" and substitute "YEAR.";

strike lines 25 through 27.

Page 31, strike lines 1 through 3.

Page 35, line 11, strike "and kindergarten";



line 13, strike "AND"; line 14, strike "KINDERGARTEN"; line 15, strike "AND KINDERGARTEN"; line 18, strike "AND KINDERGARTEN"; line 20, strike "AND KINDERGARTEN"; line 23, strike "AND"; line 24, strike "KINDERGARTEN"; line 26, strike "AND"; line 27, strike "KINDERGARTEN". Page 36, line 1, strike "AND"; line 2, strike "KINDERGARTEN"; strike lines 15 through 27. Page 37, strike lines 1 through 3. Renumber succeeding sections accordingly. Page 50, strike lines 23 through 27. Strike pages 51 through 56.

Page 57, strike lines 1 through 15 and substitute the following:

"SECTION <u>34.</u> Title 22, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW ARTICLE to read:



ARTICLE 69 Alternative Teacher Compensation Plan Act

22-69-101. Short title. This article shall be known and may be cited as the "Alternative Teacher Compensation Plan Act".

- **22-69-102. Legislative declaration.** (1) THE GENERAL ASSEMBLY HEREBY FINDS THAT:
- (a) TEACHERS ARE A KEY COMPONENT IN THE ACADEMIC SUCCESS OF CHILDREN;
- (b) TO SUPPORT TEACHERS, SCHOOL DISTRICTS SHOULD ENCOURAGE INNOVATIVE, CREATIVE, AND HIGH-QUALITY TEACHING PRACTICES, AND TEACHERS WHO FOLLOW THESE PRACTICES AND WHO PROMOTE EXCELLENT STUDENT PERFORMANCE SHOULD BE REWARDED;
- (c) PROMOTING STUDENT PERFORMANCE AND ACHIEVING TEACHING EXCELLENCE IS PARTICULARLY DIFFICULT WHEN DEALING WITH THE ISSUES RELATED TO AT-RISK STUDENTS;
- (d) Consistent with the findings of the P-20 council, the state does not fully fund state mandates nor adequately meet the needs of school districts to attract, retain, and support the high-quality teachers needed to reach Colorado's educational goals;
- (e) ALTERNATIVE TEACHER COMPENSATION PLANS CAN SERVE AS A MECHANISM FOR REWARDING TEACHING EXCELLENCE AND ENCOURAGING CREATIVE AND INNOVATIVE APPROACHES TO HELPING COLORADO IMPROVE THE ACADEMIC PERFORMANCE OF ALL STUDENTS AND MEET ITS EDUCATION GOALS THAT INCLUDE, BUT ARE NOT LIMITED TO, DECREASING THE DROPOUT RATE, CLOSING THE ACHIEVEMENT GAP, AND INCREASING THE NUMBER OF POSTSECONDARY DEGREES AND CERTIFICATES AWARDED TO COLORADO STUDENTS; AND
- (f) Consistent with the recommendations of the P-20 council, the ultimate success of alternative compensation



SYSTEMS WILL REQUIRE BOTH SIGNIFICANT INCREASES IN BASE PAY AND SUSTAINED, STABLE, AND SUFFICIENT FINANCIAL RESOURCES TO ENSURE THAT MEANINGFUL, DIFFERENTIATED PAY SCHEDULES CAN BE SUPPORTED OVER THE LONG TERM.

