

**NOTE: The governor signed this measure on 6/10/2016.**

# An Act

HOUSE BILL 16-1422

BY REPRESENTATIVE(S) Hamner and Rankin, Buckner, Court, Danielson, Duran, Esgar, Fields, Garnett, Kagan, Lee, Lontine, Melton, Mitsch Bush, Moreno, Priola, Rosenthal, Tyler, Vigil, Williams, Winter, Young, Hulinghorst, Brown, Kraft-Tharp, Ryden;  
also SENATOR(S) Lambert and Steadman, Heath, Johnston, Kefalas, Kerr, Martinez Humenik, Scheffel, Tate, Todd, Cadman.

CONCERNING FINANCING PUBLIC SCHOOLS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

**SECTION 1.** In Colorado Revised Statutes, 22-54-104, **add** (5) (a) (XXIII) and (5) (g) (I) (G) as follows:

**22-54-104. District total program - definitions.** (5) For purposes of the formulas used in this section:

(a) (XXIII) FOR THE 2016-17 BUDGET YEAR, THE STATEWIDE BASE PER PUPIL FUNDING IS \$6,367.90, WHICH IS AN AMOUNT EQUAL TO \$6,292.39, SUPPLEMENTED BY \$75.51 TO ACCOUNT FOR INFLATION.

(g) (I) For the 2010-11 budget year and each budget year thereafter,

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

the general assembly determines that stabilization of the state budget requires a reduction in the amount of the annual appropriation to fund the state's share of total program funding for all districts and the funding for institute charter schools. The department of education shall implement the reduction in total program funding through the application of a negative factor as provided in this paragraph (g). For the 2010-11 budget year and each budget year thereafter, the department of education and the staff of the legislative council shall determine, based on budget projections, the amount of such reduction to ensure the following:

(G) THAT, FOR THE 2016-17 BUDGET YEAR, THE SUM OF THE TOTAL PROGRAM FUNDING FOR ALL DISTRICTS, INCLUDING THE FUNDING FOR INSTITUTE CHARTER SCHOOLS, AFTER APPLICATION OF THE NEGATIVE FACTOR, IS NOT LESS THAN SIX BILLION THREE HUNDRED NINETY-FOUR MILLION FIVE HUNDRED TWENTY-EIGHT THOUSAND NINE HUNDRED THIRTY-ONE DOLLARS (\$6,394,528,931); EXCEPT THAT THE DEPARTMENT OF EDUCATION AND THE STAFF OF THE LEGISLATIVE COUNCIL SHALL MAKE MID-YEAR REVISIONS TO REPLACE PROJECTIONS WITH ACTUAL FIGURES, INCLUDING BUT NOT LIMITED TO ACTUAL PUPIL ENROLLMENT, ASSESSED VALUATIONS, AND SPECIFIC OWNERSHIP TAX REVENUE FROM THE PRIOR YEAR, TO DETERMINE ANY NECESSARY CHANGES IN THE AMOUNT OF THE REDUCTION TO MAINTAIN A TOTAL PROGRAM FUNDING AMOUNT FOR THE APPLICABLE BUDGET YEAR THAT IS CONSISTENT WITH THIS SUB-SUBPARAGRAPH(G). FOR THE 2017-18 BUDGET YEAR, THE DIFFERENCE BETWEEN CALCULATED STATEWIDE TOTAL PROGRAM FUNDING AND ACTUAL STATEWIDE TOTAL PROGRAM FUNDING MUST NOT EXCEED THE DIFFERENCE BETWEEN CALCULATED STATEWIDE TOTAL PROGRAM FUNDING AND ACTUAL STATEWIDE TOTAL PROGRAM FUNDING FOR THE 2016-17 BUDGET YEAR.

