

**First Regular Session  
Sixty-sixth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

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

LLS NO. 07-0395.01 Stephen Miller

**SENATE BILL 07-041**

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**SENATE SPONSORSHIP**

**Schwartz,**

**HOUSE SPONSORSHIP**

**Massey,**

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**Senate Committees**

Education

Appropriations

**House Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING THE CREATION OF THE "PUBLIC SCHOOL FACILITIES**  
102                    **EQUITY ACT" TO ADDRESS THE CAPITAL CONSTRUCTION NEEDS**  
103                    **OF COLORADO PUBLIC SCHOOLS.**

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**Bill Summary**

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

Creates the "Public School Facilities Equity Act". Establishes the advisory committee for public school capital construction ("advisory committee") within the department of education ("department"). Specifies how the advisory committee is to be constituted and the qualifications of its members. Specifies that the advisory committee shall include staff for certain types of assistance.

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.*

Requires the advisory committee to propose rules to the state board of education ("state board") concerning uniform statewide minimum facility and safety standards required to qualify for state funding assistance for school districts in providing adequate facilities. Requires the advisory committee to consider certain factors in developing the standards. Requires the state board to consider the proposed rules and promulgate rules establishing the uniform statewide minimum facility and safety standards required to qualify for state funding assistance for school districts in providing adequate school buildings and facilities.

Requires the advisory committee to review certain grant applications and annually submit a list of recommended grant recipients and amounts to the state board. Requires the state board to consider the recommendations. Requires the state board to approve a list of school districts and charter schools to receive grants for capital construction projects. Provides the advisory committee with staff to assist the advisory committee in certain duties.

Requires the advisory committee, subject to available appropriations, to conduct a statewide needs assessment of school buildings by July 1, 2008, and at least once every 5 years thereafter. Specifies that the assessment shall provide timely and uniform state data on school facilities. Requires the state board to consider and use the uniform statewide minimum facility and safety standards while conducting the statewide needs assessment.

Clarifies that, subject to available appropriations, moneys in the school construction and renovation fund shall be used to provide staff to the advisory committee to assist in the performance of certain duties.

Makes conforming amendments.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly  
3 hereby finds that:

4 (a) Creation of an advisory committee within the department of  
5 education to consider and recommend statewide minimum facility and  
6 safety standards for school district facilities and adoption of the standards  
7 by the state board of education will help to ensure that, in providing  
8 capital construction moneys to school districts, the moneys will be used  
9 in completing high-quality, beneficial construction projects; and

10 (b) A statewide needs assessment of the school buildings in

1 Colorado will have the beneficial effect of assisting school districts and  
2 the state in appropriately and efficiently allocating funds for the  
3 improvement of school buildings.

4 (2) It is therefore the intent of the general assembly that the  
5 statewide minimum facility and safety standards adopted pursuant to this  
6 act and the statewide needs assessment conducted in implementing this  
7 act shall be used by the department of education in efficiently allocating  
8 moneys to school districts from the school construction and renovation  
9 fund created in section 22-43.7-103, Colorado Revised Statutes, and from  
10 the school capital construction expenditures reserve pursuant to section  
11 22-54-117, Colorado Revised Statutes. The statewide minimum facility  
12 and safety standards and the statewide needs assessment shall not  
13 constitute evidence of a lack of funding or support for school district  
14 capital construction projects and shall not constitute or be construed as  
15 any admission by the state with regard to capital construction funding or  
16 needs within school districts of the state. Further, in enacting this act, the  
17 General Assembly makes no admissions or representations as to the  
18 responsibility of the state with regard to school district capital  
19 construction issues.

20 **SECTION 2.** Article 43.7 of title 22, Colorado Revised Statutes,  
21 is amended BY THE ADDITION OF A NEW PART to read:

22 **PART 2**

23 **SCHOOL DISTRICT AND CHARTER SCHOOL**

24 **CAPITAL CONSTRUCTION NEEDS**

25 **22-43.7-201. Short title.** THIS PART 2 SHALL BE KNOWN AND MAY  
26 BE CITED AS THE "PUBLIC SCHOOL FACILITIES EQUITY ACT".