- (2) THE GENERAL ASSEMBLY THEREFORE DECLARES THAT PROVIDING SEED MONEY THROUGH A COMPETITIVE GRANT PROGRAM TO SCHOOL DISTRICTS THAT SEEK TO DEVELOP ALTERNATIVE TEACHER COMPENSATION PLANS IS A CONCRETE WAY IN WHICH THE STATE CAN FURTHER THE GOALS OF TEACHING EXCELLENCE AND HIGH STUDENT ACHIEVEMENT IN THE PARTICIPATING SCHOOL DISTRICTS.
- (3) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT, FOR PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, PROVIDING FUNDING FOR THE DESIGN AND DEVELOPMENT OF ALTERNATIVE TEACHER COMPENSATION PLANS IS SPECIFICALLY INCLUDED AS AN AUTHORIZED USE OF MONEYS IN THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION. THEREFORE, THIS ARTICLE MAY BE IMPLEMENTED WITH APPROPRIATIONS FROM THE STATE EDUCATION FUND.
- **22-69-103. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:
- (1) "DEPARTMENT" MEANS THE DEPARTMENT OF EDUCATION, CREATED AND EXISTING PURSUANT TO SECTION 24-1-115, C.R.S.
- (2) . "Grant program" means the alternative teacher compensation plan grant program created pursuant to section 22-69-104.
- (3) "P-20 COUNCIL" MEANS THE GOVERNOR'S P-20 EDUCATION COORDINATING COUNCIL CREATED BY THE GOVERNOR UNDER EXECUTIVE ORDER B 003 07.
- (4) "SCHOOL DISTRICT" MEANS ANY SCHOOL DISTRICT ORGANIZED AND EXISTING PURSUANT TO LAW BUT DOES NOT INCLUDE A JUNIOR COLLEGE DISTRICT.



- (5) "STATE BOARD" MEANS THE STATE BOARD OF EDUCATION, CREATED AND EXISTING PURSUANT TO SECTION 1 OF ARTICLE IX OF THE STATE CONSTITUTION.
- (6) "TEACHER" MEANS A PERSON EMPLOYED TO INSTRUCT STUDENTS IN A PUBLIC SCHOOL IN THE STATE.
- **22-69-104.** Alternative teacher compensation plan grant program created applications. (1) There is hereby created in the department the alternative teacher compensation plan grant program to provide funding to school districts to support the design and development of an alternative teacher compensation plan that is tailored to the particular school district.
- (2) (a) THE DEPARTMENT SHALL ADMINISTER THE GRANT PROGRAM AS PROVIDED IN THIS ARTICLE AND PURSUANT TO THE RULES ESTABLISHED BY THE STATE BOARD.
- (b) A SCHOOL DISTRICT MAY APPLY TO THE DEPARTMENT, IN ACCORDANCE WITH PROCEDURES AND TIME FRAMES ESTABLISHED BY THE STATE BOARD, TO RECEIVE GRANT MONEYS FOR THE DESIGN AND DEVELOPMENT OF AN ALTERNATIVE TEACHER COMPENSATION PLAN.
- (c) THE CRITERIA FOR AWARDING GRANTS, AT A MINIMUM, SHALL REQUIRE THAT:
- (I) THE FINAL ALTERNATIVE TEACHER COMPENSATION PLAN BE DESIGNED AND DEVELOPED COLLABORATIVELY WITH TEACHERS THROUGH THE SCHOOL DISTRICT-ADOPTED PROCEDURES FOR SETTING COMPENSATION, ADMINISTRATORS, PARENTS, AND THE SCHOOL DISTRICT BOARD OF EDUCATION;
- (II) THE FINAL ALTERNATIVE TEACHER COMPENSATION PLAN BE OPEN TO ALL TEACHERS WHO MEET THE ESTABLISHED PERFORMANCE CRITERIA WITHOUT REGARD TO GRADE LEVEL, SUBJECT AREA, OR ASSIGNMENT; AND



