

First Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 09-0933.01 Nicole Myers

SENATE BILL 09-256

SENATE SPONSORSHIP

Romer and Bacon,

HOUSE SPONSORSHIP

Pommer and Scanlan,

Senate Committees

Education
Appropriations

House Committees

Education
Appropriations

A BILL FOR AN ACT

101 **CONCERNING THE FINANCING OF PUBLIC SCHOOLS, AND MAKING AN**
102 **APPROPRIATION THEREFOR.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Amends the "Public School Finance Act of 1994" in the following respects:

- ! For the 2009-10 budget year, increases the statewide base per pupil funding to \$5,507.68 to account for a 3.9% inflation rate plus one percentage point.
- ! Includes district centers of excellence funding in the calculation of district total program. Describes centers of

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.*

SENATE
Amended 3rd Reading
April 3, 2009

SENATE
Amended 2nd Reading
April 2, 2009

excellence funding as an additional per at-risk pupil amount for each middle, junior high, and high school that enrolls more than fifty percent at-risk pupils and achieves assessment scores on at least 3 of the 4 statewide assessments administered in the eighth and tenth grades that exceed the statewide average. Requires each school district that receives centers of excellence funding to allocate to the appropriate school 100% of the amount received due to the school's performance. Funds centers of excellence funding by reducing the size factor.

- ! For the 2009-10 budget year, maintains the funding for supplemental kindergarten enrollment at an amount equal to .08% of a full-day pupil.
- ! For the 2009-10 budget year and budget years thereafter, eliminates the requirement that each district and each charter school set aside a percentage of its budget to be allocated to an account for instructional supplies and materials and to an account for capital needs or for the management of risk-related activities.
- ! Requires that any district that has obtained voter approval to retain and spend revenues in excess of the property tax revenue limitation imposed by the taxpayer's bill of rights and that obtains voter approval to again become subject to such limitation shall receive state aid as if the district levied the number of mills that it would have levied had the district maintained its authority to retain and spend revenues in excess of such revenue limitation.
- ! Increases the cap on the amount of additional property tax revenue that a district may retain and spend to an amount equal to 25% of the district's total program, so long as the district uses any amount of property tax revenue that exceeds an amount equal to 20% of the district's total program to improve student achievement and close the achievement gap. Requires a district to notify the state board of education prior to holding an election to retain any amount over 20% of the district's total program and to submit a plan to close the achievement gap to the department of education (department).
- ! In any year in which the state share of funding for an accounting school district is insufficient to fully fund the total program for an institute charter school in such school district, directs the department to request a supplemental appropriation to ensure the institute charter school is fully funded.

Clarifies that the prohibition of a term in a charter contract that

would require a charter school to forgo operational or capital construction funds shall not be construed to prohibit a charter school from contracting with its chartering board of education, in the case of a district charter school, or with the state charter school institute (institute), in the case of an institute charter school, for the purchase of services.

Requires each school district and the institute to ensure that each student who enrolls in the ninth grade in a public school registers on-line with college in Colorado sponsored by the department of higher education. Directs each school district and the institute to collaborate with the department and the department of higher education in monitoring implementation of the requirement.

Changes the funding for charter schools so that a district charter school receives 100% of the school district at-risk funding for each at-risk pupil enrolled in the district charter school and 100% of any centers of excellence funding. Requires a charter school to use at least 75% of the at-risk funding received to provide at-risk student programs or staff development for at-risk student programs. For district charter schools that received funding based on per pupil revenues for the 2008-09 budget year, allows for payment of hold-harmless at-risk funding to the district charter schools in decreasing amounts over the next 4 budget years.

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

SECTION 1. 22-54-104 (5) (a), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

22-54-104. District total program. (5) (a) (XVI) FOR THE 2009-10 BUDGET YEAR, THE STATEWIDE BASE PER PUPIL FUNDING SHALL BE \$5,507.68, WHICH IS AN AMOUNT EQUAL TO \$5,250.41 SUPPLEMENTED BY \$257.27 TO ACCOUNT FOR INFLATION PLUS AN ADDITIONAL ONE PERCENTAGE POINT.

SECTION 2. The introductory portion to 22-54-104 (2) (a) (VIII), Colorado Revised Statutes, is amended to read:

22-54-104. District total program. (2) (a) (VIII) Except as otherwise provided in this subsection (2), ~~subsection (6)~~ PARAGRAPH (g) OF SUBSECTION (5) OR SUBSECTION (6) of this section, or section

1 22-54-104.3, a district's total program for the 2007-08 budget year and
2 budget years thereafter shall be the greater of the following:

3 **SECTION 3.** 22-54-104 (5), Colorado Revised Statutes, is
4 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

5 (5) For purposes of the formulas used in this section:

6 (g) (I) IF THE GENERAL ASSEMBLY DETERMINES IN A BUDGET YEAR
7 THAT A STATE FINANCIAL CRISIS REQUIRES A REDUCTION OF THE ANNUAL
8 APPROPRIATION TO FUND THE STATE'S SHARE OF TOTAL PROGRAM FOR ALL
9 DISTRICTS AND THE FUNDING FOR INSTITUTE CHARTER SCHOOLS, THE
10 GENERAL ASSEMBLY BY BILL SHALL SPECIFY THE TOTAL AMOUNT OF THE
11 REDUCTION. USING THE TOTAL AMOUNT OF THE REDUCTION, THE
12 DEPARTMENT SHALL CALCULATE THE FINANCIAL CRISIS FACTOR FOR THE
13 APPLICABLE BUDGET YEAR AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
14 PARAGRAPH (g) AND SHALL APPLY THE FINANCIAL CRISIS FACTOR TO THE
15 CALCULATION OF EACH DISTRICT'S TOTAL PROGRAM AND TO THE
16 CALCULATION OF EACH INSTITUTE CHARTER SCHOOL'S FUNDING FOR THE
17 APPLICABLE BUDGET YEAR.

18 (II) THE DEPARTMENT SHALL CALCULATE THE FINANCIAL CRISIS
19 FACTOR FOR AN APPLICABLE BUDGET YEAR BY DIVIDING THE REDUCTION
20 IN THE APPROPRIATION FOR THE APPLICABLE BUDGET YEAR, AS SPECIFIED
21 BY THE GENERAL ASSEMBLY BY BILL, BY THE SUM OF THE TOTAL PROGRAM
22 OF ALL DISTRICTS. THE DEPARTMENT SHALL CALCULATE EACH DISTRICT'S
23 FINANCIAL CRISIS REDUCTION AS AN AMOUNT EQUAL TO THE FINANCIAL
24 CRISIS FACTOR MULTIPLIED BY THE DISTRICT'S TOTAL PROGRAM AS
25 CALCULATED PURSUANT TO SUBPARAGRAPH (VIII) OF PARAGRAPH (a) OF
26 SUBSECTION (2) OF THIS SECTION OR PARAGRAPH (b) OF SUBSECTION (2)
27 OF THIS SECTION, WHICHEVER IS APPLICABLE. IN ANY YEAR IN WHICH THE

1 GENERAL ASSEMBLY DETERMINES A REDUCTION OF THE ANNUAL
2 APPROPRIATION TO FUND THE STATE'S SHARE OF TOTAL PROGRAM FOR ALL
3 DISTRICTS AND THE FUNDING FOR INSTITUTE CHARTER SCHOOLS IS
4 NECESSARY, A DISTRICT'S TOTAL PROGRAM SHALL BE THE AMOUNT
5 CALCULATED PURSUANT TO SUBPARAGRAPH (VIII) OF PARAGRAPH (a) OF
6 SUBSECTION (2) OF THIS SECTION OR PARAGRAPH (b) OF SUBSECTION (2)
7 OF THIS SECTION, WHICHEVER IS APPLICABLE, MINUS THE DISTRICT'S
8 FINANCIAL CRISIS REDUCTION AMOUNT CALCULATED PURSUANT TO THIS
9 SUBPARAGRAPH (II).

10 (III) FOR THE 2009-10 BUDGET YEAR, THE REDUCTION IN THE
11 APPROPRIATION FOR THE STATE'S SHARE OF TOTAL PROGRAM SHALL BE
12 ONE HUNDRED TEN MILLION DOLLARS.

13
14 **SECTION 4.** 22-54-103 (15), Colorado Revised Statutes, is
15 amended to read:

16 **22-54-103. Definitions - repeal.** As used in this article, unless
17 the context otherwise requires:

18 (15) "Supplemental kindergarten enrollment" means the number
19 calculated by subtracting five-tenths from the full-day kindergarten factor
20 for the applicable budget year and then multiplying said number by the
21 number of pupils in the district who are enrolled in kindergarten for the
22 applicable budget year. For the purposes of this subsection (15), the
23 full-day kindergarten factor for the 2008-09 AND 2009-10 budget year
24 YEARS, is fifty-eight hundredths of a full-day pupil.

25 **SECTION 5.** 22-54-105 (1) and (2), Colorado Revised Statutes,
26 are amended to read:

27 **22-54-105. Instructional supplies and materials - capital**

1 **reserve and insurance reserve - at-risk funding - preschool funding.**

2 (1) (a) PRIOR TO THE 2009-10 BUDGET YEAR, every district shall budget
3 the amount determined pursuant to paragraph (b) of this subsection (1) to
4 be allocated, in the discretion of the board of education, to the
5 instructional supplies and materials account, the instructional capital
6 outlay account, or the other instructional purposes account in the general
7 fund created by section 22-45-103 (1) (a) (II), or among such accounts.
8 Moneys may be transferred among the three accounts. The moneys in
9 such accounts shall be used for the purposes set forth in section
10 22-45-103 (1) (a) (II) and may not be expended by the district for any
11 other purpose. Any moneys in such accounts which are not projected to
12 be expended during a budget year shall be budgeted for the purposes set
13 forth in section 22-45-103 (1) (a) (II) in the next budget year. Nothing in
14 this subsection (1) shall be construed to require that interest on moneys
15 in such accounts be specifically allocated to such accounts. ANY MONEYS
16 REMAINING IN ANY SUCH ACCOUNT THAT HAVE NOT BEEN EXPENDED PRIOR
17 TO THE 2009-10 BUDGET YEAR SHALL BE BUDGETED FOR THE PURPOSES
18 SET FORTH IN SECTION 22-45-103 (1) (a) (II) IN THE 2009-10 BUDGET YEAR
19 OR ANY BUDGET YEAR THEREAFTER.

20 (b) (I) The amount to be budgeted in any budget year PRIOR TO
21 THE 2009-10 BUDGET YEAR shall be the amount determined by
22 multiplying one hundred thirty-four dollars by the district's funded pupil
23 count minus the district's on-line pupil enrollment.