27 **22-43.7-202. Advisory committee for public school capital**

1     **construction - repeal.** (1) (a) EFFECTIVE JULY 1, 2007, THERE IS HEREBY  
2     ESTABLISHED WITHIN THE DEPARTMENT OF EDUCATION THE ADVISORY  
3     COMMITTEE FOR PUBLIC SCHOOL CAPITAL CONSTRUCTION, REFERRED TO  
4     IN THIS PART 2 AS THE "ADVISORY COMMITTEE".

5             (b) THE ADVISORY COMMITTEE SHALL CONSIST OF THE PERSONS  
6     DESCRIBED IN SUBSECTION (2) OF THIS SECTION AND SHALL INCLUDE STAFF  
7     FROM THE DEPARTMENT OF EDUCATION RESPONSIBLE FOR THE GRANTS  
8     DESCRIBED IN THIS ARTICLE AND IN SECTION 22-54-117.

9             (c) THE ADVISORY COMMITTEE SHALL, IN ACCORDANCE WITH THIS  
10    SECTION, ASSIST THE STATE BOARD WITH THE ADMINISTRATION OF THE  
11    GRANTS DESCRIBED IN THIS ARTICLE AND IN SECTION 22-54-117.

12            (2) THE ADVISORY COMMITTEE SHALL CONSIST OF NO MORE THAN  
13    FOURTEEN MEMBERS, AS FOLLOWS:

14            (a) THE CHAIR OF THE SENATE EDUCATION COMMITTEE, OR ANY  
15    SUCCESSOR COMMITTEE, OR HIS OR HER DESIGNEE;

16            (b) THE CHAIR OF THE HOUSE EDUCATION COMMITTEE, OR ANY  
17    SUCCESSOR COMMITTEE, OR HIS OR HER DESIGNEE;

18            (c) THE COMMISSIONER OF EDUCATION, OR HIS OR HER DESIGNEE;

19            (d) UP TO ELEVEN PERSONS, APPOINTED BY THE STATE BOARD  
20    FROM URBAN, RURAL, AND SUBURBAN SCHOOL DISTRICTS, REPRESENTING  
21    THE FOLLOWING AREAS OF EXPERTISE:

22            (I) ARCHITECTURE, SPECIFICALLY WITH REGARD TO SCHOOL  
23    FACILITIES AND THEIR REHABILITATION, WITH ADDITIONAL EXPERTISE IN  
24    OTHER BUILDING TYPES;

25            (II) SYSTEMS ENGINEERING, SPECIFICALLY WITH REGARD TO  
26    SCHOOL FACILITIES;

27            (III) SCHOOL DISTRICT AND CHARTER SCHOOL FACILITIES

1 MANAGEMENT;  
2 (IV) SCHOOL FINANCE;  
3 (V) SCHOOL DISTRICT AND CHARTER SCHOOL GOVERNANCE AND  
4 ADMINISTRATION;  
5 (VI) OPERATIONS OF BOARDS OF COOPERATIVE SERVICES; AND  
6 (VII) TECHNOLOGY, INCLUDING BUT NOT LIMITED TO TECHNOLOGY  
7 FOR INDIVIDUAL STUDENT LEARNING AND CLASSROOM INSTRUCTION AND  
8 TECHNOLOGY FOR VIDEO CONFERENCING.  
9 (3) APPOINTED MEMBERS SHALL SERVE FOR TERMS OF TWO YEARS  
10 AND MAY BE REMOVED FOR CAUSE OR DUE TO A CONFLICT OF INTEREST.  
11 APPOINTED MEMBERS SHALL SERVE WITHOUT COMPENSATION BUT SHALL  
12 RECEIVE REIMBURSEMENT FOR TRAVEL AND OTHER NECESSARY EXPENSES  
13 ACTUALLY INCURRED IN THE PERFORMANCE OF THEIR OFFICIAL DUTIES.  
14 (4) (a) THE ADVISORY COMMITTEE SHALL PROPOSE RULES TO THE  
15 STATE BOARD FOR THE ESTABLISHMENT OF UNIFORM STATEWIDE MINIMUM  
16 FACILITY AND SAFETY STANDARDS THAT A FACILITY MUST MEET TO  
17 QUALIFY FOR STATE FUNDING ASSISTANCE. THE RULES PROPOSED BY THE  
18 ADVISORY COMMITTEE SHALL BE IN CONFORMANCE WITH THE BUILDING  
19 AND FIRE CODES AND STANDARDS ADOPTED PURSUANT TO SECTION  
20 22-32-124 BY THE DIRECTOR OF THE DIVISION OF OIL AND PUBLIC SAFETY  
21 IN THE DEPARTMENT OF LABOR AND EMPLOYMENT.  
22 (b) AT A MINIMUM, THE ADVISORY COMMITTEE SHALL CONSIDER  
23 AND ADDRESS THE FOLLOWING FACTORS IN DEVELOPING THE STATEWIDE  
24 STANDARDS:  
25 (I) HEALTH AND SAFETY, INCLUDING ALL APPLICABLE BUILDING,  
26 HEALTH, SAFETY, AND ENVIRONMENTAL CODES AND STANDARDS  
27 REQUIRED BY STATE AND FEDERAL LAW, AND INCLUDING SECURITY NEEDS;