**SECTION 2.** In Colorado Revised Statutes, 22-54-104, **amend** (5) (b) (I.5) as follows:

**22-54-104. District total program - definitions.** (5) For purposes of the formulas used in this section:

(b) (I.5) A district's size factor for the 2003-04 budget year and budget years thereafter shall be determined in accordance with the following formula:

<b>If the district's funded pupil count is:</b>	<b>The district's size factor shall be:</b>
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Less than 276	$1.5457 + (0.00376159 \times \text{the difference between the funded pupil count and 276})$
276 or more but less than 459	$1.2385 + (0.00167869 \times \text{the difference between the funded pupil count and 459})$
459 or more but less than 1,027	$1.1215 + (0.00020599 \times \text{the difference between the funded pupil count and 1,027})$
1,027 or more but less than 2,293	$1.0533 + (0.00005387 \times \text{the difference between the funded pupil count and 2,293})$
2,293 or more but less than <del>4,023</del> 3,500	<del>1.0297</del> $1.0368 + (0.00001364 \times \text{the difference between the funded pupil count and } \del{4,023} \text{ 3,500})$
3,500 OR MORE BUT LESS THAN 5,000	$1.0297 + (0.00000473 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND 5,000})$
<del>4,023</del> 5,000 or more	1.0297

**SECTION 3.** In Colorado Revised Statutes, 22-54-107, **amend** (2) introductory portion as follows:

**22-54-107. Buy-out of categorical programs.** (2) When a district receives property tax revenue from the additional levy made pursuant to subsection (1) of this section or when a district has elected to keep excess property tax revenue collected during the 1992 calendar year pursuant to the provisions of section 22-44-103.5 (2) (b) (III) (C) or (2) (c) (III), ~~such~~ THE DISTRICT SHALL USE THE property tax revenue ~~shall be used~~ to replace, on a pro rata basis, any categorical program support funds that ~~such~~ THE district would otherwise be eligible to receive from the state. THE DISTRICT SHALL REPLACE THE CATEGORICAL PROGRAM SUPPORT FUNDS BY JUNE 30 OF THE BUDGET YEAR IN WHICH THE DISTRICT COLLECTS THE PROPERTY TAX REVENUE. THE COMMISSIONER OF EDUCATION SHALL RECOVER ANY UNPAID CATEGORICAL PROGRAM SUPPORT FUNDS AS PROVIDED IN SECTION 22-2-112 (6). THE DEPARTMENT OF EDUCATION SHALL USE the amount of categorical program support funds replaced by property tax revenue pursuant to the provisions of this subsection (2) ~~shall be used~~ to make payments of categorical program support funds to eligible districts. ~~and, in the event that~~ IF the appropriations for categorical programs are less than the total

categorical program support funds to which districts are entitled under applicable provisions of law, ~~such~~ THE DEPARTMENT OF EDUCATION SHALL APPLY THE funds ~~shall be applied~~ to categorical programs in the following order:

**SECTION 4.** In Colorado Revised Statutes, 22-2-112, **add** (6) as follows:

**22-2-112. Commissioner - duties.** (6) IF A SCHOOL DISTRICT FAILS TO REPLACE CATEGORICAL PROGRAM SUPPORT FUNDS AS REQUIRED IN SECTION 22-54-107, THE COMMISSIONER SHALL WITHHOLD FROM ANY STATE MONEY DUE TO THE SCHOOL DISTRICT FOR ANY REASON THE UNPAID AMOUNT OF CATEGORICAL PROGRAM SUPPORT FUNDS RECOVERABLE FROM THE SCHOOL DISTRICT. THE COMMISSIONER SHALL WITHHOLD THE STATE MONEY COMMENCING IN THE BUDGET YEAR IMMEDIATELY FOLLOWING THE BUDGET YEAR IN WHICH THE SCHOOL DISTRICT FAILS TO PAY THE RECOVERABLE AMOUNT. THE COMMISSIONER SHALL ASSESS AND RECOVER AN INTEREST FEE ON THE UNPAID AMOUNT, BEGINNING JULY 1, AT A RATE THAT IS EQUAL TO THE EARNINGS ON THE TREASURY POOLED FUNDS FOR THE PREVIOUS FISCAL YEAR; EXCEPT THAT THE COMMISSIONER MAY WAIVE ACCRUED INTEREST UPON RECOVERY OF THE UNPAID AMOUNT.

