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HOUSE BILL 08-1388

BY REPRESENTATIVE(S) Pommer, Benefield, Borodkin, Buescher, Carroll M., Casso, Fischer, Green, Kerr A., Labuda, Levy, Madden, Marshall, McFadyen, Merrifield, Middleton, Peniston, Scanlan, Solano, Todd, Butcher, Gallegos, and Massey;
also SENATOR(S) Windels, Boyd, Morse, Tupa, Williams, Bacon, Gibbs, Groff, Keller, Romer, Schwartz, Shaffer, and Tapia.

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

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

SECTION 1. Legislative declaration. (1) The general assembly hereby finds and declares that:

(a) The general assembly is constitutionally required to increase the base per pupil funding for the 2008-09 budget year to \$5,250.41 to account for inflation plus an additional one percentage point.

(b) The general assembly is increasing the base per pupil funding for the 2008-09 budget year to \$5,270.13, which accounts for inflation plus an additional percentage point plus an additional \$19.72 per pupil.

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

(c) The additional \$19.72 per pupil is an amount equal to approximately twenty million dollars for base per pupil funding statewide.

(2) (a) The general assembly further finds and declares that it intends that school districts statewide use approximately ten million dollars of the additional money included in base per pupil funding to assist the districts in attracting and retaining teachers and to preserve the amount of money allocated to educating students in the face of escalating costs associated with operating a school district and educating the students in the district.

(b) The general assembly further finds and declares that school districts statewide shall use approximately ten million dollars of the additional money included in base per pupil funding to provide assistance to first and second grade teachers.

SECTION 2. 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) (XV) FOR THE 2008-09 BUDGET YEAR, THE STATEWIDE BASE PER PUPIL FUNDING SHALL BE \$5,270.13, WHICH IS AN AMOUNT EQUAL TO \$5,087.61 SUPPLEMENTED BY \$182.52 TO ACCOUNT FOR INFLATION PLUS AN ADDITIONAL ONE PERCENTAGE POINT PLUS AN ADDITIONAL \$19.72 PER PUPIL.

SECTION 3. The introductory portion to 22-54-103 (7) (c) (I), Colorado Revised Statutes, is amended, and the said 22-54-103 (7) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

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

(7) "Funded pupil count" means:

(c) (I) For budget years commencing on and after July 1, 2003, BUT PRIOR TO JULY 1, 2008, the district's on-line pupil enrollment for the applicable budget year plus the district's preschool and kindergarten program enrollment for the applicable budget year plus the greater of:

(d) (I) FOR BUDGET YEARS COMMENCING ON AND AFTER JULY 1,

2008, THE DISTRICT'S ON-LINE PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR PLUS THE DISTRICT'S PRESCHOOL PROGRAM ENROLLMENT FOR THE APPLICABLE BUDGET YEAR PLUS THE DISTRICT'S SUPPLEMENTAL KINDERGARTEN ENROLLMENT FOR THE APPLICABLE BUDGET YEAR PLUS THE GREATER OF:

(A) THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR; OR

(B) THE AVERAGE OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE IMMEDIATELY PRECEDING BUDGET YEAR; OR

(C) THE AVERAGE OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE TWO IMMEDIATELY PRECEDING BUDGET YEARS; OR

(D) THE AVERAGE OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE THREE IMMEDIATELY PRECEDING BUDGET YEARS; OR

(E) THE AVERAGE OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE FOUR IMMEDIATELY PRECEDING BUDGET YEARS.

(II) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR PURPOSES OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (d), A DISTRICT'S FUNDED PUPIL COUNT SHALL INCLUDE THE CERTIFIED PUPIL ENROLLMENT AND ON-LINE PUPIL ENROLLMENT OF EACH OPERATING INSTITUTE CHARTER SCHOOL FOR WHICH THE DISTRICT IS THE ACCOUNTING DISTRICT. THE DEPARTMENT OF EDUCATION SHALL ADD THE INSTITUTE CHARTER SCHOOL'S CERTIFIED PUPIL ENROLLMENT AND ON-LINE PUPIL ENROLLMENT TO THE FUNDED PUPIL COUNT OF THE DISTRICT PRIOR TO CALCULATING THE DISTRICT'S TOTAL PROGRAM PURSUANT TO SECTION 22-54-104.

(III) (A) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR PURPOSES OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (d), FOR THE 2004-05, 2005-06, 2006-07, AND 2007-08 BUDGET YEARS, A DISTRICT'S PUPIL ENROLLMENT SHALL NOT INCLUDE A PUPIL WHO WAS PLACED IN A FACILITY, AS DEFINED IN SECTION 22-54-129 (1) (c), AND

RECEIVED SERVICES THROUGH AN APPROVED FACILITY SCHOOL, AS DEFINED IN SECTION 22-54-129 (1) (a).

(B) THIS SUBPARAGRAPH (III) IS REPEALED, EFFECTIVE JULY 1, 2012.

(IV) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT FOR THE PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, AVERAGING A DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE FOUR IMMEDIATELY PRECEDING BUDGET YEARS PURSUANT TO SUB-SUBPARAGRAPH (E) OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (d) IS A PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND MAY THEREFORE RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

SECTION 4. 22-54-103 (10) (a), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

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

(10) (a) (V) NOTWITHSTANDING THE PROVISIONS OF THIS PARAGRAPH (a), FOR THE 2008-09 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, "PUPIL ENROLLMENT" SHALL NOT INCLUDE A PUPIL WHO IS PLACED IN A FACILITY, AS DEFINED IN SECTION 22-54-129 (1) (c), AND IS RECEIVING SERVICES THROUGH AN APPROVED FACILITY SCHOOL, AS DEFINED IN SECTION 22-54-129 (1) (a).

SECTION 5. 22-54-103, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

22-54-103. Definitions. (15) "SUPPLEMENTAL KINDERGARTEN ENROLLMENT" MEANS THE NUMBER CALCULATED BY SUBTRACTING FIVE-TENTHS FROM THE FULL-DAY KINDERGARTEN FACTOR FOR THE APPLICABLE BUDGET YEAR AND THEN MULTIPLYING SAID NUMBER BY THE NUMBER OF PUPILS IN THE DISTRICT WHO ARE ENROLLED IN KINDERGARTEN FOR THE APPLICABLE BUDGET YEAR. FOR THE PURPOSES OF THIS SUBSECTION (15), THE FULL-DAY KINDERGARTEN FACTOR FOR THE 2008-09 BUDGET YEAR IS FIFTY-EIGHT HUNDREDTHS OF A FULL-DAY PUPIL.