- (III) THE SCHOOL DISTRICT SEEK A STABLE, SUFFICIENT, AND SUSTAINABLE SOURCE OF NEW REVENUE TO FUND THE ALTERNATIVE TEACHER COMPENSATION PLAN ON AN ONGOING BASIS.
- (d) The state board shall utilize the research and resources of the P-20 council in establishing any additional criteria for school districts seeking grant moneys.
- (3) MONEYS AWARDED TO A SCHOOL DISTRICT PURSUANT TO THE GRANT PROGRAM SHALL BE USED BY THE SCHOOL DISTRICT TO SUPPORT THE CREATION OF THE SCHOOL DISTRICT'S ALTERNATIVE TEACHER COMPENSATION PLAN. SUPPORT MAY INCLUDE, BUT NEED NOT BE LIMITED TO:
- (a) IDENTIFYING OVERALL GOALS AND OBJECTIVES FOR THE SCHOOL DISTRICT'S ALTERNATIVE TEACHER COMPENSATION PLAN;
- (b) IDENTIFYING VARIOUS METHODS OF ASSESSING STUDENT ACHIEVEMENT AND TEACHER EFFECTIVENESS;
- (c) Creating data systems needed for an alternative teacher compensation system;
- (d) FORECASTING THE FUTURE COSTS OF THE ALTERNATIVE TEACHER COMPENSATION SYSTEM TO ENSURE SUSTAINABILITY;
- (e) Linking the alternative teacher compensation plan with the overall school district instructional improvement strategy and the state's educational goals;
- (f) ALIGNING THE SCHOOL DISTRICT'S HUMAN RESOURCES, CURRICULUM, AND PROFESSIONAL DEVELOPMENT STRUCTURES WITH THE PAY STRUCTURE SPECIFIED IN THE ALTERNATIVE TEACHER COMPENSATION PLAN;
- (g) ESTABLISHING OUTREACH AND ON-GOING COMMUNICATIONS WITHIN THE SCHOOL DISTRICT AND TO THE COMMUNITY REGARDING THE ALTERNATIVE TEACHER COMPENSATION PLAN;



- (h) STRATEGIES FOR RECRUITING AND SUPPORTING HIGHLY EFFECTIVE TEACHERS IN STRUGGLING SCHOOLS; AND
- (i) STRATEGIES FOR RECRUITING AND RETAINING HIGH-QUALITY TEACHERS IN SUBJECT AREAS THAT ARE DIFFICULT TO STAFF.
- (4) A SCHOOL DISTRICT'S FINAL PLAN FOR AN ALTERNATIVE TEACHER COMPENSATION SYSTEM SHALL:
- (a) PROVIDE COMPENSATION IN ADDITION TO EXISTING PAY SCHEDULES;
- (b) BETRANSPARENT WITH RESPECT TO HOW A TEACHER QUALIFIES FOR ADDITIONAL COMPENSATION AND HOW MUCH ADDITIONAL COMPENSATION A QUALIFYING TEACHER MAY RECEIVE;
- (c) CONTAIN BROAD, MULTI-DIMENSIONAL CRITERIA FOR ASSESSING PERFORMANCE WITHIN THE SYSTEM;
- (d) INCLUDE ALL OF THE ADDITIONAL COMPENSATION IN A TEACHER'S RETIREMENT OR PENSION CALCULATIONS;
- (e) INCLUDE A PROCEDURE FOR CHALLENGING ADVERSE DECISIONS UNDER THE SYSTEM TO ENSURE FAIRNESS; AND
- (f) CONTAIN A PROCESS FOR CONTINUAL EVALUATION OF THE SYSTEM THAT SHALL, AT A MINIMUM, ADDRESS THE FOLLOWING:
- (I) HOW THE ALTERNATIVE TEACHER COMPENSATION SYSTEM WILL DEMONSTRATE MEASURABLE EFFECTIVENESS;
- (II) HOW THE ALTERNATIVE TEACHER COMPENSATION SYSTEM WILL MEASURE AND DEMONSTRATE A DECREASE IN THE SCHOOL DISTRICT'S DROPOUT RATE;
- (III) HOW THE ALTERNATIVE TEACHER COMPENSATION SYSTEM WILL HELP TO CLOSE THE ACHIEVEMENT GAP; AND