**SECTION 5.** In Colorado Revised Statutes, 22-54-117, **as added by Senate Bill 16-066, add** (1) (a) (VIII) as follows:

**22-54-117. Contingency reserve - capital construction expenditures reserve - fund - lottery proceeds contingency reserve.** (1) (a) For the 2007-08 fiscal year and fiscal years thereafter, the general assembly shall annually determine the amount to appropriate to the contingency reserve fund, which is hereby created in the state treasury. In deciding the amount to appropriate to the contingency reserve fund, the general assembly may take into consideration any recommendations made by the department of education, but nothing in this section obligates the general assembly to provide supplemental assistance to all districts that are found to be in need or to fully fund the total amount of such need. The state board may approve and order payments from the contingency reserve fund for supplemental assistance to districts determined to be in need as the result of any or all of the following circumstances:

(VIII) COMMENCING WITH THE 2016-17 BUDGET YEAR, UNUSUAL

FINANCIAL BURDEN CAUSED BY A SIGNIFICANT REDUCTION IN THE ASSESSED VALUE OF REAL PROPERTY IN A DISTRICT WHOSE STATE SHARE OF TOTAL PROGRAM FUNDING PURSUANT TO SECTION 22-54-106 BEFORE THE APPLICATION OF THE NEGATIVE FACTOR PURSUANT TO SECTION 22-54-104 (5) (g) WAS LESS THAN ONE-HALF OF ONE PERCENT OF THE DISTRICT'S TOTAL PROGRAM FUNDING IN THE PREVIOUS BUDGET YEAR, CAUSING THE DISTRICT TO RECEIVE A STATE SHARE THAT IS ONE-HALF OF ONE PERCENT OF TOTAL PROGRAM FUNDING OR GREATER BEFORE APPLICATION OF THE NEGATIVE FACTOR IN THE BUDGET YEAR IN WHICH THE ASSESSED VALUE IS REDUCED. THE AMOUNT OF SUPPLEMENTAL ASSISTANCE PAID PURSUANT TO THIS SUBPARAGRAPH (VIII) SHALL NOT EXCEED TWENTY-FIVE PERCENT OF THE AMOUNT OF THE REDUCTION IN THE DISTRICT'S STATE SHARE AS A RESULT OF THE NEGATIVE FACTOR. A SCHOOL DISTRICT MAY RECEIVE SUPPLEMENTAL ASSISTANCE PURSUANT TO THIS SUBPARAGRAPH (VIII) ONLY ONE TIME.

**SECTION 6.** In Colorado Revised Statutes, 22-54-107, **add** (5) as follows:

**22-54-107. Buy-out of categorical programs - total program reserve fund levy.** (5) FOR THE 2016-17 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, IF A DISTRICT LEVIES THE NUMBER OF MILLS CALCULATED PURSUANT TO SECTION 22-54-106 (2) (a) (II) AND THE ADDITIONAL MILL LEVY DESCRIBED IN SUBSECTION (1) OF THIS SECTION FOR CATEGORICAL SUPPORT FUNDS, AND THE COMBINED TOTAL OF THE TWO LEVIES IS LESS THAN THE NUMBER OF MILLS THAT THE DISTRICT LEVIED IN THE PRECEDING BUDGET YEAR, THE DISTRICT, IN ADDITION TO THE TWO LEVIES, SHALL ASSESS A NUMBER OF MILLS EQUAL TO THE DIFFERENCE BETWEEN THE COMBINED TOTAL OF THE TWO LEVIES AND THE NUMBER OF MILLS LEVIED IN THE PRECEDING BUDGET YEAR. THE DISTRICT SHALL DEPOSIT THE PROPERTY TAX REVENUE COLLECTED FROM THE MILLS LEVIED PURSUANT TO THIS SUBSECTION (5) IN THE TOTAL PROGRAM RESERVE FUND CREATED IN SECTION 22-45-103 (1) (k).

**SECTION 7.** In Colorado Revised Statutes, 22-45-103, **add** (1) (k) as follows:

**22-45-103. Funds.** (1) The following funds are created for each school district for purposes specified in this article:

(k) **Total program reserve fund.** A SCHOOL DISTRICT SHALL DEPOSIT THE PROPERTY TAX REVENUES THAT IT COLLECTS FROM A TAX LEVY IMPOSED PURSUANT TO SECTION 22-54-107 (5) IN THE TOTAL PROGRAM RESERVE FUND OF THE DISTRICT. THE DISTRICT MAY EXPEND MONEY FROM THE TOTAL PROGRAM RESERVE FUND ONLY TO OFFSET THE AMOUNT OF A REDUCTION IN THE DISTRICT'S STATE SHARE CAUSED BY APPLICATION OF THE NEGATIVE FACTOR PURSUANT TO SECTION 22-54-104 (5) (g); EXCEPT THAT, IN A BUDGET YEAR IN WHICH THE SCHOOL DISTRICT LEVIES FOR ITS TOTAL PROGRAM THE NUMBER OF MILLS CALCULATED PURSUANT TO SECTION 22-54-106 (2) (a) (II), IF THE BALANCE OF THE TOTAL PROGRAM RESERVE FUND EXCEEDS AN AMOUNT EQUAL TO THE DISTRICT'S TOTAL PROGRAM FOR THAT BUDGET YEAR MULTIPLIED BY THE NEGATIVE FACTOR CALCULATED PURSUANT TO SECTION 22-54-104 (5) (g) FOR THAT BUDGET YEAR, THE DISTRICT MAY EXPEND THE AMOUNT OF THE EXCESS BALANCE. ANY MONEY REMAINING IN THE FUND AT THE END OF A FISCAL YEAR MUST REMAIN IN THE FUND AND MAY BE USED IN FUTURE YEARS ONLY AS PROVIDED IN THIS PARAGRAPH (k).

**SECTION 8.** In Colorado Revised Statutes, 22-43.7-109, **add** (1.5) as follows:

**22-43.7-109. Financial assistance for public school capital construction - application requirements - evaluation criteria - local match requirements - rules.** (1.5) (a) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO THE CONTRARY, FOR FISCAL YEARS COMMENCING ON OR AFTER JULY 1, 2016, AND SUBJECT TO RULES ADOPTED BY THE BOARD PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (1.5), THE BOARD, WITH THE SUPPORT OF THE DIVISION AND SUBJECT TO THE APPROVAL OF THE STATE BOARD AND THE LESSOR OF THE PROPERTY, MAY PROVIDE FINANCIAL ASSISTANCE AS SPECIFIED IN THIS SECTION TO AN APPLICANT THAT IS OPERATING OR WILL OPERATE IN THE NEXT BUDGET YEAR IN A LEASED FACILITY THAT IS:

(I) LISTED ON THE STATE INVENTORY OF REAL PROPERTY AND IMPROVEMENTS AND OTHER CAPITAL ASSETS MAINTAINED BY THE OFFICE OF THE STATE ARCHITECT PURSUANT TO SECTION 24-30-1303.5, C.R.S.; OR

(II) STATE-OWNED PROPERTY LEASED BY THE STATE BOARD OF LAND COMMISSIONERS, DESCRIBED IN SECTION 36-1-101.5, C.R.S., TO THE APPLICANT.

(b) THE BOARD SHALL PROMULGATE RULES RELATING TO THE AWARD OF FINANCIAL ASSISTANCE PURSUANT TO THIS SUBSECTION (1.5).

(c) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT AN AWARD OF FINANCIAL ASSISTANCE PURSUANT TO THIS SUBSECTION (1.5) MUST BE USED TO PRESERVE OR ENHANCE THE VALUE OF STATE-OWNED, LEASED PROPERTY.

**SECTION 9.** In Colorado Revised Statutes, 23-8-101.5, **amend** (4) (d) as follows:

**23-8-101.5. Definitions.** As used in this article, unless the context otherwise requires:

(4) "Education provider's per pupil revenues" means:

(d) For a facility school, the ~~state average per pupil revenues~~ AMOUNT RECEIVED BY A FACILITY SCHOOL PURSUANT TO SECTION 22-54-129 (2) (c) (II), C.R.S.