SECTION 6. 22-54-105 (1) (b) (II) (A), (2) (b) (II) (A), and (4), Colorado Revised Statutes, are amended to read:

22-54-105. Instructional supplies and materials - capital reserve and insurance reserve - at-risk funding - preschool funding.

(1) (b) (II) (A) ~~Except as provided in sub-subparagraph (B) of this subparagraph (H),~~ For the 1998-99 budget year and budget years thereafter THROUGH THE 2007-08 BUDGET YEAR, the dollar amount required to be budgeted per pupil pursuant to this paragraph (b) shall be increased each year by the same percentage that the statewide base per pupil funding is increased pursuant to section 22-54-104 (5). ~~Such~~ FOR THE 2008-09 BUDGET YEAR AND BUDGET YEARS THEREAFTER, THE MINIMUM DOLLAR AMOUNT REQUIRED TO BE BUDGETED PER PUPIL PURSUANT TO THIS PARAGRAPH (b) SHALL BE INCREASED EACH YEAR BY THE RATE OF INFLATION. THE amount OF ANY INCREASE PURSUANT TO THIS PARAGRAPH (b) shall be rounded to the nearest dollar.

(2) (b) (II) (A) ~~Except as provided in sub-subparagraph (B) of this subparagraph (H),~~ For the 1998-99 budget year and budget years thereafter THROUGH THE 2007-08 BUDGET YEAR, the minimum dollar amount required to be budgeted per pupil pursuant to this paragraph (b) shall be increased each year by the same percentage that the statewide base per pupil funding is increased pursuant to section 22-54-104 (5). ~~Such~~ FOR THE 2008-09 BUDGET YEAR AND BUDGET YEARS THEREAFTER, THE MINIMUM DOLLAR AMOUNT REQUIRED TO BE BUDGETED PER PUPIL PURSUANT TO THIS PARAGRAPH (b) SHALL BE INCREASED EACH YEAR BY THE RATE OF INFLATION. THE amount OF ANY INCREASE PURSUANT TO THIS PARAGRAPH (b) shall be rounded to the nearest dollar.

(4) ~~For the 2001-02 budget year and any budget year thereafter, every district participating in the state preschool and kindergarten program pursuant to article 28 of this title shall budget an amount equal to the district's per pupil operating revenues multiplied by the district's preschool and kindergarten program enrollment as defined in section 22-54-103 (9.5). The budgeted amount shall be allocated to the preschool and kindergarten program fund created in section 22-45-103 (1) (g) and expended in accordance with said paragraph (g). Any moneys in the fund that are not projected to be expended during a budget year shall be budgeted for the district's preschool and kindergarten program in the next budget year.~~

SECTION 7. 22-54-108 (3) (b), (3) (c), and (3) (g), Colorado Revised Statutes, are amended, and the said 22-54-108 (3) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

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

(3) (b) (I) ~~Whenever a district is granted the authority to raise and expend additional local property tax revenues, the specific dollar amount approved at the election, in addition to specific dollar amounts of additional local property tax revenues approved at previous elections under the provisions of former section 22-53-117, shall be the maximum that may be raised and expended under this article in addition to the district's total program. Except as otherwise provided in subparagraph (II) of this paragraph (b), the total additional local property tax revenues that may be authorized at RECEIVED PURSUANT TO elections held pursuant to this section shall not exceed under any circumstances twenty percent of the district's total program, as determined pursuant to section 22-54-104 (2), for the budget year in which the election at which the twenty percent limitation was reached or two hundred thousand dollars, whichever is greater.~~

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

(c) ~~The total dollar amount of additional local property tax revenues which may be raised and expended pursuant to the provisions of this section shall not be increased unless the district submits the question of the increase to the eligible electors in the manner provided in subsection (1) of this section or unless the question of the increase is submitted to the eligible electors by initiative in the manner provided in subsection (2) of this section. Once a district reaches the limitation, the district shall not be authorized to hold another election pursuant to this section.~~

~~(g) If the additional local property tax revenues already authorized, the specific ownership tax revenue, if any, and the amounts set forth in subparagraph (H) of paragraph (e) or paragraph (f) of this subsection (3) exceed the limitation, the district shall not be authorized to hold an election pursuant to the provisions of this section until the limitation is greater than the additional local property tax revenues already authorized, the specific ownership tax revenue, if any, and the amount set forth in subparagraph (H) of paragraph (e) or paragraph (f) of this subsection (3).~~

(i) NOTHING IN THIS SECTION SHALL AFFECT THE ABILITY OF A DISTRICT TO COLLECT TAXES PURSUANT TO AN ELECTION HELD PURSUANT TO THIS SECTION PRIOR TO THE EFFECTIVE DATE OF THIS SECTION, AS AMENDED IN HOUSE BILL 08-1388, ENACTED AT THE SECOND REGULAR SESSION OF THE SIXTY-SIXTH GENERAL ASSEMBLY.

SECTION 8. 22-54-109 (3) and (4), Colorado Revised Statutes, are amended to read:

22-54-109. Attendance in district other than district of residence.

~~(3) Every school district shall report to the department of education, by district of residence, the number of pupils not included in the district's pupil enrollment but who are receiving educational services in residential child care facilities, community centers, regional centers, the school for the deaf and the blind, and other group care facilities or homes designated by the state board within the district's boundaries. The department of education shall annually withhold an amount equal to the district of residence's per pupil operating revenues for each such child counted by local school districts but not actually attending classes in the district of residence and included on the roll of out-of-district placed children. The department shall forward to the district or state institution or facility delivering the education, on a monthly basis, the proportional amount of the state average per pupil operating revenues.~~

(4) For ~~children~~ A CHILD with disabilities residing in a particular school district but receiving ~~an education in~~ EDUCATIONAL SERVICES FROM another school district, a state institution or facility, a residential child care facility, or an eligible nonprofit organization within Colorado, the state average per pupil operating revenues shall be the district of residence's total responsibility under this article for the education of that child. The provisions of this subsection (4) shall not apply to children with disabilities

enrolled in an interdistrict participating school district pursuant to the provisions of article 36 of this title.

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

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

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

(c) IN CERTIFYING THE PUPIL ENROLLMENT PURSUANT TO SUBSECTION (2) OF THIS SECTION, THE SECRETARY OF THE BOARD OF EDUCATION OF EACH DISTRICT AND THE SECRETARY OF THE STATE CHARTER SCHOOL INSTITUTE BOARD SHALL SPECIFY AS AT-RISK PUPILS THOSE PUPILS IDENTIFIED THROUGH USE OF THE PUPIL APPLICATION FORM AND THE FAMILY

ECONOMIC DATA SURVEY FORM.