- (IV) HOW THE ALTERNATIVE TEACHER COMPENSATION SYSTEM WILL HELP TO INCREASE STUDENTS' ATTAINMENT OF POSTSECONDARY DEGREES AND CERTIFICATES.
- (5) THE DEPARTMENT SHALL MAKE AVAILABLE TO EACH SCHOOL DISTRICT THAT RECEIVES A GRANT PURSUANT TO THE GRANT PROGRAM THE RESEARCH AND OTHER MATERIALS CONCERNING ALTERNATIVE TEACHER COMPENSATION PLANS COLLECTED BY THE P-20 COUNCIL.
- (6) EACH SCHOOL DISTRICT THAT RECEIVES A GRANT SHALL SUBMIT A COPY OF ITS FINAL ALTERNATIVE TEACHER COMPENSATION PLAN TO THE DEPARTMENT, ALONG WITH A SUMMARY OF THE KEY COMPONENTS OF THE PLAN AND THE MECHANISM FOR FUNDING THE PLAN.
- (7) NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO REQUIRE A SCHOOL DISTRICT TO PARTICIPATE IN THE GRANT PROGRAM OR TO MODIFY THE TERMS OF AN EXISTING TEACHER COMPENSATION PLAN OR CONTRACT.
- **22-69-105.** Alternative teacher compensation plan grant program rules awarding grants. (1) The State Board Shall promulgate rules in accordance with the "State Administrative Procedure Act", article 4 of title 24, C.R.S., for implementation of the grant program. At a minimum, the rules shall specify the procedures and time frames for applying for the grant, the form of the grant application, the information to be provided by the school district applicant, and any additional criteria for awarding grants.
- (2) THE DEPARTMENT SHALL REVIEW EACH GRANT APPLICATION RECEIVED FROM A SCHOOL DISTRICT PURSUANT TO SECTION 22-69-104 AND SHALL MAKE RECOMMENDATIONS TO THE STATE BOARD CONCERNING WHETHER A GRANT SHOULD BE AWARDED TO A SCHOOL DISTRICT AND THE AMOUNT OF THE GRANT TO BE AWARDED. IF THE DEPARTMENT DETERMINES THAT AN APPLICATION IS MISSING ANY INFORMATION REQUIRED BY RULE OF THE STATE BOARD TO BE INCLUDED WITH THE APPLICATION, THE DEPARTMENT MAY CONTACT THE SCHOOL DISTRICT TO OBTAIN THE MISSING INFORMATION.



- (3) SUBJECT TO AVAILABLE APPROPRIATIONS, BEGINNING IN THE 2008-09 FISCAL YEAR, THE STATE BOARD SHALL ANNUALLY AWARD GRANTS UNDER THE GRANT PROGRAM TO APPLYING SCHOOL DISTRICTS, TAKING INTO ACCOUNT THE DEPARTMENT'S RECOMMENDATIONS.
- (4) THE DEPARTMENT IS AUTHORIZED TO SEEK AND ACCEPT GIFTS, GRANTS, AND DONATIONS FROM PRIVATE AND PUBLIC SOURCES FOR THE IMPLEMENTATION OF THE GRANT PROGRAM PURSUANT TO THIS ARTICLE.
- (5) THE DEPARTMENT MAY ANNUALLY EXPEND NO MORE THAN TWO PERCENT OF THE MONEYS ANNUALLY APPROPRIATED FOR THE GRANT PROGRAM TO OFFSET THE DIRECT AND INDIRECT COSTS INCURRED IN IMPLEMENTING THE GRANT PROGRAM PURSUANT TO THIS ARTICLE.
- (6) FOR THE 2008-09 BUDGET YEAR, THE GENERAL ASSEMBLY SHALL APPROPRIATE ONE MILLION DOLLARS FROM THE STATE EDUCATION FUND OR FROM ANY OTHER SOURCE TO THE DEPARTMENT TO FUND GRANTS TO SCHOOL DISTRICTS FOR THE PURPOSES OF THIS ARTICLE.
- 22-69-106. Alternative teacher compensation plan grant program report. (1) On or before January 15, 2010, and on or before January 15 each year thereafter, so long as grant moneys were awarded to at least one school district pursuant to the grant program during the preceding calendar year, the department shall report to the education committees of the house of representatives and the senate, or any successor committees, and to the governor the following information from the preceding calendar year:
- (a) A GENERAL DESCRIPTION OF HOW THE GRANT PROGRAM WAS IMPLEMENTED, INCLUDING THE CRITERIA USED TO AWARD THE GRANTS TO SCHOOL DISTRICTS;
- (b) THE NUMBER OF GRANTS AWARDED, THE NAME OF EACH SCHOOL DISTRICT RECEIVING A GRANT, AND THE AMOUNT OF EACH GRANT AWARDED;
 - (c) A SUMMARY OF THE GOALS OF EACH SCHOOL DISTRICT