**SECTION 10.** In Colorado Revised Statutes, 22-30.5-104.7, **add** (6) as follows:

**22-30.5-104.7. Charter school networks - authority - definitions.**

(6) EACH CHARTER SCHOOL NETWORK SHALL COMPLY WITH THE AUDIT REQUIREMENTS IMPOSED ON CHARTER SCHOOLS AS FOLLOWS:

(a) THE CHARTER SCHOOL NETWORK SHALL BE AUDITED AS AN ORGANIZATION, TREATING THE CHARTER SCHOOL NETWORK AS A SINGLE LEGAL ENTITY; EXCEPT THAT THE AUTHORIZING SCHOOL DISTRICT FOR A CHARTER SCHOOL THAT IS INCLUDED IN THE NETWORK MAY REQUEST AND THE NETWORK SHALL PROVIDE AN AUDIT OF THE SCHOOL DISTRICT'S CHARTER SCHOOL;

(b) THE CHARTER SCHOOL NETWORK SHALL REPORT AS SUPPLEMENTARY INFORMATION IN ITS AUDITED FINANCIAL STATEMENTS A BALANCE SHEET AND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES USING THE MODIFIED ACCRUAL BASIS OF ACCOUNTING FOR EACH CHARTER SCHOOL CAMPUS THAT HAS A SEPARATE

SCHOOL CODE WITHIN THE CHARTER SCHOOL NETWORK; AND

(c) THE AUDIT MUST ADDRESS COMPLIANCE WITH PARAGRAPH (d) OF SUBSECTION (2) OF THIS SECTION.

**SECTION 11.** In Colorado Revised Statutes, 22-30.5-504, **amend** (7.5) (b) introductory portion and (8) as follows:

**22-30.5-504. Institute chartering authority - institute charter schools - exclusive authority - retention - recovery - revocation.** (7.5) (b) A charter school, a charter school applicant, or an organization that represents charter schools may request revocation of a local board of education's exclusive authority only on the grounds that the local board, since the date that the local board received exclusive authority, has demonstrated a pattern of failing to comply with one or more of the provisions of the "~~Charter Schools Act~~", ~~part 1 of this article~~ PARAGRAPH (a) OF SUBSECTION (5) OF THIS SECTION. A charter school, a charter school applicant, or an organization that represents charter schools may not request revocation of a local board of education's exclusive authority solely on the basis of:

(8) Notwithstanding any other provision of this section to the contrary, a local board of education may permit the establishment of one or more institute charter schools within the geographic boundaries of the school district by adopting a favorable resolution and submitting the resolution to the state board. ~~The resolution shall be effective until it is rescinded by resolution of the local board of education~~ AN INSTITUTE CHARTER SCHOOL THAT IS ESTABLISHED WITH PERMISSION GRANTED IN A RESOLUTION ADOPTED BY THE LOCAL BOARD OF THE SCHOOL DISTRICT IN WHICH THE INSTITUTE CHARTER SCHOOL IS LOCATED CONTINUES TO BE AUTHORIZED BY AND ACCOUNTABLE TO THE INSTITUTE REGARDLESS OF LATER ACTIONS BY THE LOCAL BOARD UNLESS THE INSTITUTE CHARTER SCHOOL VOLUNTARILY CONVERTS TO A DISTRICT CHARTER SCHOOL AS PROVIDED IN SUBSECTION (10) OF THIS SECTION.

**SECTION 12.** In Colorado Revised Statutes, 22-30.5-104, **amend** (7) (e); and **add** (7.5) as follows:

**22-30.5-104. Charter school - requirements - authority.** (7) (e) Notwithstanding the provisions of paragraphs (b) and (c) of this



subsection (7) ~~any~~ OR THE PROVISIONS OF SUBSECTION (7.5) OF THIS SECTION, A school district that has space in district facilities that is unoccupied ~~shall be allowed to~~ MAY sell the facilities or use the facilities for a different purpose and ~~shall not be~~ IS NOT required to maintain ownership of the facilities for potential use by a charter school.