24 (II) (A) For the 1998-99 budget year through the 2007-08 budget
25 year, the dollar amount required to be budgeted per pupil pursuant to this
26 paragraph (b) shall be increased each year by the same percentage that the
27 statewide base per pupil funding is increased pursuant to section

1 22-54-104 (5). For the 2008-09 budget year, ~~and budget years thereafter,~~
2 the minimum dollar amount required to be budgeted per pupil pursuant
3 to this paragraph (b) shall be increased each year by the rate of inflation.
4 The amount of any increase pursuant to this paragraph (b) shall be
5 rounded to the nearest dollar.

6 (B) Repealed.

7 (III) Repealed.

8 (IV) ~~Notwithstanding the provisions of subparagraphs (I) and (II)~~
9 ~~of this paragraph (b), for the 2006-07 budget year and budget years~~
10 ~~thereafter, if a district's expenditures for instructional supplies and~~
11 ~~materials, instructional capital outlay, and other instructional purposes~~
12 ~~exceed the amount required to be budgeted in accordance with this~~
13 ~~paragraph (b) for a given budget year, the district may subtract an amount~~
14 ~~equal to the amount of the excess expenditures in that budget year from~~
15 ~~the amount required to be budgeted for instructional supplies and~~
16 ~~materials, instructional capital outlay, and other instructional purposes in~~
17 ~~accordance with this paragraph (b) for the subsequent budget year.~~

18 (c) For purposes of this subsection (1), instructional supplies and
19 materials include, but are not limited to, supplies, textbooks, library
20 books, periodicals, and other supplies and materials. Instructional capital
21 outlay includes those expenditures which result in the acquisition of fixed
22 assets for instructional purposes, or additions thereto, which the board of
23 education anticipates will have benefits for more than one year. Other
24 instructional purposes include expenses incurred in providing
25 transportation for pupils to and from school-sponsored instructional
26 activities which occur outside the classroom and costs incurred for repair
27 or maintenance services for equipment which is directly used for

1 instructional purposes. Instructional supplies and materials, instructional
2 capital outlay, and other instructional purposes are limited to those
3 functions accounts and objects accounts as prescribed by the state board
4 of education.

5 ~~(d) Nothing shall be deemed to limit expenditures for instructional~~
6 ~~supplies and materials, instructional capital outlay, and other instructional~~
7 ~~purposes to the amount required to be budgeted in accordance with this~~
8 ~~subsection (1).~~

9 (2) (a) Except as otherwise provided in paragraph (c) of this
10 subsection (2), PRIOR TO THE 2009-10 BUDGET YEAR, every district shall
11 budget the amount determined pursuant to paragraph (b) of this
12 subsection (2) to be allocated, in the discretion of the board of education,
13 to the capital reserve fund created by section 22-45-103 (1) (c), to a fund
14 or an account within the general fund established in accordance with
15 generally accepted accounting principles solely for the management of
16 risk-related activities as identified in section 24-10-115, C.R.S., and
17 article 13 of title 29, C.R.S., or among such allowable funds and
18 accounts. Such moneys shall be used for the purposes set forth in section
19 22-45-103 (1) (c) and (1) (e) and may not be expended by the district for
20 any other purpose. The board of education may transfer moneys among
21 these allowable funds and accounts when such transfer is deemed
22 necessary by the board. ANY MONEYS REMAINING IN ANY SUCH FUND OR
23 ACCOUNT THAT HAVE NOT BEEN EXPENDED PRIOR TO THE 2009-10 BUDGET
24 YEAR SHALL BE BUDGETED FOR THE PURPOSES SET FORTH IN SECTION
25 22-45-103 (1) (c) AND (1) (e) IN THE 2009-10 BUDGET YEAR OR ANY
26 BUDGET YEAR THEREAFTER.

27 (b) (I) The amount to be budgeted in any budget year PRIOR TO

1 THE 2009-10 BUDGET YEAR shall be the amount determined by
2 multiplying two hundred sixteen dollars by the district's funded pupil
3 count minus the district's on-line pupil enrollment. Such amount shall be
4 the minimum required to be budgeted, and the district may elect to budget
5 up to eight hundred dollars multiplied by the district's funded pupil count
6 minus the district's on-line pupil enrollment.

7 (II) (A) For the 1998-99 budget year through the 2007-08 budget
8 year, the minimum dollar amount required to be budgeted per pupil
9 pursuant to this paragraph (b) shall be increased each year by the same
10 percentage that the statewide base per pupil funding is increased pursuant
11 to section 22-54-104 (5). For the 2008-09 budget year, ~~and budget years~~
12 ~~thereafter~~, the minimum dollar amount required to be budgeted per pupil
13 pursuant to this paragraph (b) shall be increased each year by the rate of
14 inflation. The amount of any increase pursuant to this paragraph (b) shall
15 be rounded to the nearest dollar.

16 (B) Repealed.

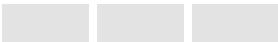
17 (III) For the 2000-01 budget year ~~and budget years thereafter~~
18 THROUGH THE 2008-09 BUDGET YEAR, the amount required to be budgeted
19 pursuant to this paragraph (b) shall be reduced by an amount determined
20 by multiplying the minimum dollar amount required to be budgeted for
21 that budget year pursuant to subparagraph (II) of this paragraph (b) by the
22 number of pupils enrolled in charter schools within the ~~school~~ district.

23 (c) For the 1999-2000 budget year and any budget year thereafter,
24 if a district has moneys in its capital reserve fund equal to or in excess of
25 five times the minimum dollar amount required to be budgeted per pupil
26 pursuant to paragraph (b) of this subsection (2) multiplied by the district's
27 funded pupil count minus the district's on-line pupil enrollment for the

1 applicable budget year, the board of education of the district may
2 determine whether to budget the minimum dollar amount per pupil
3 required by this subsection (2) in that budget year, budget a lesser
4 amount, or budget no amount at all. Such determination shall be made by
5 the board of education on an annual basis based upon the capital outlay
6 expenditure requirements of the district.

7 (d) Repealed.

8 (e) ~~For the 2007-08 budget year and each budget year thereafter,~~
9 ~~a school district that sells lands, buildings, or both, collects payment in~~
10 ~~lieu of the reservation or dedication of sites and land areas for schools, or~~
11 ~~collects contributions as a result of a voluntary agreement with a~~
12 ~~developer, and deposits the proceeds of the sale or the collection of~~
13 ~~payments or contributions into the district's capital reserve fund pursuant~~
14 ~~to section 22-45-112 may reduce the amount it is required to allocate to~~
15 ~~the fund pursuant to paragraphs (a) and (b) of this subsection (2) for the~~
16 ~~budget year in which the sale or the collection of payments or~~
17 ~~contributions occurred by an amount equal to the amount so deposited. In~~
18 ~~no event, however, shall the total amount available in the fund for said~~
19 ~~budget year pursuant to this subsection (2) be less than the amount~~
20 ~~determined pursuant to paragraph (b) of this subsection (2).~~

21 

22 

23 **SECTION 6.** 22-54-108 (3) (b), Colorado Revised Statutes, is
24 amended, and the said 22-54-108 is further amended BY THE
25 ADDITION OF A NEW SUBSECTION, to read:

26 **22-54-108. Authorization of additional local revenues.**

27 (3) (b) (I) Except as otherwise provided in ~~subparagraph (H)~~

1 SUBPARAGRAPHS (II) AND (III) of this paragraph (b), the total additional
2 local property tax revenues that may be received pursuant to elections
3 held pursuant to this section shall not exceed under any circumstances
4 twenty percent of the district's total program, as determined pursuant to
5 section 22-54-104 (2), or two hundred thousand dollars, whichever is
6 greater.

7 (II) Effective July 1, 2002, the total additional local property tax
8 revenues that may be received pursuant to elections held pursuant to this
9 section shall not exceed under any circumstances twenty percent of the
10 district's total program, as determined pursuant to section 22-54-104 (2),
11 or two hundred thousand dollars, whichever is greater, plus an amount
12 equal to the maximum dollar amount of property tax revenue that the
13 district could have generated for the 2001-02 budget year if, in
14 accordance with the provisions of section 22-54-107.5, the district
15 submitted a question to and received approval of the eligible electors of
16 the district at an election held in November 2001.

17 (III) ON AND AFTER THE EFFECTIVE DATE OF THIS SUBPARAGRAPH
18 (III), FOR ANY DISTRICT THAT MEETS THE REQUIREMENTS OF SUBSECTION
19 (4) OF THIS SECTION, THE TOTAL ADDITIONAL LOCAL PROPERTY TAX
20 REVENUES THAT MAY BE RECEIVED PURSUANT TO AN ELECTION HELD
21 PURSUANT TO THIS SECTION SHALL NOT EXCEED UNDER ANY
22 CIRCUMSTANCES TWENTY-FIVE PERCENT OF THE DISTRICT'S TOTAL
23 PROGRAM, AS DETERMINED PURSUANT TO SECTION 22-54-104 (2), OR TWO
24 HUNDRED THOUSAND DOLLARS, WHICHEVER IS GREATER, PLUS AN
25 AMOUNT EQUAL TO THE MAXIMUM DOLLAR AMOUNT OF PROPERTY TAX
26 REVENUE THAT THE DISTRICT COULD HAVE GENERATED FOR THE 2001-02
27 BUDGET YEAR IF, IN ACCORDANCE WITH THE PROVISIONS OF SECTION

1 22-54-107.5, THE DISTRICT SUBMITTED A QUESTION TO AND RECEIVED
2 APPROVAL OF THE ELIGIBLE ELECTORS OF THE DISTRICT AT AN ELECTION
3 HELD IN NOVEMBER 2001.

4 (4) (a) ON AND AFTER THE EFFECTIVE DATE OF THIS SUBSECTION
5 (4), ANY DISTRICT THAT INTENDS TO SEEK VOTER APPROVAL TO RETAIN
6 AND SPEND ADDITIONAL PROPERTY TAX REVENUES PURSUANT TO
7 SUBPARAGRAPH (III) OF PARAGRAPH (b) OF SUBSECTION (3) OF THIS
8 SECTION SHALL NOTIFY THE STATE BOARD, IN A MANNER TO BE
9 DETERMINED BY THE STATE BOARD, PRIOR TO HOLDING AN ELECTION
10 PURSUANT TO THIS SECTION.

11 (b) ANY DISTRICT THAT SUBMITS NOTICE TO THE STATE BOARD
12 PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (4) SHALL ALSO SUBMIT
13 TO THE STATE BOARD A PROPOSAL REGARDING THE DISTRICT'S PROPOSED
14 USE OF THE ADDITIONAL PROPERTY TAX REVENUES, WHICH MAY INCLUDE
15 CAPITAL CONSTRUCTION PROJECTS.