- 1 (II) STUDENT-OCCUPANT BUILDING ENROLLMENT CAPACITY;
- 2 (III) BUILDING UTILIZATION, WITH CONSIDERATION GIVEN TO
- 3 DIFFERENCES AMONG SCHOOL SIZES AND MAXIMUM CLASS SIZE;
- 4 (IV) REHABILITATION VERSUS REPLACEMENT OR
- 5 DISCONTINUATION OF INADEQUATE BUILDINGS WITH CONSIDERATION
- 6 GIVEN TO HISTORICAL SIGNIFICANCE;
- 7 (V) BUILDING PERFORMANCE STANDARDS, INCLUDING
- 8 ENERGY-EFFICIENCY CRITERIA;
- 9 (VI) ACCESSIBILITY AND APPROPRIATE NEEDS OF SPECIAL
- 10 STUDENT POPULATIONS, INCLUDING STUDENTS WITH DISABILITIES;
- 11 (VII) SCHOOL SITES;
- 12 (VIII) CLASSROOMS;
- 13 (IX) LIBRARIES AND MEDIA CENTERS;
- 14 (X) CAFETERIAS AND KITCHENS;
- 15 (XI) AUDITORIUMS, MULTIPURPOSE ROOMS, AND OTHER MULTIUSE
- 16 SPACE;
- 17 (XII) FACILITIES FOR SCIENCE, ARTS, MUSIC, VOCATIONAL
- 18 EDUCATION, AND PHYSICAL EDUCATION;
- 19 (XIII) OTHER FACILITIES AND EQUIPMENT NECESSARY TO MEET
- 20 THE STATE MODEL CONTENT STANDARDS AND HIGHER EDUCATION
- 21 ADMISSION REQUIREMENTS;
- 22 (XIV) TECHNOLOGY, INCLUDING BUT NOT LIMITED TO
- 23 TECHNOLOGY FOR INDIVIDUAL STUDENT LEARNING AND CLASSROOM
- 24 INSTRUCTION AND TECHNOLOGY FOR VIDEO CONFERENCING;
- 25 (XV) EDUCATIONAL SUITABILITY;
- 26 (XVI) ADMINISTRATIVE SPACE; AND
- 27 (XVII) BEST PRACTICES.

1           (c) (I) ON OR BEFORE JANUARY 1, 2009, THE STATE BOARD SHALL  
2       CONSIDER THE RULES PROPOSED BY THE ADVISORY COMMITTEE AND, IN  
3       ACCORDANCE WITH THE INTENT OF THE GENERAL ASSEMBLY AS  
4       DESCRIBED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (c), SHALL  
5       PROMULGATE RULES ESTABLISHING UNIFORM STATEWIDE MINIMUM  
6       FACILITY AND SAFETY STANDARDS THAT A FACILITY MUST MEET TO  
7       QUALIFY FOR STATE FUNDING ASSISTANCE TO ASSIST SCHOOL DISTRICTS  
8       AND CHARTER SCHOOLS IN PROVIDING ADEQUATE SCHOOL BUILDINGS AND  
9       FACILITIES. THE RULES ADOPTED BY THE STATE BOARD SHALL BE IN  
10      CONFORMANCE WITH THE BUILDING AND FIRE CODES AND STANDARDS  
11      ADOPTED PURSUANT TO SECTION 22-32-124 BY THE DIRECTOR OF THE  
12      DIVISION OF OIL AND PUBLIC SAFETY IN THE DEPARTMENT OF LABOR AND  
13      EMPLOYMENT. THE STATE BOARD MAY AMEND ANY RULE PROPOSED BY  
14      THE ADVISORY COMMITTEE SO LONG AS THE STATE BOARD ESTABLISHES  
15      THE STANDARDS IN ACCORDANCE WITH THIS PARAGRAPH (c).