(7.5) (a) NO LATER THAN NOVEMBER 1, 2016, AND NO LATER THAN NOVEMBER 1 EACH YEAR THEREAFTER, EACH SCHOOL DISTRICT THAT AUTHORIZES A CHARTER SCHOOL AND THAT HAS OR IS EXPECTING TO HAVE ONE OR MORE VACANT OR UNDERUSED BUILDINGS OR VACANT OR UNDERUSED LAND AVAILABLE DURING THE NEXT SCHOOL YEAR SHALL PREPARE A LIST OF THE VACANT OR UNDERUSED BUILDINGS AND LAND AND PROVIDE THE LIST, UPON REQUEST, TO CHARTER SCHOOLS AUTHORIZED BY THE SCHOOL DISTRICT, CHARTER SCHOOL APPLICANTS, AND OTHER INTERESTED PERSONS. THE SCHOOL DISTRICT SHALL ALSO POST ON ITS WEBSITE A NOTICE THAT THE LIST OF UNDERUSED AND VACANT BUILDINGS AND LAND IS AVAILABLE TO INTERESTED PERSONS UPON REQUEST. THE SCHOOL DISTRICT MUST PROVIDE THE LIST WITHIN TWO SCHOOL DAYS AFTER RECEIVING A REQUEST. NO LATER THAN FORTY-FIVE DAYS AFTER THE SCHOOL DISTRICT POSTS THE AVAILABILITY OF THE LIST OR AFTER RECEIVING THE LIST, WHICHEVER IS LATER, A CHARTER SCHOOL OF THE SCHOOL DISTRICT OR CHARTER APPLICANT MAY APPLY TO THE SCHOOL DISTRICT TO USE THE BUILDING OR THE SCHOOL DISTRICT LAND AS THE LOCATION FOR THE CHARTER SCHOOL. THE LOCAL BOARD OF EDUCATION SHALL REVIEW EACH APPLICATION FOR USE AND, IN A PUBLIC MEETING HELD NO LATER THAN NINETY DAYS AFTER THE SCHOOL DISTRICT POSTS THE AVAILABILITY OF THE LIST, APPROVE OR DISAPPROVE EACH APPLICATION FOR USE OF THE BUILDING OR SCHOOL DISTRICT LAND. IF THE LOCAL BOARD OF EDUCATION DISAPPROVES AN APPLICATION FOR USE, IT MUST EXPLAIN AT THE PUBLIC MEETING AND PROVIDE IN WRITING TO THE APPLICANT THE REASONS FOR DISAPPROVAL.

(b) FOR PURPOSES OF THIS SUBSECTION (7.5), A BUILDING IS CONSIDERED UNDERUSED IF IT HAS UNUSED CAPACITY TO ACCOMMODATE TWO HUNDRED FIFTY STUDENTS OR MORE.

**SECTION 13.** In Colorado Revised Statutes, 22-30.5-112, **amend** (2) (a.4) (I), (2) (a.4) (II), and (3) (c); and **add** (3) (a) (IV) as follows:

**22-30.5-112. Charter schools - financing - definitions -**

**guidelines.** (2) (a.4) (I) Within ninety days after the end of each fiscal year, each school district shall provide to each charter school within its district an itemized accounting of all its central administrative overhead costs. IF THE ITEMIZED ACCOUNTING INCLUDES SERVICES PROVIDED TO THE CHARTER SCHOOL BY SCHOOL DISTRICT PERSONNEL, THE ITEMIZED ACCOUNTING, AT THE CHARTER SCHOOL'S REQUEST, MUST INCLUDE A LIST OF THE PERSONNEL POSITIONS AND SERVICES PROVIDED BY PERSONS IN EACH POSITION. The actual central administrative overhead costs ~~shall be~~ ARE the amount charged to the charter school. Any difference, within the limitations of subparagraph (III) of paragraph (a) of this subsection (2) and paragraph (a.3) of this subsection (2), between the amount initially charged to the charter school and the actual cost ~~shall~~ MUST be reconciled and paid to the owed party.

(II) Within ninety days after the end of each fiscal year, each school district shall provide to each charter school within its district an itemized accounting of all the actual costs of district services the charter school chose at its discretion to purchase from the district calculated in accordance with paragraph (b) of this subsection (2). IF THE ITEMIZED ACCOUNTING INCLUDES SERVICES PURCHASED BY THE CHARTER SCHOOL THAT WERE PROVIDED BY SCHOOL DISTRICT PERSONNEL, THE ITEMIZED ACCOUNTING, AT THE CHARTER SCHOOL'S REQUEST, MUST INCLUDE A LIST OF THE PERSONNEL POSITIONS AND SERVICES PROVIDED BY PERSONS IN EACH POSITION. Any difference between the amount initially charged to the charter school and the actual cost shall be reconciled and paid to the owed party.