SECTION 10. 22-54-122 (1) and (1.5), Colorado Revised Statutes, are amended to read:

22-54-122. Small attendance center aid. (1) (a) For the 1998-99 budget year ~~and budget years thereafter~~ THROUGH THE 2007-08 BUDGET YEAR, a district shall be eligible for aid pursuant to this section if:

(a) (I) The district has more than one elementary or secondary school attendance center; and

(b) (II) The district operates one or more elementary or secondary attendance centers with a pupil enrollment of less than two hundred and that are located twenty or more miles from any similar school attendance center in the same district.

(b) FOR THE 2008-09 BUDGET YEAR AND BUDGET YEARS THEREAFTER, A DISTRICT SHALL BE ELIGIBLE FOR AID PURSUANT TO THIS SECTION IF:

(I) THE DISTRICT HAS MORE THAN ONE ELEMENTARY OR SECONDARY SCHOOL ATTENDANCE CENTER;

(II) THE DISTRICT OPERATES ONE OR MORE ELEMENTARY OR SECONDARY ATTENDANCE CENTERS THAT HAVE PUPIL ENROLLMENTS OF LESS THAN TWO HUNDRED AND THAT ARE LOCATED TWENTY OR MORE MILES FROM ANY SIMILAR SCHOOL ATTENDANCE CENTER IN THE SAME DISTRICT; AND

(III) THE DISTRICT RECEIVED AID PURSUANT TO THIS SECTION PRIOR TO THE 2008-09 BUDGET YEAR.

(1.5) (a) For the 2004-05 budget year ~~and budget years thereafter~~ THROUGH THE 2007-08 BUDGET YEAR, an institute charter school shall be eligible for aid pursuant to this section if the institute charter school has a pupil enrollment of fewer than two hundred and is located twenty or more miles from any similar school attendance center.

(b) FOR THE 2008-09 BUDGET YEAR AND BUDGET YEARS

THEREAFTER, AN INSTITUTE CHARTER SCHOOL SHALL BE ELIGIBLE FOR AID PURSUANT TO THIS SECTION IF THE INSTITUTE CHARTER SCHOOL HAS A PUPIL ENROLLMENT OF FEWER THAN TWO HUNDRED, IS LOCATED TWENTY OR MORE MILES FROM ANY SIMILAR SCHOOL ATTENDANCE CENTER, AND RECEIVED AID PURSUANT TO THIS SECTION PRIOR TO THE 2008-09 BUDGET YEAR.

SECTION 11. 22-54-124 (3) (a) (III) (A), Colorado Revised Statutes, is amended to read:

22-54-124. State aid for charter schools - use of state education fund moneys - definitions. (3) (a) (III) (A) The total amount of state education fund moneys to be appropriated for all eligible districts and for all eligible institute charter schools for the 2003-04, 2004-05, 2005-06, and 2007-08 budget years and each budget year thereafter shall be an amount equal to five million dollars. For the 2006-07 budget year, seven million eight hundred thousand dollars shall be appropriated for all eligible districts and for all eligible institute charter schools from the state education fund. FOR THE 2008-09 BUDGET YEAR, AN ADDITIONAL FIVE MILLION DOLLARS SHALL BE APPROPRIATED FOR ALL ELIGIBLE DISTRICTS AND FOR ALL ELIGIBLE INSTITUTE CHARTER SCHOOLS FROM THE STATE EDUCATION FUND. OF SUCH ADDITIONAL MONEYS APPROPRIATED IN THE 2008-09 BUDGET YEAR, ONE HUNDRED THIRTY-FIVE THOUSAND DOLLARS SHALL BE DISTRIBUTED PURSUANT TO SECTION 22-54-133.

SECTION 12. Article 54 of title 22, Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SECTIONS to read:

22-54-129. Facility school funding - definitions - legislative declaration. (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "APPROVED FACILITY SCHOOL" MEANS AN EDUCATIONAL PROGRAM THAT IS OPERATED BY A FACILITY TO PROVIDE EDUCATIONAL SERVICES TO STUDENTS PLACED IN THE FACILITY, WHICH FACILITY HAS BEEN PLACED ON THE LIST OF FACILITY SCHOOLS THAT ARE APPROVED BY THE DEPARTMENT TO RECEIVE REIMBURSEMENT FOR PROVIDING EDUCATIONAL SERVICES TO STUDENTS PLACED IN A FACILITY.

(b) "DEPARTMENT" MEANS THE DEPARTMENT OF EDUCATION

CREATED AND OPERATING PURSUANT TO SECTION 24-1-115, C.R.S.

(c) "FACILITY" MEANS A DAY TREATMENT CENTER, RESIDENTIAL CHILD CARE FACILITY, OR OTHER FACILITY LICENSED BY THE DEPARTMENT OF HUMAN SERVICES PURSUANT TO SECTION 26-6-104, C.R.S., OR A HOSPITAL LICENSED BY THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT PURSUANT TO SECTION 25-1.5-103, C.R.S.

(d) "PUPIL ENROLLMENT" MEANS THE NUMBER OF STUDENTS RECEIVING EDUCATIONAL SERVICES AT THE APPROVED FACILITY SCHOOL ON OCTOBER 1 OF THE APPLICABLE BUDGET YEAR OR ON THE SCHOOL DAY NEAREST SAID DATE.

(e) "STATE AVERAGE PER PUPIL REVENUE" MEANS THE TOTAL PROGRAM OF ALL DISTRICTS FOR ANY BUDGET YEAR DIVIDED BY THE TOTAL FUNDED PUPIL COUNT OF ALL DISTRICTS FOR SAID BUDGET YEAR.

(2) FOR THE 2008-09 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, EACH APPROVED FACILITY SCHOOL THAT MEETS THE REQUIREMENTS OF THIS SECTION SHALL RECEIVE FACILITY SCHOOL FUNDING, WHICH SHALL BE DISTRIBUTED PURSUANT TO SUBSECTION (4) OF THIS SECTION. THE AMOUNT OF FUNDING AVAILABLE FOR ALL APPROVED FACILITY SCHOOLS IN A BUDGET YEAR SHALL BE AN AMOUNT EQUAL TO THE PUPIL ENROLLMENT OF EACH APPROVED FACILITY SCHOOL FOR THE APPLICABLE BUDGET YEAR MULTIPLIED BY AN AMOUNT EQUAL TO ONE AND ONE-THIRD OF THE STATE AVERAGE PER PUPIL REVENUE FOR THE APPLICABLE BUDGET YEAR.

(3) TO RECEIVE FACILITY SCHOOL FUNDING PURSUANT TO THIS SECTION, AN APPROVED FACILITY SCHOOL SHALL SUBMIT ITS PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR TO THE DEPARTMENT ON OR BEFORE NOVEMBER 10, 2008, AND ON OR BEFORE NOVEMBER 10 OF EACH BUDGET YEAR THEREAFTER.