16           (II) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE  
17      PRIMARY PURPOSES OF THE STATEWIDE STANDARDS DESCRIBED IN  
18      SUBPARAGRAPH (I) OF THIS PARAGRAPH (c) ARE TO:

19           (A) ESTABLISH BENCHMARKS THAT CAN BE USED IN DETERMINING  
20      THE SUITABILITY AND ADEQUACY OF EXISTING BUILDINGS AND PROPOSALS  
21      FOR REHABILITATION AND NEW CONSTRUCTION; AND

22           (B) DEVELOP PROJECTIONS REGARDING THE SUITABILITY AND  
23      ADEQUACY OF EXISTING BUILDINGS FIVE YEARS AFTER THE  
24      ESTABLISHMENT OF THE STATEWIDE STANDARDS.

25           (III) A FACILITY PROJECT FOR WHICH A SCHOOL DISTRICT OR  
26      CHARTER SCHOOL APPLIES, ON OR AFTER JANUARY 1, 2009, FOR STATE  
27      FUNDING ASSISTANCE PURSUANT TO PART 1 OF THIS ARTICLE OR SECTION

1 22-54-117 SHALL MEET THE STATEWIDE STANDARDS ESTABLISHED BY THE  
2 STATE BOARD PURSUANT TO THIS PARAGRAPH (c).

3 (IV) THE DEPARTMENT OF EDUCATION SHALL CONSIDER AND USE  
4 THE STATEWIDE STANDARDS WHILE CONDUCTING THE STATEWIDE NEEDS  
5 ASSESSMENT DESCRIBED IN SECTION 22-43.7-203.

6 (5) (a) THE ADVISORY COMMITTEE SHALL REVIEW THE GRANT  
7 APPLICATIONS RECEIVED PURSUANT TO SECTIONS 22-43.7-105 AND  
8 22-54-117 AND SHALL SUBMIT ANNUALLY TO THE STATE BOARD, ON OR  
9 BEFORE A DATE SPECIFIED BY RULE OF THE STATE BOARD, A LIST OF  
10 RECOMMENDED GRANT RECIPIENTS AND THE RECOMMENDED AMOUNT OF  
11 EACH GRANT.

12 (b) THE STATE BOARD, WITHIN NINETY DAYS AFTER RECEIVING THE  
13 RECOMMENDATIONS OF THE ADVISORY COMMITTEE, SHALL REVIEW AND  
14 APPROVE A LIST OF SCHOOL DISTRICTS AND CHARTER SCHOOLS TO RECEIVE  
15 GRANTS FOR CAPITAL CONSTRUCTION PROJECTS, ALONG WITH THE  
16 AMOUNT OF EACH GRANT AND THE AMOUNT OF THE SCHOOL DISTRICT OR  
17 CHARTER SCHOOL MATCH, IF A MATCH IS REQUIRED. THE STATE BOARD  
18 SHALL CONSIDER, AT A MINIMUM, THE RECOMMENDATIONS OF THE  
19 ADVISORY COMMITTEE.

20 (6) UPON COMPLETION OF THE FIRST STATEWIDE NEEDS  
21 ASSESSMENT AND CREATION OF THE STATEWIDE DATABASE PURSUANT TO  
22 SECTION 22-43.7-203, THE DEPARTMENT OF EDUCATION SHALL PROVIDE  
23 SUFFICIENT STAFF TO ASSIST THE ADVISORY COMMITTEE IN THE  
24 PERFORMANCE OF THE FOLLOWING DUTIES:

25 (a) REVIEW OF GRANT APPLICATIONS;

26 (b) PREPARATION OF LISTS OF RECOMMENDED RECIPIENTS AND  
27 GRANT AMOUNTS;