AWARDED A GRANT WITH RESPECT TO THE DESIGN AND DEVELOPMENT OF ITS ALTERNATIVE TEACHER COMPENSATION PLAN; AND

- (d) A SUMMARY OF THE KEY COMPONENTS OF EACH FINAL ALTERNATIVE TEACHER COMPENSATION PLAN SUBMITTED TO THE DEPARTMENT PURSUANT TO SECTION 22-69-104 (6).
- (2) EACH SCHOOL DISTRICT PARTICIPATING IN THE GRANT PROGRAM SHALL PROVIDE ANY DATA OR OTHER INFORMATION REQUESTED BY THE DEPARTMENT FOR THE PURPOSE OF MEETING THE REPORTING REQUIREMENTS OF SUBSECTION (1) OF THIS SECTION.".

Page 58, strike line 26 and substitute the following:

"sum of thirty-four million five hundred thousand dollars (\$34,500,000)".

Page 61, after line 9, insert the following:

"(13) In addition to any other appropriation, for the fiscal year beginning July 1, 2008, there is hereby appropriated, out of any moneys in the state education fund created in section 17 (4) of article IX of the state constitution not otherwise appropriated, to the department of education, for the alternative teacher compensation plan grant program created in article 69 of title 22, Colorado Revised Statutes, the sum of one million dollars (\$1,000,000), or so much thereof as may be necessary, for the implementation of the alternative teacher compensation plan grant program."

Renumber succeeding subsections accordingly.

Page 63, strike lines 6 through 11;

line 15, strike "section 11" and substitute "section 12";

line 18, strike "Section 24" and substitute "Section 25";

line 21, strike "Section 25" and substitute "Section 26";



line 24, strike "Section 31" and substitute "Section 31".

2. That, under the authority granted the committee to consider matters not at issue between the two houses, the following amendments be recommended:

Amend rerevised bill, page 6, line 21, strike "AND KINDERGARTEN".

Page 7, line 26, strike "IS";

line 27, strike "RECEIVING" and substitute "RECEIVED".

Page 12, strike line 12 and substitute the following:

"AMENDED IN HOUSE BILL 08-1388, ENACTED AT THE SECOND REGULAR SESSION OF THE SIXTY-SIXTH GENERAL ASSEMBLY.".

Page 13, after line 10, insert the following:

"SECTION 9. 22-54-112, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

22-54-112. Reports to the state board. (4) (a) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION (4), EVERY SCHOOL OF A DISTRICT, CHARTER SCHOOL OF A DISTRICT, AND INSTITUTE CHARTER SCHOOL SHALL INCLUDE IN THE MATERIALS FOR PUPIL REGISTRATION THE PUPIL APPLICATION FORM TO PARTICIPATE UNDER THE FEDERAL "NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ., REFERRED TO IN THIS SUBSECTION (4) AS THE "PUPIL APPLICATION FORM". THE REGISTRATION MATERIALS SHALL INCLUDE AN EXPLANATION TO PARENTS THAT THE PUPIL APPLICATION FORM WILL BE USED BY THE SCHOOL OF THE DISTRICT, DISTRICT CHARTER SCHOOL, OR INSTITUTE CHARTER SCHOOL TO DETERMINE WHETHER THE SCHOOL OF THE DISTRICT, DISTRICT CHARTER SCHOOL, OR INSTITUTE CHARTER SCHOOL IS ELIGIBLE FOR AT-RISK FUNDING ON BEHALF OF THE PUPIL AND THAT, BY FILLING OUT THE FORM, THE PARENT IS ENSURING THAT THE SCHOOL DISTRICT OR SCHOOL WILL RECEIVE THE AT-RISK FUNDING TO WHICH IT IS ENTITLED BASED ON THE POPULATION OF AT-RISK PUPILS SERVED BY THE SCHOOL



DISTRICT OR SCHOOL.