(4) (a) IN ADDITION TO THE REQUIREMENTS OF SUBSECTION (3) OF THIS SECTION, ON OR BEFORE THE FIFTEENTH DAY OF EACH MONTH, AN APPROVED FACILITY SCHOOL SHALL REPORT TO THE DEPARTMENT, IN A MANNER TO BE DETERMINED BY THE DEPARTMENT, THE ACTUAL NUMBER OF STUDENTS WHO RECEIVED EDUCATIONAL SERVICES AT THE APPROVED FACILITY SCHOOL DURING THE PRIOR CALENDAR MONTH AND THE

CORRESPONDING NUMBER OF FULL-TIME EQUIVALENT STUDENTS TO WHICH THE APPROVED FACILITY SCHOOL PROVIDED SUCH SERVICES. THE DEPARTMENT MAY ACCEPT AMENDED MONTHLY REPORTS FROM AN APPROVED FACILITY SCHOOL PRIOR TO MAKING THE DISTRIBUTION OF FUNDING FOR THE APPLICABLE MONTH PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (4).

(b) ON OR BEFORE THE FIFTEENTH DAY OF THE MONTH FOLLOWING THE MONTH IN WHICH AN APPROVED FACILITY SCHOOL REPORTED THE NUMBER OF STUDENTS TO WHICH IT PROVIDED EDUCATIONAL SERVICES AND THE NUMBER OF FULL-TIME EQUIVALENT STUDENTS TO WHICH THE APPROVED FACILITY SCHOOL PROVIDED SERVICES PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (4), THE DEPARTMENT SHALL PAY THE APPROVED FACILITY SCHOOL A PROPORTIONAL AMOUNT OF THE TOTAL FACILITY SCHOOL FUNDING AS DETERMINED PURSUANT TO SUBSECTION (2) OF THIS SECTION, BASED ON THE APPROVED FACILITY SCHOOL'S REPORTED NUMBER OF FULL-TIME EQUIVALENT STUDENTS.

(c) THE DEPARTMENT MAY PRORATE THE PAYMENTS MADE PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (4), IF THE DEPARTMENT DETERMINES THAT SUCH ACTION IS NECESSARY TO ACCOMMODATE A PROJECTED SHORTFALL IN APPROVED FACILITY SCHOOL FUNDING AS CALCULATED PURSUANT TO SUBSECTION (2) OF THIS SECTION.

(5) IN EACH APPLICABLE BUDGET YEAR, THE GENERAL ASSEMBLY SHALL APPROPRIATE TO THE DEPARTMENT THE AMOUNT REQUIRED FOR FACILITY SCHOOL FUNDING PURSUANT TO SUBSECTION (2) OF THIS SECTION.

(6) (a) THE STATE BOARD SHALL PROMULGATE RULES IN ACCORDANCE WITH THE "STATE ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24, C.R.S., AS NECESSARY FOR THE ADMINISTRATION AND ENFORCEMENT OF THIS SECTION. IN PROMULGATING THE RULES, THE STATE BOARD SHALL SEEK INPUT FROM APPROVED FACILITY SCHOOLS, DISTRICTS, AND ORGANIZATIONS THAT REPRESENT FACILITY SCHOOLS.

(b) IN PROMULGATING RULES PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (6), THE STATE BOARD SHALL SEEK INPUT FROM THE FACILITY SCHOOLS BOARD CREATED IN HOUSE BILL 08-1204, AS ENACTED AT THE SECOND REGULAR SESSION OF THE SIXTY-SIXTH GENERAL ASSEMBLY.

(7) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT FOR THE PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, PROVIDING FUNDING FOR PUPILS WHO ARE PLACED IN A FACILITY AND RECEIVE EDUCATIONAL SERVICES THROUGH AN APPROVED FACILITY SCHOOL IS A PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND MAY THEREFORE RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

22-54-130. Hold-harmless full-day kindergarten funding.

(1) FOR THE 2008-09 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, A DISTRICT THAT PARTICIPATED IN THE COLORADO PRESCHOOL PROGRAM PURSUANT TO ARTICLE 28 OF THIS TITLE IN THE 2007-08 BUDGET YEAR AND THAT SERVED A PERCENTAGE OF CHILDREN AUTHORIZED TO PARTICIPATE IN THE DISTRICT'S PRESCHOOL PROGRAM THROUGH A FULL-DAY KINDERGARTEN PORTION OF THE PROGRAM IN THE 2007-08 BUDGET YEAR SHALL RECEIVE HOLD-HARMLESS FULL-DAY KINDERGARTEN FUNDING PURSUANT TO THIS SECTION. THE FUNDING PAID PURSUANT TO THIS SECTION SHALL BE IN ADDITION TO THE FUNDING FOR SUPPLEMENTAL KINDERGARTEN ENROLLMENT THAT THE DISTRICT RECEIVES PURSUANT TO SECTION 22-54-103 (7) (d).

(2) A DISTRICT'S ANNUAL HOLD-HARMLESS FULL-DAY KINDERGARTEN FUNDING SHALL BE AN AMOUNT EQUAL TO THE NUMBER OF CHILDREN THAT THE DISTRICT SERVED THROUGH A FULL-DAY KINDERGARTEN PORTION OF THE DISTRICT'S PRESCHOOL PROGRAM IN THE 2007-08 BUDGET YEAR OR THE NUMBER OF CHILDREN ENROLLED IN KINDERGARTEN IN THE DISTRICT IN THE APPLICABLE BUDGET YEAR, WHICHEVER IS LESS, MULTIPLIED BY THE DISTRICT'S PER PUPIL REVENUE FOR THE APPLICABLE BUDGET YEAR, AND THEN MULTIPLIED BY THE DIFFERENCE BETWEEN ONE AND THE FULL-DAY KINDERGARTEN FACTOR FOR THE APPLICABLE BUDGET YEAR SPECIFIED IN SECTION 22-54-103 (15).

(3) IN EACH APPLICABLE BUDGET YEAR, THE GENERAL ASSEMBLY SHALL APPROPRIATE TO THE DEPARTMENT THE AMOUNT REQUIRED FOR HOLD-HARMLESS FULL-DAY KINDERGARTEN FUNDING PURSUANT TO THIS SECTION. THE DEPARTMENT SHALL ANNUALLY ALLOCATE TO EACH DISTRICT DESCRIBED IN SUBSECTION (1) OF THIS SECTION THE AMOUNT OF THE DISTRICT'S HOLD-HARMLESS FULL-DAY KINDERGARTEN FUNDING CALCULATED PURSUANT TO SUBSECTION (2) OF THIS SECTION.