1                   ==

2                   (c) DEVELOPMENT, IMPLEMENTATION, AND OVERSIGHT OF THE

3                   UNIFORM STATEWIDE MINIMUM FACILITY STANDARDS THAT FACILITIES

4                   MUST MEET TO QUALIFY FOR STATE FUNDING ASSISTANCE;

5                   (d) ASSISTANCE TO SCHOOL DISTRICTS IN IDENTIFYING CRITICAL

6                   CAPITAL OUTLAY NEEDS AND IN PREPARING GRANT APPLICATIONS;

7                   (e) ASSISTANCE TO SCHOOL DISTRICTS IN IMPLEMENTING THE

8                   PROJECTS FOR WHICH STATE AND FEDERAL GRANTS ARE MADE, INCLUDING

9                   BUT NOT LIMITED TO ASSISTANCE WITH THE PREPARATION OF REQUESTS

10                  FOR BIDS OR PROPOSALS, CONTRACT NEGOTIATIONS, CONTRACT

11                  IMPLEMENTATION, AND ENERGY SAVINGS; AND

12                  (f) ASSISTANCE TO SCHOOL DISTRICTS TO ENSURE COST SAVINGS

13                  AND EFFICIENCIES FOR SCHOOL DISTRICTS THAT ARE NOT LARGE ENOUGH

14                  TO MAINTAIN THEIR OWN CONSTRUCTION MANAGEMENT STAFF.

15                   ==

16                  (7) (a) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2017.

17                  (b) PRIOR TO SAID REPEAL, THE ADVISORY COMMITTEE FOR PUBLIC

18                  SCHOOL CAPITAL CONSTRUCTION SHALL BE REVIEWED AS PROVIDED IN

19                  SECTION 2-3-1203, C.R.S.

20                  **22-43.7-203. Statewide needs assessment.** (1) THE

21                  DEPARTMENT OF EDUCATION, BEGINNING ON JANUARY 1, 2009, AND AT

22                  LEAST ONCE EVERY FIVE YEARS THEREAFTER, SHALL CONDUCT OR

23                  CONTRACT FOR A STATEWIDE NEEDS ASSESSMENT OF SCHOOL BUILDINGS.

24                  THE STATE BOARD SHALL ORDER PAYMENT OF THE COSTS INCURRED IN

25                  CONDUCTING OR CONTRACTING FOR THE ASSESSMENT AS PROVIDED IN

26                  SECTION 22-54-117 (1.6) (a) (II).

27                  (2) (a) THE ASSESSMENT SHALL BE DESIGNED AND MAINTAINED TO

1 PROVIDE TIMELY AND UNIFORM STATEWIDE DATA ON THE FOLLOWING  
2 ISSUES FOR EACH PUBLIC SCHOOL BUILDING AND FACILITY IN THE STATE:

3 (I) THE CONDITION OF THE SCHOOL BUILDING OR FACILITY;

4 (II) AIR AND WATER QUALITY IN THE SCHOOL BUILDING OR  
5 FACILITY;

6 (III) SCHOOL BUILDING OR FACILITY SPACE REQUIREMENTS;

7 (IV) EDUCATIONAL SUITABILITY REQUIREMENTS AND HIGHER  
8 EDUCATION ADMISSION REQUIREMENTS;

9 (V) THE ABILITY TO ACCOMMODATE EDUCATIONAL TECHNOLOGY,  
10 INCLUDING BUT NOT LIMITED TO TECHNOLOGY FOR INDIVIDUAL STUDENT  
11 LEARNING AND CLASSROOM INSTRUCTION AND TECHNOLOGY FOR VIDEO  
12 CONFERENCING;

13 (VI) SITE REQUIREMENTS FOR THE SCHOOL BUILDING OR FACILITY;

14 (VII) THE NUMBER OF NONRESIDENT PUPILS SERVED BY EACH  
15 SCHOOL DISTRICT; AND

16 (VIII) SCHOOL DISTRICT DEMOGRAPHICS, INCLUDING A FIVE-YEAR  
17 PROJECTION CONCERNING SUBSTANTIAL CHANGES THAT THE SCHOOL  
18 DISTRICT ANTICIPATES IN ITS DEMOGRAPHICS.

19 (b) EACH STATEWIDE NEEDS ASSESSMENT SHALL ALSO INCLUDE  
20 FIVE-YEAR PROJECTIONS REGARDING THE ADEQUACY OF THE ISSUES  
21 DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (2).

22 (c) THE DEPARTMENT OF EDUCATION SHALL ESTABLISH A  
23 DATABASE TO STORE THE DATA COLLECTED PURSUANT TO PARAGRAPH (a)  
24 OF THIS SUBSECTION (2).