- (b) IF ONE OR MORE SCHOOLS OF A SCHOOL DISTRICT OR IF A DISTRICT CHARTER SCHOOL OR AN INSTITUTE CHARTER SCHOOL DOES NOT PARTICIPATE IN THE FEDERAL CHILD NUTRITION PROGRAMS UNDER THE FEDERAL "NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ., OR THE FEDERAL "CHILD NUTRITION ACT OF 1966", 42 U.S.C. SEC. 1771 ET SEQ., THE SCHOOL DISTRICT, THE DISTRICT CHARTER SCHOOL, OR THE INSTITUTE CHARTER SCHOOL SHALL USE THE FAMILY ECONOMIC DATA SURVEY FORM CREATED BY THE DEPARTMENT OF EDUCATION TO IDENTIFY THOSE PUPILS WHO QUALIFY AS AT-RISK PUPILS IN LIEU OF THE PUPIL APPLICATION FORM.
- (c) IN CERTIFYING THE PUPIL ENROLLMENT PURSUANT TO SUBSECTION (2) OF THIS SECTION, THE SECRETARY OF THE BOARD OF EDUCATION OF EACH DISTRICT AND THE SECRETARY OF THE STATE CHARTER SCHOOL INSTITUTE BOARD SHALL SPECIFY AS AT-RISK PUPILS THOSE PUPILS IDENTIFIED THROUGH USE OF THE PUPIL APPLICATION FORM AND THE FAMILY ECONOMIC DATA SURVEY FORM.".

Renumber succeeding sections accordingly.

Page 18, line 20, strike "AND KINDERGARTEN";

line 23, strike "AND KINDERGARTEN".

Page 19, line 6, strike "AND";

line 7, strike "KINDERGARTEN";

line 26, strike "AND";

line 27, strike "KINDERGARTEN".

Page 20, line 4, strike "AND";

line 5, strike "KINDERGARTEN";



line 24, strike "AND KINDERGARTEN", and after "THEY", insert "MAY".

Page 25, line 13, strike "SENATE" and substitute "SENATE, OR ANY SUCCESSOR COMMITTEES,";

line 18, strike "facility".

Page 32, line 10, after "audited", insert "OPERATING";

line 11, after "audited", insert "OPERATING".

Page 33, line 10, strike "and";

line 11, strike "kindergarten";

line 14, strike "and kindergarten" and substitute "and kindergarten";

line 19, strike "and kindergarten" and substitute "and kindergarten";

line 21, strike "and kindergarten" and substitute "and kindergarten".

Page 34, line 1, strike "and kindergarten" and substitute "and kindergarten";

line 3, strike "and kindergarten" and substitute "and kindergarten";

line 7, strike "AND KINDERGARTEN".

line 14, strike "and kindergarten";

line 17, strike "and kindergarten" and substitute "and kindergarten";

line 20, strike "and kindergarten" and substitute "and kindergarten";

line 23, strike "and kindergarten" and substitute "and kindergarten".

Page 35, line 1, strike "AND KINDERGARTEN".



Page 47, line 20, strike "and kindergarten".

Page 48, line 23, strike "AND KINDERGARTEN".

Page 57, after line 15, insert the following:

"SECTION 36. 22-28-102 (1), Colorado Revised Statutes, is amended to read:

22-28-102. Legislative declaration. (1) The general assembly hereby finds, determines, and declares that there are substantial numbers of children in this state entering kindergarten and the primary grades who are not adequately prepared to learn. The general assembly further finds that early school failure may ultimately contribute to such children dropping out of school at an early age, failing to achieve their full potential, becoming dependent upon public assistance, or becoming involved in criminal activities. By enacting this article, the general assembly acknowledges the need to adequately prepare all children to learn through preschool and full-day kindergarten programs in school districts with high dropout rates or low performance of children in kindergarten and primary grades. In establishing the programs, the general assembly encourages school districts and parents to work together to ensure that the children benefit from the programs.

SECTION 37. 22-28-103 (5) and (9), Colorado Revised Statutes, are amended, and the said 22-28-103 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

- **22-28-103. Definitions.** As used in this article, unless the context otherwise requires:
- (2.5) "COLORADO PRESCHOOL PROGRAM" MEANS ALL THE DISTRICT PRESCHOOL PROGRAMS ESTABLISHED IN THE STATE PURSUANT TO THE PROVISIONS OF THIS ARTICLE.
- (5) "District preschool and kindergarten program" means a preschool and full-day kindergarten program established by a school district pursuant to the provisions of section 22-28-107.