(4) FOR THE 2008-09 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, A DISTRICT THAT RECEIVES FUNDING PURSUANT TO THIS SECTION SHALL PROVIDE A FULL DAY OF KINDERGARTEN IN THE APPLICABLE BUDGET YEAR TO AT LEAST THE SAME NUMBER OF CHILDREN FOR WHICH THE DISTRICT PROVIDED A FULL DAY OF KINDERGARTEN IN THE 2007-08 BUDGET YEAR THROUGH THE COLORADO PRESCHOOL PROGRAM; EXCEPT THAT THIS SUBSECTION (4) SHALL NOT APPLY IN A BUDGET YEAR IN WHICH THE NUMBER OF CHILDREN WHO CHOOSE TO ENROLL IN A FULL DAY OF KINDERGARTEN IS LESS THAN THE NUMBER OF CHILDREN WHO ENROLLED IN A FULL DAY OF KINDERGARTEN IN THE 2007-08 BUDGET YEAR THROUGH THE COLORADO PRESCHOOL PROGRAM.

22-54-131. Full-day kindergarten funding - guidelines - technical assistance - legislative intent - legislative declaration. (1) A DISTRICT THAT, PRIOR TO THE 2008-09 BUDGET YEAR, OFFERED A FULL-DAY KINDERGARTEN PROGRAM WITHOUT ADDITIONAL STATE FUNDING TO SOME OR ALL OF THE KINDERGARTEN PUPILS ENROLLED IN THE DISTRICT IS ENCOURAGED TO USE THE MONEYS RECEIVED FROM SUPPLEMENTAL KINDERGARTEN ENROLLMENT PURSUANT TO SECTION 22-54-103 (7) (d) AND HOLD-HARMLESS FULL-DAY KINDERGARTEN FUNDING PURSUANT TO SECTION 22-54-130 IN THE 2008-09 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER TO EXPAND THE DISTRICT'S EXISTING FULL-DAY KINDERGARTEN PROGRAM RATHER THAN TO DEFRAID THE COSTS OF THE EXISTING FULL-DAY KINDERGARTEN PROGRAM.

(2) IN OFFERING A FULL-DAY KINDERGARTEN PROGRAM WITH THE MONEYS RECEIVED FROM SUPPLEMENTAL KINDERGARTEN ENROLLMENT PURSUANT TO SECTION 22-54-103 (7) (d) AND HOLD-HARMLESS FULL-DAY KINDERGARTEN FUNDING PURSUANT TO SECTION 22-54-130, A DISTRICT IS ENCOURAGED TO FOLLOW THE BASIC PROGRAM STANDARDS ESTABLISHED BY THE STATE BOARD PURSUANT SECTION 22-28-108 FOR THE COLORADO PRESCHOOL PROGRAM, AS THEY MAY APPLY TO A FULL-DAY KINDERGARTEN PROGRAM.

(3) IN OFFERING A FULL-DAY KINDERGARTEN PROGRAM WITH THE MONEYS RECEIVED FROM SUPPLEMENTAL KINDERGARTEN ENROLLMENT PURSUANT TO SECTION 22-54-103 (7) (d) AND HOLD-HARMLESS FULL-DAY KINDERGARTEN FUNDING PURSUANT TO SECTION 22-54-130, A DISTRICT IS ENCOURAGED TO PRIORITIZE CHILDREN WHO ARE HOMELESS WHEN ENROLLING CHILDREN IN THE FULL-DAY KINDERGARTEN PROGRAM.

(4) A DISTRICT SHALL USE THE TOTAL AMOUNT RECEIVED FROM SUPPLEMENTAL KINDERGARTEN ENROLLMENT PURSUANT TO SECTION 22-54-103 (7)(d) AND HOLD-HARMLESS FULL-DAY KINDERGARTEN FUNDING PURSUANT TO SECTION 22-54-130 TO PROVIDE ACCESS TO A FULL-DAY KINDERGARTEN PROGRAM; EXCEPT THAT IN ANY BUDGET YEAR, IF A DISTRICT PROVIDES A FULL DAY OF KINDERGARTEN TO AT LEAST NINETY PERCENT OF THE PUPILS ENROLLED IN KINDERGARTEN IN THE DISTRICT WHO CHOOSE TO ATTEND A FULL DAY OF KINDERGARTEN, THE DISTRICT MAY USE THE MONEYS FROM SUPPLEMENTAL KINDERGARTEN ENROLLMENT AND HOLD-HARMLESS FULL-DAY KINDERGARTEN FUNDING FOR PURPOSES OTHER THAN TO PROVIDE ACCESS TO A FULL-DAY KINDERGARTEN PROGRAM.

(5) (a) UPON THE REQUEST OF A DISTRICT, THE DEPARTMENT SHALL PROVIDE, SUBJECT TO AVAILABLE RESOURCES, SUCH TECHNICAL ASSISTANCE AS MAY BE NECESSARY FOR THE IMPLEMENTATION OF A FULL-DAY KINDERGARTEN PROGRAM AND FOR ONGOING TRAINING OF PERSONNEL FOR THE SUCCESSFUL IMPLEMENTATION OF THE PROGRAM.

(b) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT FOR THE PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, PROVIDING TECHNICAL ASSISTANCE TO DISTRICTS FOR THE IMPLEMENTATION OF A FULL-DAY KINDERGARTEN PROGRAM AND FOR ONGOING TRAINING OF PERSONNEL FOR THE SUCCESSFUL IMPLEMENTATION OF A FULL-DAY KINDERGARTEN PROGRAM WILL EXPAND THE AVAILABILITY OF KINDERGARTEN PROGRAMS AND MAY THEREFORE RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

(6) BEGINNING IN THE 2009-10 BUDGET YEAR AND CONTINUING THROUGH THE 2013-14 BUDGET YEAR, IT IS THE INTENT OF THE GENERAL ASSEMBLY TO INCREASE ANNUALLY THE APPROPRIATION TO BE USED BY DISTRICTS TO PROVIDE FULL-DAY KINDERGARTEN PROGRAMS. FOR EACH BUDGET YEAR, THE GENERAL ASSEMBLY INTENDS TO APPROPRIATE THE FOLLOWING AMOUNTS:

(a) FOR THE 2009-10 BUDGET YEAR, SIXTY MILLION DOLLARS;

(b) FOR THE 2010-11 BUDGET YEAR, SEVENTY MILLION DOLLARS;

(c) FOR THE 2011-12 BUDGET YEAR, EIGHTY MILLION DOLLARS;

(d) FOR THE 2012-13 BUDGET YEAR, NINETY MILLION DOLLARS; AND

(e) FOR THE 2013-14 BUDGET YEAR, ONE HUNDRED MILLION DOLLARS.