25 (3) THE DEPARTMENT OF EDUCATION SHALL CONSIDER AND USE  
26 THE UNIFORM STATEWIDE MINIMUM FACILITY AND SAFETY STANDARDS, AS  
27 DESCRIBED IN SECTION 22-43.7-202 (4), WHILE CONDUCTING THE

1 STATEWIDE NEEDS ASSESSMENT DESCRIBED IN THIS SECTION.

2 **SECTION 3.** 2-3-1203 (3), Colorado Revised Statutes, is  
3 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

4 **2-3-1203. Sunset review of advisory committees.** (3) The  
5 following dates are the dates for which the statutory authorization for the  
6 designated advisory committees is scheduled for repeal:

7 (dd) JULY 1, 2017: THE ADVISORY COMMITTEE FOR PUBLIC  
8 SCHOOL CAPITAL CONSTRUCTION IN THE DEPARTMENT OF EDUCATION  
9 ESTABLISHED IN SECTION 22-43.7-202, C.R.S.

10 **SECTION 4.** 22-43.7-103 (2) and (3), Colorado Revised Statutes,  
11 are amended to read:

12 **22-43.7-103. School construction and renovation fund -**  
13 **created - purpose - transfer of excess state revenues.** (2) Subject to  
14 appropriation by the general assembly, moneys in the construction and  
15 renovation fund shall be used to:

16 (a) Provide matching grants to school districts that are undertaking  
17 qualified capital construction projects and for the expenses incurred by  
18 the state board in administering this ~~article~~ PART 1. The state board shall  
19 determine the proportion of the state and local funds to be used to finance  
20 the qualified capital construction project and the amount of each grant  
21 using the criteria established pursuant to section 22-43.7-106; AND

22 (b) PROVIDE SUFFICIENT STAFF FROM THE DEPARTMENT OF  
23 EDUCATION TO ASSIST THE ADVISORY COMMITTEE FOR PUBLIC SCHOOL  
24 CAPITAL CONSTRUCTION IN THE PERFORMANCE OF THE ADVISORY  
25 COMMITTEE'S DUTIES DESCRIBED IN SECTION 22-43.7-202 (6).

26

27 (3) Matching grants from the construction and renovation fund

1 shall not be authorized if the capital construction project has not been  
2 evaluated by the state board and included on the prioritized list prepared  
3 by the state board pursuant to this ~~article~~ PART 1.

4 **SECTION 5.** 22-43.7-103.5 (1) (a), Colorado Revised Statutes,  
5 is amended to read:

6 **22-43.7-103.5. Loans for qualified capital construction**  
7 **projects.** (1) As authorized under the provisions of section 3 of article  
8 IX of the state constitution, the state treasurer may make loans to school  
9 districts for the purpose of funding qualified capital construction projects.  
10 Loans made pursuant to this section shall not be subject to the provisions  
11 of section 24-36-113, C.R.S., that require the state treasurer to secure the  
12 maximum rate of interest on investments of state moneys. The  
13 procedures for the making of loans shall be determined by the state  
14 treasurer subject to the following:

15 (a) No loan shall be authorized for any capital construction project  
16 that has not been evaluated by the state board and included on the  
17 prioritized list prepared by the board pursuant to this ~~article~~ PART 1.

18 **SECTION 6.** 22-43.7-104, Colorado Revised Statutes, is  
19 amended to read:

20 **22-43.7-104. Eligible projects - criteria.** (1) Matching grants  
21 may be provided from the construction and renovation fund and loans  
22 may be made from the permanent school fund pursuant to this ~~article~~  
23 PART 1 for capital construction projects involving instructional facilities,  
24 including classrooms, libraries, physical plants, and associated  
25 administrative areas, or involving the incorporation of technology into the  
26 educational environment.

27 (2) Matching grants and loans shall not be provided pursuant to

1 this ~~article~~ PART 1 for any portion of a capital construction project  
2 involving ~~athletic, recreational, or other~~ noninstructional facilities within  
3 the district, even if such facilities are located on a school site.

4 **SECTION 7.** 22-43.7-105 (4) (c.5), Colorado Revised Statutes,  
5 is amended to read:

6 **22-43.7-105. Financial assistance application requirements -**  
7 **evaluation criteria - oversight board - duties.** (4) All applications  
8 submitted to the state board shall be in a form prescribed by the state  
9 board and shall include:

10 (c.5) A demonstration of the district's or charter school's ability  
11 and willingness to maintain any new capital construction project funded  
12 pursuant to this ~~article~~ PART 1;

13 **SECTION 8.** 22-43.7-105 (7), Colorado Revised Statutes, is  
14 amended to read:

15 **22-43.7-105. Financial assistance application requirements -**  
16 **evaluation criteria - oversight board - duties.** (7) The state board is  
17 authorized to promulgate rules for the administration of this ~~article~~ PART  
18 1. Such rules shall be promulgated in accordance with article 4 of title  
19 24, C.R.S.