- (9) "State preschool and kindergarten program" means all the district preschool and full-day kindergarten programs established within this state pursuant to the provisions of this article.
- SECTION 38. The introductory portion to 22-28-104 (1) and 22-28-104 (2) (a) (I), (2) (a) (II), (3), (4) (a), and (5) (b), Colorado Revised Statutes, are amended to read:
- 22-28-104. Establishment of public preschool programs.

 (1) There is hereby established a state preschool and kindergarten program, which shall be implemented in school districts beginning in the 2006-07 budget year. The purposes of the program are:
- (2) (a) (I) For the 2006-07 budget year, fourteen thousand three hundred sixty children may annually participate in the state preschool and kindergarten program.
- (II) For the 2007-08 budget year, sixteen thousand three hundred sixty children may annually participate in the state preschool and kindergarten program.
- (3) A school district that participates in the state preschool and kindergarten program shall be entitled to count children enrolled in the district preschool and kindergarten program in accordance with the provisions of section 22-54-103 (9.5) for purposes of determining preschool and kindergarten program enrollment under the "Public School Finance Act of 1994", article 54 of this title.
- (4) (a) Subject to the limitations in paragraph (b) of this subsection (4), the per pupil operating reimbursement provided to any school district that participates in the preschool portion of the state preschool and kindergarten program shall be increased to allow a single child to enroll in the preschool portion of the program using two positions so that the child may attend a full day of preschool.
 - (5) Nothing in this article shall be construed to:
 - (b) Prohibit school districts from establishing and maintaining



other preschool or kindergarten programs using any funds available for that purpose, but children enrolled in such other preschool or kindergarten programs shall not be counted for purposes of determining preschool and kindergarten program enrollment or pupil enrollment under the "Public School Finance Act of 1994", article 54 of this title.

SECTION 39. 22-28-105 (1) (d), Colorado Revised Statutes, is amended to read:

22-28-105. District preschool program advisory council duties. (1) (d) The board of education shall have final responsibility for submittal of the application to participate in the state COLORADO preschool and kindergarten program and for operation and maintenance of the preschool and kindergarten program within the school district. No action taken by the district advisory council shall be final until approved by the board of education.

SECTION 40. The introductory portions to 22-28-107 (1) and (1) (d), 22-28-107 (1) (d) (III), and the introductory portion to 22-28-107 (4) (b), Colorado Revised Statutes, are amended to read:

22-28-107. Eligibility of school districts for participation in Colorado preschool program. (1) By a date to be determined by rule of the state board for the 2006-07 budget year and each budget year thereafter, any school district may apply to the department for participation in the state COLORADO preschool and kindergarten program using forms provided by the department. Along with the application, the school district shall submit a proposal for the implementation of its district preschool and kindergarten program, which shall include, but need not be limited to, the following information requested by the department:

- (d) If the district preschool and kindergarten program is to be provided by the school district:
- (III) The training program for preschool and kindergarten teachers;



- (4) (b) The department shall annually select a reasonable number of school districts that have implemented preschool and kindergarten programs pursuant to this article and shall conduct on-site visits to determine whether:
- **SECTION 41.** 22-28-108 (1) (a), the introductory portion to 22-28-108 (1) (b), and 22-28-108 (1) (b) (II), Colorado Revised Statutes, are amended to read:
- 22-28-108. Criteria for district preschool programs. (1) (a) The department shall establish basic program standards for district preschool and kindergarten programs using nationally accepted standards for preschool programs and requiring compliance with the Colorado rules for child care centers promulgated by the department of human services pursuant to section 26-6-106, C.R.S. except that a full-day kindergarten component of a district preschool and kindergarten program need not be in compliance with such rules.
- (b) The state board shall establish, by rule, criteria for school districts to use in establishing district preschool and kindergarten programs, subject to the following requirements:
- (II) The maximum number of pupils in a preschool class shall not exceed sixteen. and the maximum number of pupils in a full-day kindergarten class shall not exceed twenty.
- **SECTION 42.** The introductory portion to 22-28-109 (1) and 22-28-109 (1) (a) and (3), Colorado Revised Statutes, are amended to read:
- 22-28-109. District preschool programs provided by a head start agency or child care agencies. (1) The state recognizes that there is significant value in using existing and established infrastructure through a head start agency or child care agencies, where available, for the provision of a district preschool and kindergarten program. Before the board of education of any school district whose pupil enrollment was less than or equal to seven hundred fifty pupils for the preceding budget year expends money for capital projects to provide additional facilities for