22-54-132. Declining enrollment study - legislative declaration - repeal. (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT FOR PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, A STUDY TO DETERMINE HOW DECLINING PUPIL ENROLLMENT IN SCHOOL DISTRICTS IN THE STATE AFFECTS PUPILS WHO REMAIN ENROLLED IN THOSE DISTRICTS IS AN ACCOUNTABLE PROGRAM FOR EDUCATION REFORM AND MAY THEREFORE RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

(2) NO LATER THAN SEPTEMBER 15, 2008, THE DEPARTMENT OF EDUCATION SHALL CONTRACT WITH A PRIVATE PERSON OR ENTITY TO CONDUCT A STUDY TO EVALUATE HOW DECLINING PUPIL ENROLLMENT IN SCHOOL DISTRICTS STATEWIDE IMPACTS THE STUDENTS THAT REMAIN IN THE DECLINING ENROLLMENT DISTRICTS AND TO RECOMMEND POSSIBLE REMEDIES TO ANY NEGATIVE IMPACT THAT DECLINING ENROLLMENT MAY HAVE ON THE STUDENTS. THE STUDY SHALL CONSIDER THE IMPACTS TO STUDENTS IN SCHOOL DISTRICTS WITH A LONG-TERM DECLINE IN PUPIL ENROLLMENT, SCHOOL DISTRICTS WITH A LARGE SHORT-TERM DECLINE IN PUPIL ENROLLMENT, AND SCHOOL DISTRICTS IN WHICH AN INCREASING NUMBER OF PUPILS ATTEND A CHARTER SCHOOL IN THE DISTRICT. IN ADDITION, THE STUDY SHALL INCLUDE, BUT NEED NOT BE LIMITED TO, INFORMATION REGARDING THE FOLLOWING:

(a) DATA ON ALL SCHOOL DISTRICTS EXPERIENCING DECLINING PUPIL ENROLLMENT, INCLUDING THE SIZE OF THE DISTRICT AND WHETHER THE DISTRICT IS IN A RURAL OR URBAN AREA;

(b) THE EFFECT OF THIS ARTICLE ON INCONSISTENT DECLINING PUPIL ENROLLMENT, WHERE APPLICABLE;

(c) A BREAKDOWN OF WHAT IT COSTS TO PROVIDE AND MAINTAIN AN AVERAGE CLASSROOM NECESSARY TO PROVIDE PUPILS WITH A PUBLIC EDUCATION THAT MEETS THE REQUIREMENTS OF STATE AND FEDERAL LAW;

(d) THE FIXED COSTS OF PROVIDING TRANSPORTATION, SPECIAL

EDUCATION, ENGLISH LANGUAGE ACQUISITION, CAREER AND TECHNICAL EDUCATION, AND CAPITAL CONSTRUCTION;

(e) THE COST OF SALARIES AND BENEFITS FOR THE TEACHERS AND STAFF EMPLOYED BY THE DISTRICT, INCLUDING SCHEDULED RETIREMENT BENEFIT INCREASES AND HEALTH INSURANCE;

(f) THE TYPE OF COSTS THAT A DISTRICT MAY REDUCE TO COMPENSATE FOR DECLINING PUPIL ENROLLMENT AND THE TYPES OF COSTS THAT REPRESENT ESSENTIAL SERVICES THAT A DISTRICT CANNOT REDUCE EVEN WHEN IT IS EXPERIENCING DECLINING PUPIL ENROLLMENT;

(g) FOR DISTRICTS IN URBAN AREAS, THE EFFECT THAT NEIGHBORING SCHOOL DISTRICTS HAVE ON A DECLINING ENROLLMENT DISTRICT'S ABILITY TO PROVIDE COMPETITIVE SALARY INCREASES AND EDUCATIONAL PROGRAMS WHEN THE NEIGHBORING DISTRICT IS EXPERIENCING AN INCREASE IN PUPIL ENROLLMENT;

(h) THE WAYS IN WHICH THIS ARTICLE MAY SLOW THE EFFECTS OF DECLINING ENROLLMENT IN A DISTRICT BUT FAILS TO ADDRESS LONG-TERM FINANCIAL SOLUTIONS REGARDING HOW THE DECLINING ENROLLMENT DISTRICT WILL COVER FIXED COSTS IN THE FUTURE;

(i) THE IMPACT THAT SCHOOL CHOICE HAS ON DISTRICTS WITH DECLINING PUPIL ENROLLMENT, INCLUDING, BUT NOT LIMITED TO, THE IMPACT THAT CHARTER SCHOOL ENROLLMENT HAS ON DISTRICT PUPIL ENROLLMENT FOR PURPOSES OF FUNDING UNDER THE "PUBLIC SCHOOL FINANCE ACT OF 1994", THE IMPACT OF THE REQUIREMENT THAT ONE HUNDRED PERCENT OF PUPIL REVENUES BE TRANSFERRED TO A CHARTER SCHOOL WHEN ONLY PARTIAL AVERAGED REVENUES ARE PROVIDED TO A DISTRICT, AND THE EFFECT OF ALLOWING A CHARTER SCHOOL TO AVERAGE ENROLLMENT IN A SIMILAR MANNER AS A DISTRICT IS ALLOWED TO AVERAGE ENROLLMENT; AND

(j) THE BARRIERS TO AND INCENTIVES FOR CONSOLIDATION PURSUANT TO THE CURRENT CONSOLIDATION LAWS, INCLUDING BUT NOT LIMITED TO THE IMPACT OF CONSOLIDATION ON DECLINING ENROLLMENT DISTRICTS, THE IMPACT ON SMALL ATTENDANCE CENTER AID, AND THE EFFECT OF ABSORBING THE ACADEMIC RATINGS OF PARTNERING DISTRICTS.

(3) THE DEPARTMENT OF EDUCATION SHALL INCORPORATE INTO THE STUDY CONDUCTED PURSUANT TO SUBSECTION (2) OF THIS SECTION ANY PREVIOUS STUDIES CONDUCTED ON THE ISSUE OF DECLINING PUPIL ENROLLMENT. THE STAFF OF THE SCHOOL FINANCE UNIT OF THE DEPARTMENT OF EDUCATION SHALL OVERSEE THE STUDY AND PROVIDE SUPPORT TO THE ENTITY CONDUCTING THE STUDY. AS PART OF THE RESEARCH FOR THE STUDY, DISTRICTS THAT ARE DECLINING IN PUPIL ENROLLMENT, OR WOULD BE DECLINING IN PUPIL ENROLLMENT IF NOT FOR CHARTER SCHOOL ENROLLMENT, SHALL BE INTERVIEWED.