16 **SECTION 7. Repeal.** 22-54-108 (3) (d) (II) and (3) (d) (II.5),
17 Colorado Revised Statutes, are repealed as follows:

18 **22-54-108. Authorization of additional local revenues.**

19 ~~(3) (d) (II) In addition to the additional local property tax revenues that~~
20 ~~must be counted towards such limitation pursuant to subparagraph (I) of~~
21 ~~this paragraph (d), a portion of the specific ownership tax revenue paid~~
22 ~~to the district during the prior budget year may be required to be counted~~
23 ~~towards such limitation. The portion of the specific ownership tax paid~~
24 ~~to the district, if any, that must be counted toward such limitation shall be~~
25 ~~calculated as follows:~~

26 ~~(A) The amount of specific ownership tax revenue attributable to~~
27 ~~property tax levies made by the district which have been authorized at~~

1 elections held under the provisions of former section 22-53-117 or this
2 section, if any; and

3 (B) The amount of specific ownership tax revenue attributable to
4 property tax levies made by the district for the purpose of satisfying
5 bonded indebtedness, both principal and interest, which is not being used
6 by the district for the purpose of satisfying the bonded indebtedness, if
7 any.

8 (II.5) Any portion of the specific ownership tax paid to the district
9 other than that specified in sub-subparagraphs (A) and (B) of
10 subparagraph (H) of this paragraph (d) shall not apply to the limitation in
11 this subsection (3) but shall apply to the district's share of its total
12 program pursuant to section 22-54-106 (1) (a) (I).

13 [REDACTED]

14 **SECTION 8.** 22-54-106 (1) (b), Colorado Revised Statutes, is
15 amended, and the said 22-54-106 is further amended BY THE
16 ADDITION OF A NEW SUBSECTION, to read:

17 **22-54-106. Local and state shares of district total program.**

18 (1) (b) Except as provided in subsections (8) and (11) SUBSECTIONS (8),
19 (11), AND (12) of this section, the state's share of a district's total program
20 shall be the difference between the district's total program and the
21 district's share of its total program; except that no district shall receive
22 less in state aid than an amount established by the general assembly in the
23 annual general appropriation act based upon the amount of school lands
24 and mineral lease moneys received pursuant to the provisions of article
25 41 of this title and section 34-63-102 (2), C.R.S., multiplied by the
26 district's funded pupil count.

27 (12) IF THE GENERAL ASSEMBLY DETERMINES IN A BUDGET YEAR

1 THAT A STATE FINANCIAL CRISIS REQUIRES A REDUCTION OF THE ANNUAL
2 APPROPRIATION TO FUND THE STATE'S SHARE OF TOTAL PROGRAM FOR ALL
3 DISTRICTS AND THE FUNDING FOR INSTITUTE CHARTER SCHOOLS AND
4 APPLIES THE FINANCIAL CRISIS FACTOR AS DETERMINED PURSUANT TO
5 SECTION 22-54-104 (5) (g), THE STATE'S SHARE FOR EACH DISTRICT SHALL
6 BE REDUCED BY THE AMOUNT OF THE REDUCTION IN THE DISTRICT'S TOTAL
7 PROGRAM AS CALCULATED PURSUANT TO SECTION 22-54-104 (5) (g) (II),
8 OR BY THE TOTAL AMOUNT OF THE DISTRICT'S STATE SHARE, WHICHEVER
9 IS LESS. THE FUNDING FOR EACH INSTITUTE CHARTER SCHOOL SHALL BE
10 REDUCED IN PROPORTION TO THE REDUCTION IN THE TOTAL PROGRAM OF
11 THE DISTRICT FROM WHICH THE INSTITUTE CHARTER SCHOOL'S FUNDING IS
12 WITHHELD.

13 **SECTION 9.** Article 54 of title 22, Colorado Revised Statutes, is
14 amended BY THE ADDITION OF A NEW SECTION to read:

15 **22-54-110.5. Replenishment of certificates of participation**
16 **reserve funds.** (1) AS USED IN THIS SECTION:

17 (a) "CERTIFICATES OF PARTICIPATION RESERVE FUND" MEANS A
18 RESERVE FUND OR ACCOUNT THAT HAS BEEN ESTABLISHED TO SECURE THE
19 PAYMENT OF PRINCIPAL AND INTEREST ON QUALIFYING CERTIFICATES OF
20 PARTICIPATION AND THAT HAS BEEN FUNDED WITH PROCEEDS DERIVED
21 FROM THE ISSUANCE OF QUALIFYING CERTIFICATES OF PARTICIPATION,
22 OTHER LEGALLY AVAILABLE MONEYS, OR SECURITIES OR A SURETY BOND
23 OR INSURANCE POLICY PURCHASED WITH SUCH PROCEEDS OR MONEYS.

24 (b) "LEASE-PURCHASE AGREEMENT" MEANS AN AGREEMENT
25 PURSUANT TO WHICH A DISTRICT LEASES PROPERTY FROM A CORPORATION,
26 OTHER LEGAL ENTITY, OR TRUSTEE AND IN CONNECTION WITH WHICH
27 CERTIFICATES OF PARTICIPATION EVIDENCING INTERESTS IN THE RIGHT TO

1 RECEIVE PAYMENTS BY THE DISTRICT UNDER THE AGREEMENT ARE ISSUED.

2 (c) "QUALIFYING CERTIFICATES OF PARTICIPATION" MEANS
3 CERTIFICATES OF PARTICIPATION EVIDENCING INTERESTS IN THE RIGHT TO
4 RECEIVE PAYMENTS BY A DISTRICT UNDER A LEASE-PURCHASE
5 AGREEMENT THAT, AT THE TIME THEY ARE ISSUED, CARRY AT LEAST TWO
6 CREDIT RATINGS FROM ANY OF THE NATIONALLY RECOGNIZED CREDIT
7 RATING AGENCIES AND ARE RATED AT OR ABOVE "A" BY ALL SUCH CREDIT
8 RATING AGENCIES THAT HAVE PROVIDED A RATING.

9 (d) "RESERVE FUND REQUIREMENT" MEANS THE LEVEL OF FUNDING
10 REQUIRED FOR A CERTIFICATES OF PARTICIPATION RESERVE FUND AS
11 SPECIFIED IN THE TRUST INDENTURE OR OTHER AGREEMENT PURSUANT TO
12 WHICH QUALIFYING CERTIFICATES OF PARTICIPATION HAVE BEEN ISSUED.

13 (2) (a) A DISTRICT THAT HAS ENTERED INTO OR THAT INTENDS TO
14 ENTER INTO A LEASE-PURCHASE AGREEMENT IN CONNECTION WITH WHICH
15 QUALIFYING CERTIFICATES OF PARTICIPATION HAVE BEEN ISSUED OR WILL
16 BE ISSUED BEFORE JULY 1, 2012, MAY APPLY TO THE STATE TREASURER
17 FOR PERMISSION TO INCLUDE IN ANY LEASE-PURCHASE AGREEMENT
18 EXECUTED IN CONNECTION WITH THE ISSUANCE OF, OR IN ANY TRUST
19 INDENTURE OR OTHER AGREEMENT AUTHORIZING THE ISSUANCE OF,
20 QUALIFYING CERTIFICATES OF PARTICIPATION AN AGREEMENT SPECIFYING
21 THAT IF THE BALANCE OF THE CERTIFICATES OF PARTICIPATION RESERVE
22 FUND FALLS BELOW THE RESERVE FUND REQUIREMENT:

23 (I) THE DISTRICT SHALL MAKE AND DELIVER TO THE STATE
24 TREASURER A CERTIFICATE STATING THE SUM, IF ANY, REQUIRED TO
25 RESTORE THE CERTIFICATES OF PARTICIPATION RESERVE FUND TO THE
26 RESERVE FUND REQUIREMENT;

27 (II) THE STATE TREASURER SHALL SUBMIT A REQUEST FOR

1 APPROPRIATIONS IN AN AMOUNT SUFFICIENT TO RESTORE THE
2 CERTIFICATES OF PARTICIPATION RESERVE FUND TO THE RESERVE FUND
3 REQUIREMENT;

4 (III) THE GENERAL ASSEMBLY MAY, BUT SHALL NOT BE REQUIRED
5 TO, APPROPRIATE MONEYS FOR THE PURPOSE OF RESTORING THE
6 CERTIFICATES OF PARTICIPATION RESERVE FUND TO THE RESERVE FUND
7 REQUIREMENT; AND

8 (IV) IF THE GENERAL ASSEMBLY APPROPRIATES MONEYS FOR THE
9 PURPOSE OF RESTORING THE CERTIFICATES OF PARTICIPATION RESERVE
10 FUND TO THE RESERVE FUND REQUIREMENT BUT THE DISTRICT
11 NONETHELESS TERMINATES THE RELATED LEASE-PURCHASE AGREEMENT
12 OR FAILS TO MAKE LEASE PAYMENTS UNDER THE RELATED
13 LEASE-PURCHASE AGREEMENT IN AN AMOUNT SUFFICIENT TO MAKE
14 SCHEDULED PAYMENTS OF PRINCIPAL AND INTEREST TO HOLDERS OF
15 QUALIFYING CERTIFICATES OF PARTICIPATION, THE STATE SHALL HAVE A
16 FIRST RIGHT OF REFUSAL TO PURCHASE THE PROPERTY UNDERLYING THE
17 QUALIFYING CERTIFICATES OF PARTICIPATION FOR AN AMOUNT EQUAL TO
18 THE REMAINING AMOUNT OF PRINCIPAL PAYABLE TO HOLDERS OF THE
19 QUALIFYING CERTIFICATES OF PARTICIPATION UNTIL THE STATE HAS BEEN
20 REIMBURSED FOR THE AMOUNT THAT HAS BEEN DEPOSITED IN THE
21 CERTIFICATES OF PARTICIPATION RESERVE FUND FROM MONEYS
22 APPROPRIATED BY THE GENERAL ASSEMBLY.

23 (b) IF, IN THE STATE TREASURER'S SOLE DISCRETION, THE STATE
24 TREASURER DETERMINES THAT THE INCLUSION IN ANY LEASE-PURCHASE
25 AGREEMENT EXECUTED IN CONNECTION WITH QUALIFYING CERTIFICATES
26 OF PARTICIPATION OR ANY TRUST INDENTURE OR OTHER AGREEMENT
27 AUTHORIZING THE REFINANCING OF EXISTING QUALIFYING CERTIFICATES

1 OF PARTICIPATION OR THE ISSUANCE OF NEW QUALIFYING CERTIFICATES OF
2 PARTICIPATION OF THE AGREEMENT DESCRIBED IN PARAGRAPH (a) OF THIS
3 SUBSECTION (2) WILL SIGNIFICANTLY REDUCE THE RATE OF INTEREST
4 REQUIRED TO BE PAID TO THE HOLDERS OF THE QUALIFYING CERTIFICATES
5 OF PARTICIPATION AND IS IN THE BEST INTEREST OF THE STATE, THE STATE
6 TREASURER MAY GRANT PERMISSION TO THE ISSUER TO INCLUDE THE
7 AGREEMENT IN THE LEASE-PURCHASE AGREEMENT, TRUST INDENTURE, OR
8 OTHER AGREEMENT.