a district preschool and kindergarten program, the board shall consider whether the district preschool and kindergarten program may be contracted out, in whole or in part, to a head start agency or one or more child care agencies located in the school district. The board of any school district, regardless of pupil enrollment, may contract out the district preschool and kindergarten program only if the provisions of this section are satisfied. In making its determination on whether to contract out the district preschool and kindergarten program, the board shall consider the recommendation of the district advisory council along with the following:

- (a) Whether there is an established preschool program being provided by the school district or by a head start agency or one or more child care agencies that could be expanded or modified to include the district preschool and kindergarten program;
- (3) If the district preschool and kindergarten program is contracted out pursuant to the provisions of subsection (1) of this section, the board of education and the head start agency or child care agencies shall develop a plan for the transition of children from the preschool portion of the program to kindergarten. or to the kindergarten portion of the program, whichever is applicable, and from the kindergarten portion of the program to first grade:

SECTION 43. Article 28 of title 22, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

- 22-28-114. Change of program name direction to revisor authorization. (1) The revisor of statutes is authorized to change all references to the Colorado preschool and kindergarten program and to the state preschool and kindergarten program that appear in the Colorado Revised Statutes to the Colorado preschool program.
- (2) THE REVISOR OF STATUTES IS AUTHORIZED TO CHANGE ALL REFERENCES TO THE DISTRICT OR DISTRICT'S PRESCHOOL AND KINDERGARTEN PROGRAM THAT APPEAR IN THE COLORADO REVISED STATUTES TO THE DISTRICT OR DISTRICT'S PRESCHOOL PROGRAM.



SECTION 44. 22-54-103 (9.5), Colorado Revised Statutes, is amended to read:

- **22-54-103. Definitions repeal.** As used in this article, unless the context otherwise requires:
- (9.5) (a) (I) "Preschool and kindergarten program enrollment" means the number of pupils enrolled in a district preschool and kindergarten program pursuant to article 28 of this title on October 1 within the applicable budget year or the school date nearest said date. A pupil enrolled in a district preschool and kindergarten program pursuant to article 28 of this title shall be counted as a half-day pupil.
- (II) Notwithstanding the provisions of subparagraph (I) of this paragraph (a), for budget years commencing on or after July 1, 2005, a district may choose to determine the number of pupils enrolled in the preschool portion of the district preschool and kindergarten program pursuant to article 28 of this title on November 1 within the applicable budget year or the school date nearest said date, rather than on October 1. The "preschool and kindergarten program enrollment" for the district shall be the number of pupils enrolled in the preschool portion of the district PRESCHOOL program, who shall be counted as half-day pupils.
- (b) For purposes of determining preschool and kindergarten program enrollment for the 2005-06 budget year 2008-09 BUDGET YEAR and each budget year thereafter, a district shall count and receive funding only for:
- (I) Pupils enrolled in the preschool portion of a district preschool and kindergarten program pursuant to section 22-28-104 who are three years old as of October 1 of the applicable budget year; AND
- (II) Pupils enrolled in the preschool portion of a district preschool and kindergarten program pursuant to section 22-28-104 who are at least four years old as of October 1 of the applicable budget year. and
- (III) Pupils enrolled in a full-day kindergarten component of a district preschool and kindergarten program pursuant to section



22-28-104 who are five years old as of October 1 of the applicable budget year:".

Renumber succeeding sections accordingly.

Page 57, line 27, strike "and".

Page 58, line 1, strike "kindergarten".

Page 62, line 20, strike "and kindergarten".



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