(3) (a) (IV) THE SCHOOL DISTRICT SHALL DISTRIBUTE TO EACH CHARTER SCHOOL ON A PER PUPIL BASIS ANY STATE OR FEDERAL MONEY THAT IS NOT OTHERWISE ADDRESSED IN SUBSECTION (2) OF THIS SECTION OR IN THIS SUBSECTION (3) AND THAT THE SCHOOL DISTRICT RECEIVES BASED ON A PER PUPIL CALCULATION IF THE CALCULATION INCLUDES PUPILS ENROLLED IN THE CHARTER SCHOOL.

(c) Within ninety days after the end of each budget year, each school district shall provide to each charter school of the school district an itemized accounting of all the actual special education costs that the school district incurred for the applicable budget year and the basis of any per pupil charges for special education that the school district imposed against the charter school for the applicable budget year. IF THE ITEMIZED ACCOUNTING INCLUDES SERVICES PROVIDED TO THE CHARTER SCHOOL BY

SCHOOL DISTRICT PERSONNEL, THE ITEMIZED ACCOUNTING, AT THE CHARTER SCHOOL'S REQUEST, MUST INCLUDE A LIST OF THE PERSONNEL POSITIONS AND SERVICES PROVIDED BY PERSONS IN EACH POSITION.

**SECTION 14.** In Colorado Revised Statutes, 22-54-124, **amend** (1) (a) as follows:

**22-54-124. State aid for charter schools - use of state education fund money - definitions.** (1) As used in this section:

(a) "Capital construction" means construction, demolition, remodeling, MAINTAINING, financing, purchasing, or leasing of land, buildings, or facilities used to educate pupils enrolled in or to be enrolled in a charter school.

**SECTION 15.** In Colorado Revised Statutes, 24-6-402, **amend** (1) (d); and **add** (1) (a) (III) as follows:

**24-6-402. Meetings - open to public - definitions.** (1) For the purposes of this section:

(a) (III) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (a), "LOCAL PUBLIC BODY" INCLUDES THE GOVERNING BOARD OF AN INSTITUTE CHARTER SCHOOL THAT IS AUTHORIZED PURSUANT TO PART 5 OF ARTICLE 30.5 OF TITLE 22, C.R.S.

(d) (I) "State public body" means any board, committee, commission, or other advisory, policy-making, rule-making, decision-making, or formally constituted body of any state agency, state authority, governing board of a state institution of higher education including the regents of the university of Colorado, a nonprofit corporation incorporated pursuant to section 23-5-121 (2), C.R.S., or the general assembly, and any public or private entity to which the state, or an official thereof, has delegated a governmental decision-making function but does not include persons on the administrative staff of the state public body.

(II) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (d), "STATE PUBLIC BODY" DOES NOT INCLUDE THE GOVERNING BOARD OF AN INSTITUTE CHARTER SCHOOL THAT IS AUTHORIZED PURSUANT TO PART 5 OF ARTICLE 30.5 OF TITLE 22, C.R.S.

**SECTION 16.** In Colorado Revised Statutes, 22-30.5-104, **amend** (6) (b) (II) as follows:

**22-30.5-104. Charter school - requirements - authority.**  
(6) (b) The state board shall promulgate rules that list the automatic waivers for all charter schools. In promulgating the list of automatic waivers, the state board shall consider the overall impact and complexity of the requirements specified in the statute and the potential consequences that waiving the statute may have on the practices of a charter school. Notwithstanding any provision of this paragraph (b) to the contrary, the state board shall not include the following statutes on the list of automatic waivers:

(II) Section 22-32-109 (1) (n), ~~(I) and (1) (n) (II) (B)~~, concerning the annual school calendar AND TEACHER-PUPIL CONTACT HOURS; and

**SECTION 17. Appropriation - adjustments to 2016 long bill.**  
To implement this act, the cash funds appropriation from the state education fund created in section 17 (4) (a) of article IX of the state constitution made in the annual general appropriation act for the 2016-17 state fiscal year to the department of education for the state share of districts' total program funding is increased by \$124,664.

**SECTION 18. Safety clause.** The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

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Dickey Lee Hullinghorst  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Bill L. Cadman  
PRESIDENT OF  
THE SENATE

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Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

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Effie Ameen  
SECRETARY OF  
THE SENATE

APPROVED \_\_\_\_\_

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John W. Hickenlooper  
GOVERNOR OF THE STATE OF COLORADO