9 (3) THIS SECTION SHALL NOT BE CONSTRUED TO CREATE ANY DEBT,
10 MULTIPLE-FISCAL YEAR OBLIGATION, OR OTHER LIABILITY OF THE STATE.

11 **SECTION 10.** 22-54-115 (1.3), Colorado Revised Statutes, is
12 amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

13 **22-54-115. Distribution from state public school fund.**

14 (1.3) (a.5) IN ANY BUDGET YEAR IN WHICH THE STATE SHARE OF AN
15 ACCOUNTING DISTRICT OF AN INSTITUTE CHARTER SCHOOL IS LESS THAN
16 THE AMOUNT SPECIFIED IN SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS
17 SUBSECTION (1.3), THE DEPARTMENT OF EDUCATION SHALL SUBMIT A
18 REQUEST FOR A SUPPLEMENTAL APPROPRIATION IN AN AMOUNT THAT WILL
19 FULLY FUND THE AMOUNT SPECIFIED IN SAID SUBPARAGRAPH (I). THE
20 DEPARTMENT SHALL MAKE THE REQUEST TO THE GENERAL ASSEMBLY
21 DURING THE BUDGET YEAR IN WHICH THE UNDERFUNDING OCCURS. IF THE
22 GENERAL ASSEMBLY DOES NOT MAKE THE REQUESTED SUPPLEMENTAL
23 APPROPRIATION, THE DEPARTMENT SHALL PAY TO THE INSTITUTE CHARTER
24 SCHOOL THE AMOUNT SPECIFIED IN SUBPARAGRAPH (II) OF PARAGRAPH (a)
25 OF THIS SUBSECTION (1.3).

26 **SECTION 11.** 22-54-124, Colorado Revised
27 Statutes, is amended BY THE ADDITION OF A NEW SECTION to

1 read:

2 **22-54-124. State aid for charter schools - use of state education**
3 **fund moneys - definitions.** (9) THE GENERAL ASSEMBLY RECOGNIZES
4 CHARTER SCHOOLS' CONTINUING NEED FOR ASSISTANCE IN MEETING
5 CAPITAL CONSTRUCTION COSTS. THE GENERAL ASSEMBLY THEREFORE
6 STRONGLY ENCOURAGES THE GOVERNOR TO ALLOCATE A PORTION OF THE
7 MONEYS RECEIVED BY THE STATE THROUGH THE FEDERAL "AMERICAN
8 RECOVERY AND REINVESTMENT ACT OF 2009", PUB.L. 111-5, TO
9 CHARTER SCHOOLS IN THE STATE TO ASSIST THEM IN MEETING THEIR
10 CAPITAL CONSTRUCTION AND FACILITY COSTS.

11 **SECTION 12.** 22-30.5-105 (5), Colorado Revised Statutes, is
12 amended to read:

13 **22-30.5-105. Charter schools - contract contents - regulations.**
14 (5) Any term included in a charter contract that would require a charter
15 school to waive or otherwise forego FORGO receipt of any amount of
16 operational or capital construction funds provided to the charter school
17 pursuant to the provisions of this article or pursuant to any other provision
18 of law is hereby declared null and void as against public policy and is
19 unenforceable. IN NO EVENT SHALL THIS SUBSECTION (5) BE CONSTRUED
20 TO PROHIBIT ANY CHARTER SCHOOL FROM CONTRACTING WITH ITS
21 CHARTERING LOCAL BOARD OF EDUCATION FOR THE PURCHASE OF
22 SERVICES, INCLUDING BUT NOT LIMITED TO THE PURCHASE OF
23 EDUCATIONAL SERVICES.

24 [REDACTED]

25 **SECTION 13.** 22-30.5-505 (3) (d) and (3) (e), Colorado Revised
26 Statutes, are amended, and the said 22-30.5-505 (3) is further amended
27 BY THE ADDITION OF A NEW PARAGRAPH, to read:

1 **22-30.5-505. State charter school institute - institute board -**
2 **appointment - powers and duties - rules.** (3) The mission of the
3 institute board shall be to foster high-quality public school choices
4 offered through institute charter schools, including particularly schools
5 that are focused on closing the achievement gap for at-risk students. In
6 discharging its duties pursuant to this part 5, the institute shall:

7 (d) Measure the academic success of each institute charter school
8 through performance-based means and not process-based means; ~~and~~

9 (e) Provide the opportunity for a student enrolled in an institute
10 charter school to develop a plan for academic remediation upon the
11 request of the student's parent or legal guardian; AND

12 (f) ENSURE THAT, BEGINNING NO LATER THAN THE 2010-11
13 SCHOOL YEAR, INSTITUTE CHARTER SCHOOLS REQUIRE STUDENT
14 INDIVIDUAL CAREER AND ACADEMIC PLANS THAT MEET OR EXCEED THE
15 STANDARDS ADOPTED BY THE STATE BOARD PURSUANT TO SECTION
16 22-2-135. AN INSTITUTE CHARTER SCHOOL SHALL ASSIST EACH STUDENT
17 AND HIS OR HER PARENT OR LEGAL GUARDIAN TO DEVELOP AND MAINTAIN
18 THE STUDENT'S INDIVIDUAL CAREER AND ACADEMIC PLAN NO LATER THAN
19 THE BEGINNING OF NINTH GRADE BUT MAY ASSIST THE STUDENT AND HIS
20 OR HER PARENT OR LEGAL GUARDIAN TO DEVELOP AND MAINTAIN HIS OR
21 HER INDIVIDUAL CAREER AND ACADEMIC PLAN IN ANY GRADE PRIOR TO
22 NINTH GRADE. THE INSTITUTE CHARTER SCHOOL MAY USE ANY SOFTWARE
23 OR INTERNET-BASED COLLEGE PREPARATION AND PLANNING SERVICE THAT
24 THE INSTITUTE CHARTER SCHOOL DEEMS USEFUL AND APPROPRIATE IN
25 DEVELOPING AND MAINTAINING THE PLANS. THE INSTITUTE AND THE
26 INSTITUTE CHARTER SCHOOL SHALL COLLABORATE WITH THE SOFTWARE
27 VENDOR OR SERVICE PROVIDER TO ENSURE OPTIMAL INTERACTIVITY

1 AMONG THE VARIOUS DATABASES AND STUDENT RECORD SYSTEMS USED.

2 **SECTION 14.** 22-30.5-508 (5), Colorado Revised Statutes, is
3 amended to read:

4 **22-30.5-508. Institute charter schools - contract contents -**
5 **regulations.** (5) Any term included in a charter contract that would
6 require an institute charter school to waive or otherwise ~~forego~~ FORGO
7 receipt of any amount of operational or capital construction funds
8 provided to the institute charter school pursuant to the provisions of this
9 part 5 or pursuant to any other provision of law is hereby declared null
10 and void as against public policy and is unenforceable. IN NO EVENT
11 SHALL THIS SUBSECTION (5) BE CONSTRUED TO PROHIBIT ANY INSTITUTE
12 CHARTER SCHOOL FROM CONTRACTING WITH THE INSTITUTE FOR THE
13 PURCHASE OF SERVICES, INCLUDING BUT NOT LIMITED TO THE PURCHASE
14 OF EDUCATIONAL SERVICES.

15 ██████████ ██████████
16 **SECTION 15.** 22-30.5-514, Colorado Revised Statutes, is
17 amended to read:

18 **22-30.5-514. Institute charter school - capital reserve, risk**
19 **management, and instructional purposes.** (1) For the 2004-05 budget
20 year ~~and budget years thereafter~~ THROUGH THE 2008-09 BUDGET YEAR,
21 each institute charter school shall annually allocate the minimum per
22 pupil dollar amount specified in section 22-54-105 (2) (b), multiplied by
23 the number of students enrolled in the institute charter school who are not
24 students enrolled in an on-line program, as defined in section 22-30.7-102
25 (9), to a fund created by the institute charter school for capital reserve
26 purposes, as set forth in section 22-45-103 (1) (c) and (1) (e), or solely for
27 the management of risk-related activities, as identified in section

1 24-10-115, C.R.S., and article 13 of title 29, C.R.S., or among such
2 allowable funds. Said moneys shall be used for the purposes set forth in
3 section 22-45-103 (1) (c) and (1) (e) and may not be expended by the
4 institute charter school for any other purpose. ANY MONEYS REMAINING
5 IN SUCH FUND THAT HAVE NOT BEEN EXPENDED PRIOR TO THE 2009-10
6 BUDGET YEAR SHALL BE BUDGETED FOR THE PURPOSES SET FORTH IN
7 SECTION 22-45-103 (1) (c) AND (1) (e) IN THE 2009-10 BUDGET YEAR OR
8 ANY BUDGET YEAR THEREAFTER.

9 (2) For the 2004-05 budget year ~~and budget years thereafter~~
10 THROUGH THE 2008-09 BUDGET YEAR, each institute charter school shall
11 annually allocate the minimum per pupil dollar amount specified in
12 section 22-54-105 (1) (b), multiplied by the number of students enrolled
13 in the institute charter school who are not students enrolled in an on-line
14 program, as defined in section 22-30.7-102 (9), to accounts created by the
15 institute charter school for instructional supplies and materials,
16 instructional capital outlays, or other instructional purposes, as set forth
17 in section 22-45-103 (1) (a) (II), or among such accounts. Moneys may
18 be transferred among the three accounts. The moneys in the accounts
19 shall be used for the purposes set forth in section 22-45-103 (1) (a) (II)
20 and may not be expended by the institute charter school for any other
21 purpose. Any moneys in the accounts that are not projected to be
22 expended during a budget year shall be budgeted for the purposes set
23 forth in section 22-45-103 (1) (a) (II) in the next budget year. Nothing in
24 this subsection (2) shall be construed to require that interest on moneys
25 in the accounts be specifically allocated to the accounts. ANY MONEYS
26 REMAINING IN ANY SUCH ACCOUNT THAT HAVE NOT BEEN EXPENDED PRIOR
27 TO THE 2009-10 BUDGET YEAR SHALL BE BUDGETED FOR THE PURPOSES

1 SET FORTH IN SECTION 22-45-103 (1) (a) (II) IN THE 2009-10 BUDGET YEAR
2 OR ANY BUDGET YEAR THEREAFTER.

3 **SECTION 16.** 22-32-109 (1), Colorado Revised Statutes, is
4 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

5 **22-32-109. Board of education - specific duties.** (1) In addition
6 to any other duty required to be performed by law, each board of
7 education shall have and perform the following specific duties:

8 [REDACTED]
9 (mm) TO ENSURE THAT, BEGINNING NO LATER THAN THE 2010-11
10 SCHOOL YEAR, THE PUBLIC SCHOOLS OF THE SCHOOL DISTRICT, INCLUDING
11 THE CHARTER SCHOOLS, REQUIRE STUDENT INDIVIDUAL CAREER AND
12 ACADEMIC PLANS THAT MEET OR EXCEED THE STANDARDS ADOPTED BY
13 THE STATE BOARD PURSUANT TO SECTION 22-2-135. A PUBLIC SCHOOL
14 SHALL ASSIST EACH STUDENT AND HIS OR HER PARENT OR LEGAL
15 GUARDIAN TO DEVELOP AND MAINTAIN THE STUDENT'S INDIVIDUAL
16 CAREER AND ACADEMIC PLAN NO LATER THAN THE BEGINNING OF NINTH
17 GRADE BUT MAY ASSIST THE STUDENT AND HIS OR HER PARENT OR LEGAL
18 GUARDIAN TO DEVELOP AND MAINTAIN HIS OR HER INDIVIDUAL CAREER
19 AND ACADEMIC PLAN IN ANY GRADE PRIOR TO NINTH GRADE. THE PUBLIC
20 SCHOOL MAY USE ANY SOFTWARE OR INTERNET-BASED COLLEGE
21 PREPARATION AND PLANNING SERVICE THAT THE PUBLIC SCHOOL DEEMS
22 USEFUL AND APPROPRIATE IN DEVELOPING AND MAINTAINING THE PLANS.
23 THE SCHOOL DISTRICT AND THE PUBLIC SCHOOL SHALL COLLABORATE
24 WITH THE SOFTWARE PROVIDER OR INTERNET SERVICE TO ENSURE OPTIMAL
25 INTERACTIVITY AMONG THE VARIOUS DATABASES AND STUDENT RECORDS
26 SYSTEMS USED.

27 **SECTION 17.** Part 1 of article 2 of title 22, Colorado Revised

1 Statutes, is amended BY THE ADDITION OF A NEW SECTION to
2 read:

3 **22-2-135. Additional duty - state board - individual career and**
4 **academic plans - standards - rules.** (1) ON OR BEFORE FEBRUARY 1,
5 2010, THE STATE BOARD SHALL PROMULGATE RULES PURSUANT TO THE
6 "STATE ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24,
7 C.R.S., TO ESTABLISH STANDARDS FOR INDIVIDUAL CAREER AND
8 ACADEMIC PLANS FOR STUDENTS ENROLLED IN THE PUBLIC SCHOOLS IN
9 THE STATE. AN INDIVIDUAL CAREER AND ACADEMIC PLAN SHALL BE
10 DESIGNED TO ASSIST A STUDENT AND HIS OR HER PARENT OR LEGAL
11 GUARDIAN IN EXPLORING THE POSTSECONDARY CAREER AND
12 EDUCATIONAL OPPORTUNITIES AVAILABLE TO THE STUDENT, ALIGNING
13 COURSE WORK AND CURRICULUM, APPLYING TO POSTSECONDARY
14 EDUCATION INSTITUTIONS, SECURING FINANCIAL AID, AND ULTIMATELY
15 ENTERING THE WORKFORCE.

16 (2) IN ESTABLISHING THE STANDARDS FOR INDIVIDUAL CAREER
17 AND ACADEMIC PLANS, THE STATE BOARD SHALL ENSURE, AT A MINIMUM,
18 THAT:

19 (a) EACH INDIVIDUAL CAREER AND ACADEMIC PLAN INCLUDES A
20 CAREER PLANNING AND GUIDANCE COMPONENT AND A PORTFOLIO THAT
21 REFLECTS, AT A MINIMUM:

22 (I) THE STUDENT'S EFFORTS IN EXPLORING CAREERS, INCLUDING
23 INTEREST SURVEYS THAT THE STUDENT COMPLETES;

24 (II) THE STUDENT'S ACADEMIC PROGRESS, INCLUDING THE
25 COURSES TAKEN, ANY REMEDIATION OR CREDIT RECOVERY, AND ANY
26 CONCURRENT ENROLLMENT CREDITS EARNED;

27 (III) THE STUDENT'S EXPERIENCES IN CONTEXTUAL AND SERVICE

1 LEARNING;
2 (IV) THE STUDENT'S COLLEGE APPLICATIONS AND RESUME, AS
3 THEY ARE PREPARED AND SUBMITTED; AND
4 (V) THE STUDENT'S POSTSECONDARY STUDIES AS THE STUDENT
5 PROGRESSES;
6 (b) EACH INDIVIDUAL CAREER AND ACADEMIC PLAN IS ACCESSIBLE
7 TO EDUCATORS, STUDENTS, AND PARENTS; AND
8 (c) EACH PUBLIC SCHOOL, IN ASSISTING STUDENTS AND PARENTS
9 IN CREATING AND MAINTAINING THE INDIVIDUAL CAREER AND ACADEMIC
10 PLANS, IS IN COMPLIANCE WITH THE REQUIREMENTS OF THE FEDERAL
11 "FAMILY EDUCATIONAL RIGHTS AND PRIVACY ACT OF 1974", 20 U.S.C.
12 SEC. 1232g.

13 **SECTION 18.** 22-33-205 (3) and (4), Colorado Revised Statutes,
14 are amended to read:

15 **22-33-205. Services for expelled and at-risk students - grants**
16 **- criteria.** (3) The state board shall annually award at least forty-five
17 percent of any moneys appropriated for ~~this grant~~ THE program to
18 applicants ~~who~~ THAT provide educational services to students from more
19 than one school district AND AT LEAST ONE-HALF OF ANY INCREASE IN THE
20 APPROPRIATION FOR THE PROGRAM FOR THE 2009-10 FISCAL YEAR TO
21 APPLICANTS THAT PROVIDE SERVICES AND SUPPORTS THAT ARE DESIGNED
22 TO REDUCE THE NUMBER OF TRUANCY CASES REQUIRING COURT
23 INVOLVEMENT AND THAT ALSO REFLECT THE BEST INTERESTS OF
24 STUDENTS AND FAMILIES. THE SERVICES AND SUPPORTS SHALL INCLUDE,
25 BUT NEED NOT BE LIMITED TO, ALTERNATIVES TO GUARDIAN AD LITEM
26 REPRESENTATION IN TRUANCY PROCEEDINGS.

27 (4) The department of education is authorized to retain up to one

1 percent of any moneys appropriated for the ~~grant~~ program for the purpose
2 of annually evaluating the ~~expelled and at-risk student services grant~~
3 program. THE DEPARTMENT OF EDUCATION IS AUTHORIZED AND
4 ENCOURAGED TO RETAIN UP TO AN ADDITIONAL TWO PERCENT OF ANY
5 MONEYS APPROPRIATED FOR THE PROGRAM FOR THE PURPOSE OF
6 PARTNERING WITH ORGANIZATIONS OR AGENCIES THAT PROVIDE SERVICES
7 AND SUPPORTS THAT ARE DESIGNED TO REDUCE THE NUMBER OF TRUANCY
8 CASES REQUIRING COURT INVOLVEMENT AND THAT ALSO REFLECT THE
9 BEST INTERESTS OF STUDENTS AND FAMILIES. THE SERVICES AND
10 SUPPORTS SHALL INCLUDE, BUT NEED NOT BE LIMITED TO, ALTERNATIVES
11 TO GUARDIAN AD LITEM REPRESENTATION IN TRUANCY PROCEEDINGS. On
12 or before January 1, 2006, and on or before January 1 each year
13 thereafter, the department of education shall report to the education
14 committees of the house of representatives and the senate, OR ANY
15 SUCCESSOR COMMITTEES, the evaluation findings on the outcomes and the
16 effectiveness of the program related to school attendance, attachment, and
17 achievement. THE REPORT SHALL ALSO INCLUDE SPECIFIC INFORMATION
18 ON THE EFFICACY OF SERVICES AND SUPPORTS THAT PROVIDE
19 ALTERNATIVES TO COURT INVOLVEMENT AND GUARDIAN AD LITEM
20 REPRESENTATION IN TRUANCY PROCEEDINGS.

21 **SECTION 19.** 22-44-105 (1) (c.5), Colorado Revised Statutes, is
22 amended to read:

23 **22-44-105. Budget - contents - mandatory.** (1) The budget
24 shall be presented in the standard budget report format established by the
25 state board of education by rule pursuant to subsection (5) of this section.
26 The standard budget report format established by the state board shall be
27 substantially consistent from year to year and shall adhere to the

1 following guidelines:

2 (c.5) The budget shall ensure that the school district holds
3 unrestricted general fund or cash fund emergency reserves in the amount
4 required under the provisions of section 20 (5) of article X of the state
5 constitution; EXCEPT THAT, IF A BOARD OF EDUCATION PROVIDES FOR A
6 DISTRICT EMERGENCY RESERVE IN THE GENERAL FUND FOR THE BUDGET
7 YEAR, ESTABLISHED AT AN AMOUNT EQUAL TO AT LEAST THREE PERCENT
8 OF THE AMOUNT BUDGETED TO THE GENERAL FUND, THE BOARD MAY:

9 (I) DESIGNATE REAL PROPERTY OWNED BY THE DISTRICT AS ALL OR
10 A PORTION OF THE RESERVE REQUIRED BY SECTION 20 (5) OF ARTICLE X OF
11 THE STATE CONSTITUTION SO LONG AS THE BOARD HAS FILED WITH THE
12 STATE TREASURER AND THE DEPARTMENT OF EDUCATION A LETTER OF
13 INTENT THAT EXPRESSES THE INTENT OF THE BOARD TO INCREASE THE
14 LIQUIDITY OF SUCH PROPERTY UPON THE OCCURRENCE OF A DECLARED
15 EMERGENCY WITHIN THE MEANING OF SECTION 20 (5) OF ARTICLE X OF
16 THE STATE CONSTITUTION BY ENTERING INTO ONE OR MORE
17 LEASE-PURCHASE AGREEMENTS WITH RESPECT TO SUCH PROPERTY OR BY
18 OTHER MEANS ACCEPTABLE TO THE STATE TREASURER; OR

19 (II) SECURE A LETTER OF CREDIT FROM AN INVESTMENT-GRADE
20 BANK AS ALL OR A PORTION OF THE RESERVE REQUIRED BY SECTION 20 (5)
21 OF ARTICLE X OF THE STATE CONSTITUTION SO LONG AS THE BOARD HAS
22 FILED WITH THE STATE TREASURER AND THE DEPARTMENT OF EDUCATION
23 A LETTER OF INTENT THAT EXPRESSES THE INTENT OF THE BOARD TO
24 INCREASE THE LIQUIDITY OF SUCH PROPERTY UPON THE OCCURRENCE OF
25 A DECLARED EMERGENCY WITHIN THE MEANING OF SECTION 20 (5) OF
26 ARTICLE X OF THE STATE CONSTITUTION BY ENTERING INTO ONE OR MORE
27 LEASE-PURCHASE AGREEMENTS WITH RESPECT TO SUCH PROPERTY OR BY

1 OTHER MEANS ACCEPTABLE TO THE STATE TREASURER.

2 (c.6) IF AT ANY TIME THE BOARD OF EDUCATION EXPENDS ANY
3 MONEYS FROM THE DISTRICT EMERGENCY RESERVE CREATED PURSUANT
4 TO PARAGRAPH (c.5) OF THIS SUBSECTION (1), THE BOARD SHALL RESTORE
5 THE RESERVE TO THREE PERCENT OF THE AMOUNT BUDGETED TO THE
6 GENERAL FUND AS FOLLOWS:

7 (I) IF THE BOARD OF EDUCATION EXPENDS MONEYS FROM THE
8 DISTRICT EMERGENCY RESERVE IN A SINGLE FISCAL YEAR, THE BOARD
9 SHALL RESTORE THE RESERVE PURSUANT TO THIS PARAGRAPH (c.6) WITHIN
10 THIRTY-SIX MONTHS OF THE FIRST DRAW OF THE MONEY FROM THE
11 RESERVE; AND

12 (II) IF THE BOARD OF EDUCATION EXPENDS MONEYS FROM THE
13 DISTRICT EMERGENCY RESERVE IN TWO CONSECUTIVE FISCAL YEARS, THE
14 BOARD SHALL RESTORE THE RESERVE PURSUANT TO THIS PARAGRAPH (c.6)
15 BY THE END OF THE FISCAL YEAR FOLLOWING THE SECOND FISCAL YEAR IN
16 WHICH THE BOARD EXPENDED MONEYS FROM THE RESERVE.