(4) THE DEPARTMENT OF EDUCATION SHALL SUBMIT A REPORT SUMMARIZING THE FINDINGS AND RECOMMENDATIONS FROM THE DECLINING ENROLLMENT STUDY TO THE MEMBERS OF THE EDUCATION COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR COMMITTEES, AND TO THE MEMBERS OF THE JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY ON OR BEFORE MARCH 15, 2009.

(5) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2009.

22-54-133. Charter school for the deaf or the blind – supplementary funding - definitions. (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES, “CHARTER SCHOOL FOR THE DEAF OR THE BLIND” MEANS A CHARTER SCHOOL, AS DEFINED IN SECTION 22-54-124 (1) (b), IN WHICH NO LESS THAN NINETY PERCENT OF THE FUNDED PUPILS HAVE AN INDIVIDUALIZED EDUCATION PROGRAM PURSUANT TO SECTION 22-20-108 AND ARE ELIGIBLE TO ATTEND THE COLORADO SCHOOL FOR THE DEAF AND THE BLIND PURSUANT TO SECTION 22-80-109.

(2) FOR THE 2008-09 BUDGET YEAR, OF THE MONEYS APPROPRIATED FOR THE PURPOSES OF SECTION 22-54-124 (3), ONE HUNDRED THIRTY-FIVE THOUSAND DOLLARS OF SUCH AMOUNT SHALL BE USED FOR THE PURPOSES OF THIS SECTION. THIS SECTION SHALL NOT AFFECT THE ABILITY OF A CHARTER SCHOOL FOR THE DEAF OR THE BLIND TO APPLY FOR AND TO BE ELIGIBLE TO RECEIVE ADDITIONAL MONEYS PURSUANT TO SECTION 22-54-124 (3).

(3) THE DEPARTMENT OF EDUCATION SHALL DISTRIBUTE MONEYS UNDER THIS SECTION TO THE AUTHORIZER OF A CHARTER SCHOOL FOR THE DEAF OR THE BLIND, AND THE AUTHORIZER SHALL DISTRIBUTE ALL MONEYS RECEIVED UNDER THIS SECTION TO THE CHARTER SCHOOLS FOR THE DEAF OR

THE BLIND AND MAY NOT RETAIN ANY OF SUCH MONEYS TO DEFRAY ADMINISTRATIVE EXPENSES OR FOR ANY OTHER PURPOSE. A CHARTER SCHOOL FOR THE DEAF OR THE BLIND SHALL USE MONEYS IT RECEIVES PURSUANT TO THIS SECTION SOLELY FOR OPERATING COSTS THAT ARE NOT DEFRAYED BY OTHER FUNDING SOURCES. MONEYS RECEIVED PURSUANT TO THIS SECTION AND SECTION 22-54-124 SHALL NOT BE CONSIDERED IN THE CALCULATION OF EXCESS COSTS PURSUANT TO SECTION 22-20-109.

(4) NO LATER THAN FEBRUARY 1, 2009, THE DEPARTMENT OF EDUCATION SHALL REPORT TO THE EDUCATION COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES, AND THE JOINT BUDGET COMMITTEE OF THE EXPECTED CHANGE, IF ANY, IN NEED FOR FUNDING UNDER THIS SECTION.

22-54-134. Hold-harmless facility school student funding - legislative declaration. (1) FOR THE 2008-09 BUDGET YEAR, A DISTRICT THAT REPORTED TO THE DEPARTMENT OF EDUCATION IN THE 2007-08 BUDGET YEAR PUPILS NOT INCLUDED IN THE DISTRICT'S PUPIL ENROLLMENT BUT WHO WERE RECEIVING EDUCATIONAL SERVICES THROUGH AN APPROVED FACILITY SCHOOL, AS DEFINED IN SECTION 22-54-129 (1) (a), SHALL RECEIVE HOLD-HARMLESS FACILITY SCHOOL STUDENT FUNDING PURSUANT TO THIS SECTION.

(2) A DISTRICT'S HOLD-HARMLESS FACILITY SCHOOL STUDENT FUNDING PURSUANT TO THIS SECTION SHALL BE AN AMOUNT EQUAL TO THE DIFFERENCE BETWEEN THE DISTRICT'S PER PUPIL REVENUES AND THE DISTRICT'S PER PUPIL OPERATING REVENUES FOR THE 2007-08 BUDGET YEAR, MULTIPLIED BY THE NUMBER OF PUPILS THAT THE DISTRICT REPORTED TO THE DEPARTMENT, AS SPECIFIED IN SUBSECTION (1) OF THIS SECTION, IN THE 2007-08 BUDGET YEAR.

(3) IN THE 2008-09 BUDGET YEAR, THE GENERAL ASSEMBLY SHALL APPROPRIATE TO THE DEPARTMENT OF EDUCATION THE AMOUNT REQUIRED FOR THE HOLD-HARMLESS FACILITY SCHOOL STUDENT FUNDING PURSUANT TO THIS SECTION. THE DEPARTMENT SHALL ALLOCATE TO EACH DISTRICT, AS APPLICABLE, THE AMOUNT OF THE DISTRICT'S FUNDING AS CALCULATED PURSUANT TO SUBSECTION (2) OF THIS SECTION.

(4) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT FOR THE PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE

CONSTITUTION, PROVIDING FUNDING TO DISTRICTS THAT REPORTED TO THE DEPARTMENT OF EDUCATION IN THE 2007-08 BUDGET YEAR PUPILS NOT INCLUDED IN THE DISTRICT'S PUPIL ENROLLMENT BUT WHO WERE RECEIVING EDUCATIONAL SERVICES THROUGH AN APPROVED FACILITY SCHOOL IS A PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND MAY THEREFORE RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

(5) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2009.

SECTION 13. 22-2-105 (6), Colorado Revised Statutes, is amended to read:

22-2-105. State board of education - composition. (6) FOR ANY BOARD MEMBER ELECTED ON OR AFTER THE EFFECTIVE DATE OF THIS SECTION AS AMENDED IN HOUSE BILL 08-1388, ENACTED AT THE SECOND REGULAR SESSION OF THE SIXTY-SIXTH GENERAL ASSEMBLY, during his or her term of office, a member of the state board shall not be a member of the general assembly; an officer, employee, or board member of a school district or charter school in the state; AN OFFICER, EMPLOYEE, OR BOARD MEMBER OF THE STATE CHARTER SCHOOL INSTITUTE OR THE INSTITUTE BOARD; or an employee of the state board or the department of education.