20 **SECTION 9.** The introductory portion to 22-43.7-106 (1),  
21 Colorado Revised Statutes, is amended to read:

22 **22-43.7-106. Amount of matching grant or loan.** (1) The state  
23 board shall determine the proportion of the state and local funds to be  
24 used to finance the qualified capital construction project. The state board  
25 shall develop criteria to determine the amount of each matching grant  
26 awarded and each loan made pursuant to this ~~article~~ PART 1. Such criteria  
27 shall include but shall not be limited to:

1           **SECTION 10.** 22-43.7-103 (2), Colorado Revised Statutes, is  
2    amended to read:

3           **22-43.7-103. School construction and renovation fund -**  
4    **created - purpose - transfer of excess state revenues.** (2) **Subject to**  
5    **appropriation by the general assembly, THE STATE BOARD IS AUTHORIZED**  
6    **TO APPROVE AND ORDER PAYMENTS FROM THE moneys in the construction**  
7    **and renovation fund shall be used to provide matching grants to school**  
8    **districts that are undertaking qualified capital construction projects and**  
9    **for the expenses incurred by the state board in administering this article.**  
10   **The state board shall determine the proportion of the state and local funds**  
11   **to be used to finance the qualified capital construction project and the**  
12   **amount of each grant using the criteria established pursuant to section**  
13   **22-43.7-106.**

14           **SECTION 11.** 22-54-117 (1.6) (a), Colorado Revised Statutes, is  
15    amended to read:

16           **22-54-117. Contingency reserve - capital construction**  
17    **expenditures reserve.** (1.6) (a) (I) **For each quarter including and after**  
18    **the first quarter of the state's fiscal year 2001-02, all moneys that would**  
19    **otherwise be transferred to the general fund pursuant to section 3 (1) (b)**  
20    **(III) of article XXVII of the state constitution shall be transferred to the**  
21    **state public school fund as a contingency reserve exempt from any**  
22    **restriction on spending, revenues, or appropriations, including, without**  
23    **limitation, the restrictions of section 20 of article X of the state**  
24    **constitution. EXCEPT AS OTHERWISE PROVIDED IN SUBPARAGRAPH (II) OF**  
25    **THIS PARAGRAPH (a), the state board is authorized to approve and order**  
26    **payments from the moneys transferred pursuant to this subsection (1.6)**  
27    **only for supplemental assistance to districts for capital expenditures to**

1 address immediate safety hazards or health concerns within existing  
2 school facilities either by repairing, remodeling, or refurbishing the  
3 existing school facilities or by constructing new school facilities to  
4 replace the existing school facilities.

5 (II) FOR BUDGET YEARS BEGINNING ON OR AFTER JULY 1, 2007,  
6 AND ENDING ON JULY 1, 2011, THE STATE BOARD, FROM THE MONEYS  
7 TRANSFERRED PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (a),  
8 SHALL APPROVE AND ORDER PAYMENT OF THE COSTS INCURRED IN  
9 CONDUCTING OR CONTRACTING FOR THE STATEWIDE NEEDS ASSESSMENT  
10 OF SCHOOL BUILDINGS REQUIRED PURSUANT TO SECTION 22-43.7-203.  
11 THE STATE BOARD SHALL NOT ORDER PAYMENT PURSUANT TO THIS  
12 SUBPARAGRAPH (II) OF MORE THAN THREE MILLION DOLLARS IN ANY  
13 BUDGET YEAR AND SHALL NOT ORDER PAYMENT OF MORE THAN A TOTAL  
14 OF TWELVE MILLION DOLLARS FOR THE FOUR BUDGET YEARS DESCRIBED  
15 IN THIS SUBPARAGRAPH (II).

16 **SECTION 12. Effective date.** This act shall take effect July 1,  
17 2007.

18 **SECTION 13. Safety clause.** The general assembly hereby finds,  
19 determines, and declares that this act is necessary for the immediate  
20 preservation of the public peace, health, and safety.