17 **SECTION 20.** 22-45-103 (1) (c) (I) (D), (1) (c) (I) (E), (1) (c) (i)
18 (G), and (1) (c) (I) (H), Colorado Revised Statutes, are amended to read:

19 **22-45-103. Funds.** (1) The following funds are created for each
20 school district for purposes specified in this article:

21 (c) **Capital reserve fund.** (I) Moneys allocated pursuant to the
22 provisions of section 22-54-105 (2) shall be transferred from the general
23 fund and recorded in the capital reserve fund along with the revenues
24 received pursuant to section 39-5-132, C.R.S. Such revenues may be
25 supplemented by gifts, donations, and tuition receipts. Unencumbered
26 moneys in the fund may be transferred to a fund or an account within the
27 general fund established in accordance with generally accepted

1 accounting principles solely for the management of risk-related activities
2 as identified in section 24-10-115, C.R.S., and article 13 of title 29,
3 C.R.S., by resolution of the board of education when such transfer is
4 deemed necessary by the board. Except as provided in subparagraph (V)
5 of this paragraph (c), expenditures from the fund shall be limited to
6 long-range capital outlay expenditures and shall be made only for the
7 following purposes:

8 (D) Alterations and improvements to existing structures; ~~where~~
9 ~~the total estimated cost of such projects for labor and materials is in~~
10 ~~excess of two thousand five hundred dollars;~~

11 (E) Acquisition of school buses or other equipment, except
12 equipment specified in sub-subparagraph (H) of this subparagraph (I); ~~the~~
13 ~~estimated unit cost of which, including any necessary installation, is in~~
14 ~~excess of one thousand dollars;~~

15 (G) Any software licensing agreement; ~~in excess of one thousand~~
16 ~~dollars;~~

17 (H) Acquisition of computer equipment. ~~the estimated unit cost~~
18 ~~of which, including any necessary installation, is in excess of five~~
19 ~~hundred dollars.~~

20 **SECTION 21.** 22-45-103 (3), Colorado Revised Statutes, is
21 amended to read:

22 **22-45-103. Funds.** (3) Each school district shall ensure that the
23 district holds unrestricted general fund or cash fund emergency reserves
24 in the amount required under the provisions of section 20 (5) of article X
25 of the state constitution; EXCEPT THAT A DISTRICT MAY DESIGNATE
26 PROPERTY OWNED BY THE DISTRICT AS ALL OR A PORTION OF THE
27 REQUIRED RESERVE IN ACCORDANCE WITH SECTION 22-44-105 (1) (c.5).

1 **SECTION 22.** Part 1 of article 2 of title 22, Colorado
2 Revised Statutes, is amended BY THE ADDITION OF A NEW
3 SECTION to read:

4 **22-2-135. State residential schools - legislative declaration -**
5 **feasibility study - repeal.** (1) THE GENERAL ASSEMBLY FINDS THAT
6 SOME STATES HAVE CREATED RESIDENTIAL SCHOOLS TO PROVIDE
7 EDUCATIONAL PROGRAMS AND STUDENT SUPPORT SERVICES FOR STUDENTS
8 WHO ARE AT RISK OF ACADEMIC FAILURE. THE GENERAL ASSEMBLY
9 FURTHER FINDS THAT EARLY REPORTS OF RESULTS ACHIEVED BY SOME OF
10 THESE SCHOOLS INDICATE THAT THIS MAY BE A PROMISING APPROACH TO
11 REDUCING THE DROPOUT RATE, CLOSING THE ACHIEVEMENT GAPS, AND
12 HELPING TO RAISE THE LEVEL OF ACADEMIC ACHIEVEMENT AMONG
13 STUDENTS IN THE STATE. THE GENERAL ASSEMBLY THEREFORE FINDS
14 THAT IT IS APPROPRIATE FOR THE COMMISSIONER TO STUDY THE
15 FEASIBILITY OF CREATING ONE OR MORE STATE RESIDENTIAL SCHOOLS IN
16 COLORADO.

17 (2) BEGINNING IN JULY 2009, THE COMMISSIONER SHALL STUDY
18 THE FEASIBILITY OF OPERATING ONE OR MORE STATE RESIDENTIAL
19 SCHOOLS TO SERVE STUDENTS WHO ARE IN NEED OF GREATER ACADEMIC
20 SUPPORT AND WHO MAY BE AT RISK OF ACADEMIC FAILURE. AT A
21 MINIMUM, THE FEASIBILITY STUDY SHALL ADDRESS AND MAKE
22 RECOMMENDATIONS CONCERNING THE FOLLOWING ISSUES:

23 (a) THE GOALS THAT A STATE RESIDENTIAL SCHOOL WOULD BE
24 DESIGNED TO ACHIEVE AND A METHOD FOR MEASURING THE LEVEL OF
25 ACHIEVEMENT OF THOSE GOALS. IN ADDRESSING THIS ISSUE, THE
26 COMMISSIONER SHALL PROVIDE AN OVERVIEW OF THE STATE RESIDENTIAL
27 SCHOOLS OPERATING IN OTHER STATES, THE GOALS THAT THEY ARE

1 DESIGNED TO ACHIEVE, AND THE DEGREE TO WHICH THEY HAVE ACHIEVED
2 OR ARE ACHIEVING THOSE GOALS.

3 (b) THE APPROPRIATE STUDENT POPULATION TO BE SERVED BY A
4 STATE RESIDENTIAL SCHOOL AND THE MANNER OF SELECTING STUDENTS,
5 THE NUMBER OF STATE RESIDENTIAL SCHOOLS THAT SHOULD BE
6 CONSIDERED, AND APPROPRIATE LOCATIONS FOR STATE RESIDENTIAL
7 SCHOOLS;

8 (c) THE GOVERNANCE STRUCTURE AND FUNDING FOR A STATE
9 RESIDENTIAL SCHOOL, INCLUDING THE OPTIMAL LEVEL OF PER PUPIL
10 FUNDING, FUNDING FOR CAPITAL CONSTRUCTION NEEDS, AND POTENTIAL
11 PUBLIC AND PRIVATE FUNDING SOURCES;

12 (d) THE APPROPRIATE CURRICULUM FOR A STATE RESIDENTIAL
13 SCHOOL, INCLUDING WHICH GRADE LEVELS A STATE RESIDENTIAL SCHOOL
14 WOULD SERVE, THE LENGTH OF THE SCHOOL DAY AND SCHOOL YEAR FOR
15 WHICH A STATE RESIDENTIAL SCHOOL WOULD OPERATE, AND WHETHER A
16 STATE RESIDENTIAL SCHOOL SHOULD INCLUDE A FOCUS ON SPECIFIC
17 SUBJECT MATTER AREAS; AND

18 (e) THE TYPES OF STUDENT AND FAMILY SUPPORT SERVICES THAT
19 A STATE RESIDENTIAL SCHOOL WOULD PROVIDE, INCLUDING THE MANNER
20 IN WHICH A STATE RESIDENTIAL SCHOOL WOULD COLLABORATE WITH
21 STATE AND LOCAL AGENCIES IN PROVIDING THESE SERVICES.

22 (3) ON OR BEFORE FEBRUARY 1, 2010, THE DEPARTMENT SHALL
23 SUBMIT TO THE EDUCATION COMMITTEES OF THE HOUSE OF
24 REPRESENTATIVES AND THE SENATE THE FEASIBILITY STUDY DESCRIBED
25 IN SUBSECTION (2) OF THIS SECTION FOR OPERATING ONE OR MORE STATE
26 RESIDENTIAL SCHOOLS AND ANY LEGISLATIVE RECOMMENDATIONS THE
27 DEPARTMENT MAY HAVE PERTAINING TO THE CREATION OF ONE OR MORE

1 STATE RESIDENTIAL SCHOOLS.

2 (4) THE COMMISSIONER IS ENCOURAGED TO APPLY FEDERAL
3 MONEYS RECEIVED PURSUANT TO THIS FEDERAL "AMERICAN RECOVERY
4 AND REINVESTMENT ACT OF 2009", PUB.L. 111-5, TO THE EXTENT
5 ALLOWED TO OFFSET THE COSTS INCURRED IN IMPLEMENTING THIS
6 SECTION.

7 (5) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2010.

8
9 **SECTION 23.** 24-75-601.1 (1), Colorado Revised Statutes, is
10 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

11 **24-75-601.1. Legal investments of public funds.** (1) It is lawful
12 to invest public funds in any of the following securities:

13 (h.5) ANY CERTIFICATE OF PARTICIPATION OR OTHER SECURITY
14 EVIDENCING RIGHTS IN PAYMENTS TO BE MADE BY A SCHOOL DISTRICT
15 UNDER A LEASE, LEASE-PURCHASE AGREEMENT, OR SIMILAR
16 ARRANGEMENT IF THE SECURITY, AT THE TIME OF PURCHASE, CARRIES AT
17 LEAST TWO CREDIT RATINGS FROM ANY OF THE NATIONALLY RECOGNIZED
18 CREDIT RATING AGENCIES AND IS RATED AT OR ABOVE "A" BY ALL SUCH
19 CREDIT AGENCIES THAT HAVE PROVIDED A RATING.

20
21 **SECTION 24.** Part 3 of article 11 of title 22, Colorado Revised
22 Statutes, is amended BY THE ADDITION OF A NEW SECTION to
23 read:

24 **22-11-306. Centers of excellence awards.** (1) (a) THE STATE
25 BOARD SHALL ANNUALLY PRESENT FINANCIAL AWARDS TO PUBLIC
26 SCHOOLS IN THE STATE THAT ENROLL A STUDENT POPULATION OF WHICH
27 AT LEAST SEVENTY-FIVE PERCENT ARE AT-RISK PUPILS, AS DEFINED IN

1 SECTION 22-54-103 (1.5), AND THAT DEMONSTRATE THE HIGHEST RATES
2 OF STUDENT ACADEMIC GROWTH, AS DETERMINED BY THE DEPARTMENT
3 BASED UPON THE STATISTICAL MODEL ADOPTED PURSUANT TO SECTION
4 22-7-604.3 (3) (a).

5 (b) AWARDS ISSUED PURSUANT TO THIS SECTION SHALL BE KNOWN
6 AS "CENTERS OF EXCELLENCE AWARDS".

7 (2) A SCHOOL THAT RECEIVES AN AWARD PURSUANT TO THIS
8 SECTION SHALL NOT QUALIFY FOR AN AWARD PURSUANT TO SECTION
9 22-11-305.

10 (3) NOTWITHSTANDING THE PROVISIONS OF SECTIONS 22-11-302
11 (2) (a) AND 22-11-305 (3), OF THE MONEYS AVAILABLE FOR AWARDS
12 PURSUANT TO THIS PART 3, IN THE 2009-10 BUDGET YEAR AND BUDGET
13 YEARS THEREAFTER, TWO HUNDRED FIFTY THOUSAND DOLLARS SHALL BE
14 AWARDED TO SCHOOLS ANNUALLY PURSUANT TO THIS SECTION. THE
15 DEPARTMENT SHALL APPORTION THE REMAINDER BETWEEN THE "JOHN
16 IRWIN SCHOOLS OF EXCELLENCE AWARDS" AND THE "GOVERNOR'S
17 DISTINGUISHED IMPROVEMENT AWARDS" AS PROVIDED IN SECTIONS
18 22-11-302 (2) (a) AND 22-11-305 (3), RESPECTIVELY.

19 **SECTION 25.** 22-11-304, Colorado Revised Statutes, is amended
20 to read:

21 **22-11-304. School awards program fund - creation -**
22 **contributions.** (1) (a) The department is hereby authorized to receive
23 grants, gifts, and donations from any source, public or private, to fund
24 financial awards to public schools pursuant to the program established in
25 this part 3. All public and private grants, gifts, and donations received by
26 the department pursuant to this section shall be transmitted to the state
27 treasurer who shall credit the same, in addition to any appropriations

1 made by the general assembly AND THE MONEYS TRANSFERRED PURSUANT
2 TO SUBSECTION (2) OF THIS SECTION, to the school awards program fund,
3 which is hereby created in the state treasury.

4 (b) Moneys in the school awards program fund shall be subject to
5 appropriation by the general assembly to the department of education for
6 purposes of making financial awards pursuant to the provisions of this
7 part 3. At the end of any fiscal year, all unexpended and unencumbered
8 moneys in the school awards program fund shall remain therein and shall
9 not be credited or transferred to the general fund or any other fund.
10 However, in accordance with section 24-36-114, C.R.S., all interest
11 derived from the deposit and investment of moneys in the fund shall be
12 credited to the general fund. Any moneys credited to the school awards
13 program fund shall be used exclusively for awards and shall not be used
14 to pay for the expenses of the department in administering the program
15 established in this part 3.

16 (2) ON JULY 1, 2009, THE STATE TREASURER, PURSUANT TO
17 SECTION 22-7-908 (4) (b), SHALL TRANSFER FROM THE READ-TO-ACHIEVE
18 CASH FUND CREATED IN SECTION 22-7-908 TO THE SCHOOL AWARDS
19 PROGRAM FUND THE AMOUNT OF TWO HUNDRED FIFTY THOUSAND
20 DOLLARS TO BE AWARDED PURSUANT TO SECTION 22-11-306 AS "CENTERS
21 OF EXCELLENCE AWARDS".

22 **SECTION 26.** 22-7-611 (1), (2), and (3) (a), Colorado Revised
23 Statutes, are amended to read:

24 **22-7-611. Closing the achievement gap program - strategies -**
25 **assistance - criteria - rule-making.** (1) As used in this section, unless
26 the context otherwise requires, "eligible school" means a public school
27 that HAS BEEN IDENTIFIED BY RULE OF THE STATE BOARD AS HAVING A

1 SIGNIFICANT ACHIEVEMENT GAP.

2 (a) ~~Has received an academic performance rating of~~
3 ~~"unsatisfactory" pursuant to section 22-7-604 (5); or~~

4 (b) ~~Has been identified by rule of the state board as having a~~
5 ~~significant achievement gap.~~

6 (2) There is hereby established in the department the closing the
7 achievement gap program, referred to in this section as the "program", to
8 provide extensive assistance to an eligible school. ~~that is at risk of being~~
9 ~~converted into an independent charter school pursuant to the provisions~~
10 ~~of part 3 of article 30.5 of this title.~~

11 (3) The department shall prepare and distribute to each eligible
12 school an outline of different strategies the school may implement to
13 improve academic achievement. The department shall provide the outline
14 by April 1 of the school year preceding the school year in which the
15 eligible school intends to participate in the program. The outline may
16 include, but need not be limited to, the following strategies:

17 (a) Using disaggregated ~~school~~ STUDENT data to set academic
18 improvement targets in reading, writing, mathematics, and science;

19 **SECTION 27.** 22-7-613 (1), Colorado Revised Statutes, is
20 amended to read:

21 **22-7-613. Closing the achievement gap cash fund - creation.**

22 (1) (a) The department is authorized to seek and accept gifts, grants, and
23 donations from private or public sources for the purposes of
24 implementing ~~sections 22-7-611 and 22-7-612~~ SECTION 22-7-611. All
25 private and public funds received through gifts, grants, or donations shall
26 be transmitted to the state treasurer, who shall credit the same to the
27 closing the achievement gap cash fund, which fund is hereby created and

1 referred to in this section as the "fund". The moneys in the fund shall be
2 continuously appropriated to the department.

3 (b) ON JULY 1, 2009, THE STATE TREASURER, PURSUANT TO
4 SECTION 22-7-908 (4) (a), SHALL TRANSFER FROM THE READ-TO-ACHIEVE
5 CASH FUND CREATED IN SECTION 22-7-908 TO THE CLOSING THE
6 ACHIEVEMENT GAP CASH FUND THE AMOUNT OF ONE MILLION SEVEN
7 HUNDRED FIFTY THOUSAND DOLLARS FOR THE PURPOSES OF
8 IMPLEMENTING SECTION 22-7-611.

9 **SECTION 28.** 22-7-908, Colorado Revised Statutes, is amended
10 BY THE ADDITION OF A NEW SUBSECTION to read:

11 **22-7-908. Read-to-achieve cash fund - created.**

12 (4) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE
13 CONTRARY, ON JULY 1, 2009, THE STATE TREASURER SHALL TRANSFER
14 FROM THE CASH FUND:

15 (a) TO THE CLOSING THE ACHIEVEMENT GAP CASH FUND CREATED
16 IN SECTION 22-7-613 THE AMOUNT OF ONE MILLION SEVEN HUNDRED FIFTY
17 THOUSAND DOLLARS; AND

18 (b) TO THE SCHOOL AWARDS PROGRAM FUND CREATED IN SECTION
19 22-11-304 THE AMOUNT OF TWO HUNDRED FIFTY THOUSAND DOLLARS.

20 **SECTION 29.** Part 6 of article 11 of title 22, Colorado Revised
21 Statutes, as enacted in Senate Bill 09-163, is amended BY THE
22 ADDITION OF A NEW SECTION to read:

23 **22-11-603.5. Centers of excellence awards.** (1) (a) THE STATE
24 BOARD SHALL ANNUALLY PRESENT FINANCIAL AWARDS TO PUBLIC
25 SCHOOLS IN THE STATE THAT ENROLL A STUDENT POPULATION OF WHICH
26 AT LEAST SEVENTY-FIVE PERCENT ARE AT-RISK PUPILS, AS DEFINED IN
27 SECTION 22-54-103 (1.5), AND THAT DEMONSTRATE THE HIGHEST RATES

1 OF STUDENT LONGITUDINAL GROWTH, AS MEASURED BY THE COLORADO
2 GROWTH MODEL. THE TECHNICAL ADVISORY PANEL CONVENED PURSUANT
3 TO SECTION 22-11-202 SHALL RECOMMEND TO THE STATE BOARD, AND
4 THE STATE BOARD SHALL ESTABLISH BY RULE, THE METHOD BY WHICH TO
5 IDENTIFY SCHOOLS THAT QUALIFY FOR AN AWARD PURSUANT TO THIS
6 SECTION.

7 (b) AWARDS ISSUED PURSUANT TO THIS SECTION SHALL BE KNOWN
8 AS "CENTERS OF EXCELLENCE AWARDS".

9 (2) A SCHOOL THAT RECEIVES AN AWARD PURSUANT TO THIS
10 SECTION SHALL NOT QUALIFY FOR AN AWARD PURSUANT TO SECTION
11 22-11-603.

12 (3) NOTWITHSTANDING THE PROVISIONS OF SECTIONS 22-11-602
13 (2) AND 22-11-603 (2), OF THE MONEYS AVAILABLE FOR AWARDS
14 PURSUANT TO THIS PART 3, IN THE 2009-10 BUDGET YEAR AND BUDGET
15 YEARS THEREAFTER, TWO HUNDRED FIFTY THOUSAND DOLLARS SHALL BE
16 AWARDED TO SCHOOLS ANNUALLY PURSUANT TO THIS SECTION. THE
17 DEPARTMENT SHALL APPORTION THE REMAINDER BETWEEN THE "JOHN
18 IRWIN SCHOOLS OF EXCELLENCE AWARDS" AND THE "GOVERNOR'S
19 DISTINGUISHED IMPROVEMENT AWARDS" AS PROVIDED IN SECTIONS
20 22-11-602 (2) AND 22-11-603 (2), RESPECTIVELY.

21 **SECTION 30.** 22-11-605 (1), Colorado Revised Statutes, as
22 enacted in Senate Bill 09-163, is amended, and the said 22-11-605 is
23 further amended BY THE ADDITION OF A NEW SUBSECTION, to
24 read:

25 **22-11-605. School awards program fund - creation -**
26 **contributions.** (1) The department is hereby authorized to receive gifts,
27 grants, and donations from any source, public or private, to fund financial

1 awards to public schools pursuant to the program established in this part
2 6. The department shall transmit all public and private gifts, grants, and
3 donations received pursuant to this section to the state treasurer who shall
4 credit the same, in addition to any appropriations made by the general
5 assembly AND THE AMOUNT TRANSFERRED PURSUANT TO SUBSECTION (3)
6 OF THIS SECTION, to the school awards program fund, which is hereby
7 created in the state treasury and referred to in this section as the "fund".

8 (3) ON JULY 1, 2009, THE STATE TREASURER, PURSUANT TO
9 SECTION 22-7-908 (4) (b), SHALL TRANSFER FROM THE READ-TO-ACHIEVE
10 CASH FUND CREATED IN SECTION 22-7-908 TO THE SCHOOL AWARDS
11 PROGRAM FUND THE AMOUNT OF TWO HUNDRED FIFTY THOUSAND
12 DOLLARS TO BE AWARDED PURSUANT TO SECTION 22-11-603.5 AS
13 "CENTERS OF EXCELLENCE AWARDS".

14 **SECTION 31.** 22-7-908, Colorado Revised Statutes, is amended
15 BY THE ADDITION OF A NEW SUBSECTION to read:

16 **22-7-908. Read-to-achieve cash fund - created.**

17 (4) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE
18 CONTRARY, ON JULY 1, 2009, THE STATE TREASURER SHALL TRANSFER
19 FROM THE CASH FUND:

20 (a) TO THE CLOSING THE ACHIEVEMENT GAP CASH FUND CREATED
21 IN SECTION 22-7-613 THE AMOUNT OF ONE MILLION SEVEN HUNDRED FIFTY
22 THOUSAND DOLLARS; AND

23 (b) TO THE SCHOOL AWARDS PROGRAM FUND CREATED IN SECTION
24 22-11-605 THE AMOUNT OF TWO HUNDRED FIFTY THOUSAND DOLLARS.

25 **SECTION 32.** 22-44-118 (1), Colorado Revised Statutes, is
26 amended to read:

27 **22-44-118. Full-day kindergarten reserve - tracking of**

1 **expenditures - preschool programs - rules.** (1) (a) Except as otherwise
2 provided in ~~paragraph (b)~~ PARAGRAPHS (b) AND (c) of this subsection (1),
3 for the 2008-09 budget year and each budget year thereafter, a school
4 district that does not report any full-day kindergarten pupils in the
5 district's October 1 pupil enrollment count shall hold the moneys received
6 for full-day kindergarten programs through supplemental kindergarten
7 enrollment pursuant to section 22-54-103 (7) (d) in a full-day
8 kindergarten reserve in the district's general fund. The district shall not
9 use the moneys in the full-day kindergarten reserve until the district
10 enrolls one or more pupils in full-day kindergarten in the district. Once
11 the district enrolls pupils in full-day kindergarten in the district, the
12 district shall not be required to maintain the full-day kindergarten reserve.

13 (b) For the 2008-09 budget year, a school district that does not
14 report any full-day kindergarten pupils in the district's October 1 pupil
15 enrollment count ~~may use~~ SHALL, ON OR BEFORE JUNE 30, 2009, RETURN
16 TO THE DEPARTMENT OF EDUCATION ANY UNEXPENDED AND
17 UNENCUMBERED AMOUNT REMAINING OF the moneys received for full-day
18 kindergarten programs through supplemental kindergarten enrollment
19 pursuant to section 22-54-103 (7) (d). ~~for planning and facility~~
20 ~~preparation necessary for the district to offer a full-day kindergarten~~
21 ~~program in subsequent budget years.~~ THE DEPARTMENT OF EDUCATION
22 SHALL ADOPT PROCEDURES FOR THE IMPLEMENTATION OF THIS
23 PARAGRAPH (b). THE DEPARTMENT OF EDUCATION SHALL TRANSMIT TO
24 THE STATE TREASURER THE MONEYS RECEIVED PURSUANT TO THIS
25 PARAGRAPH (b), AND THE STATE TREASURER SHALL CREDIT SAID MONEYS
26 TO THE STATE EDUCATION FUND CREATED PURSUANT TO SECTION 17 (4)
27 OF ARTICLE IX OF THE STATE CONSTITUTION.

1 (c) FOR THE 2009-10 BUDGET YEAR, A SCHOOL DISTRICT THAT
2 DOES NOT REPORT ANY FULL-DAY KINDERGARTEN PUPILS IN THE
3 DISTRICT'S OCTOBER 1 PUPIL ENROLLMENT COUNT MAY USE THE MONEYS
4 RECEIVED FOR FULL-DAY KINDERGARTEN PROGRAMS THROUGH
5 SUPPLEMENTAL KINDERGARTEN ENROLLMENT PURSUANT TO SECTION
6 22-54-103 (7) (d) FOR PLANNING AND FACILITY PREPARATION NECESSARY
7 FOR THE DISTRICT TO OFFER A FULL-DAY KINDERGARTEN PROGRAM IN
8 SUBSEQUENT BUDGET YEARS.

9 **SECTION 33.** 22-7-908 (1), Colorado Revised Statutes, as
10 amended in Senate Bill 09-269, is amended to read:

11 **22-7-908. Read-to-achieve cash fund - created.** (1) There is
12 hereby established in the state treasury the read-to-achieve cash fund,
13 referred to in this section as the "cash fund". The cash fund shall consist
14 of moneys transferred thereto pursuant to subsection (3) of this section
15 and any other moneys that may be made available by the general
16 assembly. Subject to appropriation by the general assembly, moneys in
17 the cash fund shall be used to provide grants pursuant to this part 9 and
18 to the reading assistance grant program created pursuant to section
19 22-88-102. ~~except that, for the 2009-10 fiscal year, the general assembly~~
20 ~~may also appropriate moneys from the cash fund to the department of~~
21 ~~education to be used to award grants for summer school programs~~
22 ~~pursuant to part 8 of this article.~~ Any moneys not provided as grants may
23 be invested by the state treasurer as provided in section 24-36-113, C.R.S.
24 All interest derived from the deposit and investment of moneys in the
25 cash fund shall be credited to the cash fund. Any amount remaining in
26 the cash fund at the end of any fiscal year shall remain in the cash fund
27 and shall not be credited or transferred to the general fund or to any other

1 fund.

2 **SECTION 34.** Section 11 (1) (a) and (1) (b) of Senate Bill 09-269
3 are amended to read:

4 Section 11. **Adjustments to the 2009 long bill.** (1) For the
5 implementation of this act, appropriations made in the annual general
6 appropriation act for the fiscal year beginning July 1, 2009, are adjusted
7 as follows:

8 (a) The appropriation to the department of education, assistance
9 to public schools, grant programs, distributions, and other assistance,
10 reading and literacy, read-to-achieve grant program, from the
11 read-to-achieve cash fund created in section 22-7-908 (1), Colorado
12 Revised Statutes, is decreased by ~~one million~~ one hundred sixty-five
13 thousand two hundred ninety-six dollars (~~\$1,165,296~~) (\$165,296) cash
14 funds.

15 (b) ~~(f) The cash funds appropriation to the department of~~
16 ~~education, assistance to public schools, grant programs, distributions, and~~
17 ~~other assistance, summer and after-school programs, summer school grant~~
18 ~~program, from the read-to-achieve cash fund created in section 22-7-908~~
19 ~~(1), Colorado Revised Statutes, is increased by one million dollars~~
20 ~~(\$1,000,000).~~

21 ~~(H) The cash funds appropriation to the department of education,~~
22 ~~assistance to public schools, grant programs, distributions, and other~~
23 ~~assistance, summer and after-school programs, summer school grant~~
24 ~~program, from the state education fund created in section 17(4) of article~~
25 ~~IX of the state constitution, is decreased by one million dollars~~
26 ~~(\$1,000,000).~~

27 **SECTION 35. Appropriation - adjustments to the 2009 long**

1 **bill.** (1) In addition to any other appropriation, there is hereby
2 appropriated, out of any moneys in the general fund not otherwise
3 appropriated, to the department of education, for the fiscal year beginning
4 July 1, 2009, the sum of fifty-five thousand seven hundred six dollars
5 (\$55,706), or so much thereof as may be necessary, for the preparation of
6 a feasibility study as required by section 22-2-135, Colorado Revised
7 Statutes.

8 (2) For the implementation of this act, appropriations made in the
9 annual general appropriation act for the fiscal year beginning July 1,
10 2009, shall be adjusted as follows:

11 (a) The appropriation to the department of education, assistance
12 to public schools, public school finance, for the state share of districts'
13 total program funding, is decreased by one hundred ten million dollars
14 (\$110,000,000) pursuant to section 22-54-104 (5) (g) (III), Colorado
15 Revised Statutes. Said sum shall be cash funds from the state education
16 fund created in section 17 (4) (a) of article IX of the state constitution.

17 (b) The appropriation to the department of education, assistance
18 to public schools, grant programs, distributions, and other assistance, for
19 the read-to-achieve grant program, is decreased by two million dollars
20 (\$2,000,000). Said sum shall be cash funds from the read-to-achieve cash
21 fund created in section 22-7-908 (1), Colorado Revised Statutes.

22 **SECTION 36. Appropriation.** In addition to any other
23 appropriation, there is hereby appropriated, out of any moneys in the
24 school awards program fund created in section 22-11-304, Colorado
25 Revised Statutes, not otherwise appropriated, to the department of
26 education, for the fiscal year beginning July 1, 2009, the sum of two
27 hundred fifty thousand dollars (\$250,000), or so much thereof as may be

1 necessary, for the implementation of section 22-11-306, Colorado
2 Revised Statutes.

3 **SECTION 37. Appropriation.** In addition to any other
4 appropriation, there is hereby appropriated, out of any moneys in the
5 school awards program fund created in section 22-11-605, Colorado
6 Revised Statutes, not otherwise appropriated, to the department of
7 education, for the fiscal year beginning July 1, 2009, the sum of two
8 hundred fifty thousand dollars (\$250,000), or so much thereof as may be
9 necessary, for the implementation of section 22-11-603.5, Colorado
10 Revised Statutes.

11

12 **SECTION 38. Effective date.** (1) This act shall take effect upon
13 passage; except that:

14 (a) Sections 24, 25, 28, and 36 of this act shall not take effect if
15 Senate Bill 09-163 is enacted and becomes law;

16 (b) Sections 29 through 31 and 37 of this act shall take effect only
17 if Senate Bill 09-163 is enacted and becomes law;

18 (c) Section 33 of this act shall take effect only if Senate Bill
19 09-269 is enacted and becomes law with the amendments to section
20 22-7-908 (1), Colorado Revised Statutes, as they appear in the rerevised
21 version of Senate Bill 09-269; and

22 (d) Section 34 of this act shall take effect only if Senate Bill
23 09-269 is enacted and becomes law with the provisions of section 11 (1)
24 (a) and (1) (b) of said act as they appear in the rerevised version of Senate
25 Bill 09-269.

26 **SECTION 39. Safety clause.** The general assembly hereby finds,

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