SECTION 14. 22-7-801 (1) (a) and (2), Colorado Revised Statutes, are amended to read:

22-7-801. Legislative declaration. (1) The general assembly hereby finds and declares that:

(a) Establishing a summer school grant program to provide funding to school districts and institute charter schools to provide intensive reading, writing, or mathematics education services to students entering the ~~fourth~~ FIFTH through eighth grades who received an unsatisfactory proficiency level score on the reading, writing, or mathematics component of the Colorado student assessment program for the previous academic year is an important element of an accountable education program to meet state academic standards; and

(2) The general assembly therefore finds that a program to provide grants to school districts and institute charter schools to assist them in

providing summer school programs for students who are entering the ~~fourth~~ FIFTH through eighth grades and are performing unsatisfactorily in reading, writing, or mathematics may receive funding from the state education fund created in section 17 (4) of article IX of the state constitution.

SECTION 15. 22-7-802 (3), Colorado Revised Statutes, is amended to read:

22-7-802. Definitions. As used in this part 8, unless the context otherwise requires:

(3) "Eligible student" means a student who will begin ~~fourth~~, fifth, sixth, seventh, or eighth grade in the next academic year and who has received an unsatisfactory proficiency level score on the reading, writing, or mathematics assessment administered through the CSAP for the preceding academic year.

SECTION 16. 22-20-109 (3), Colorado Revised Statutes, is amended to read:

22-20-109. Tuition. (3) In addition to any other tuition costs that a school district of residence is required to pay pursuant to this section, the school district may pay those costs documented to and approved by the department pursuant to subsection (1) of this section. NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (1) OF THIS SECTION, A SCHOOL DISTRICT OF RESIDENCE SHALL NOT BE REQUIRED TO PAY COSTS INCURRED BY AN APPROVED FACILITY SCHOOL, AS DEFINED IN SECTION 22-54-129 (1) (a), IN PROVIDING EDUCATIONAL SERVICES AT THE APPROVED FACILITY SCHOOL DURING THE MONTHS OF JUNE, JULY, OR AUGUST.

SECTION 17. 22-20-112 (1), Colorado Revised Statutes, is amended to read:

22-20-112. Length of school year. (1) An administrative unit may conduct special educational programs as prescribed in this article for any length of time; except that the administrative unit must meet the minimum length of time as established by law for school districts. ~~To the maximum extent possible, each eligible facility shall conform the length of its regular school year program to the schedule of the regular school year of the school district in which the eligible facility is located.~~

SECTION 18. 22-20-114 (2), Colorado Revised Statutes, is amended to read:

22-20-114. Funding of programs. (2) (a) (I) In addition to the amount appropriated for distribution pursuant to subsection (1) of this section, for the 2006-07 AND 2007-08 budget year ~~and each budget year thereafter~~ YEARS, subject to available appropriations, the general assembly shall appropriate two million dollars from the general fund or from any other source to the department to fund grants to administrative units as provided in section 22-20-114.5 for reimbursement of high costs incurred in providing special education services in the preceding budget year.

(II) (A) IN ADDITION TO THE AMOUNT APPROPRIATED FOR DISTRIBUTION PURSUANT TO SUBSECTION (1) OF THIS SECTION, FOR THE 2008-09 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, SUBJECT TO AVAILABLE APPROPRIATIONS, THE GENERAL ASSEMBLY SHALL APPROPRIATE FOUR MILLION DOLLARS FROM THE GENERAL FUND OR FROM ANY OTHER SOURCE TO THE DEPARTMENT TO FUND GRANTS TO ADMINISTRATIVE UNITS AS PROVIDED IN SECTION 22-20-114.5 FOR REIMBURSEMENT OF HIGH COSTS INCURRED IN PROVIDING SPECIAL EDUCATION SERVICES IN THE PRECEDING BUDGET YEAR.

(B) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT FOR THE PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, PROVIDING GRANTS TO ADMINISTRATIVE UNITS FOR REIMBURSEMENT FOR HIGH COSTS INCURRED IN PROVIDING SPECIAL EDUCATION SERVICES IS A PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND MAY THEREFORE RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

(b) Any amount received by an administrative unit as a reimbursement pursuant to this subsection (2) shall be in addition to the amount received by the administrative unit pursuant to subsection (1) of this section. The moneys appropriated by the general assembly to the department shall be distributed by the Colorado special education fiscal advisory committee in accordance with section 22-20-114.5.

SECTION 19. 22-20-114.5 (3) (b), Colorado Revised Statutes, is amended, and the said 22-20-114.5 (3) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

22-20-114.5. Special education fiscal advisory committee - special education high-cost grants - definitions - repeal. (3) (a.5) OF THE TOTAL AMOUNT APPROPRIATED IN A BUDGET YEAR FOR THE PURPOSE OF AWARDING GRANTS PURSUANT TO THIS SECTION, THE COMMITTEE SHALL USE FIFTY PERCENT OF THE AMOUNT TO AWARD GRANTS TO ADMINISTRATIVE UNITS THAT HAVE ONE OR MORE CHILDREN BEING SERVED IN AN OUT-OF-DISTRICT PLACEMENT FOR SPECIAL EDUCATIONAL SERVICES AND FIFTY PERCENT OF THE AMOUNT TO AWARD GRANTS TO ADMINISTRATIVE UNITS WITH ONE OR MORE CHILDREN BEING SERVED IN AN IN-DISTRICT PLACEMENT FOR SPECIAL EDUCATIONAL SERVICES.

(b) (I) SUBJECT TO THE REQUIREMENTS OF PARAGRAPH (a.5) OF THIS SUBSECTION (3), the committee shall have the discretion to award a grant to an administrative unit that applies and qualifies to receive a grant pursuant to paragraph (a) of this subsection (3). In determining whether to award a grant to an administrative unit and the amount of the grant to be awarded, the committee shall consider the administrative unit's annual audited OPERATING expenses for the preceding budget year and the percentage of the administrative unit's annual audited OPERATING expenses that represents the high costs incurred by the administrative unit in the preceding budget year. ~~In awarding grants, the committee shall prioritize the administrative units specified in sub-subparagraphs (A) and (B) of subparagraph (H) of this paragraph (b).~~ All grants awarded by the committee shall be subject to approval by the state board.

(II) (A) In awarding grants pursuant to this section ~~the committee shall first prioritize those~~ TO administrative units that have one or more children being served in an out-of-district placement for special educational services, ~~and~~; THE COMMITTEE SHALL FIRST PRIORITIZE THOSE ADMINISTRATIVE UNITS that spent the highest percentages, based on the administrative unit's ~~actual~~ ANNUAL audited OPERATING expenses, in the preceding budget year on high costs incurred in providing special education services to children in such out-of-district placements.

(B) ~~If additional moneys are available after the committee has awarded grants pursuant to sub-subparagraph (A) of this subparagraph (H), the committee shall then prioritize those~~ IN AWARDING GRANTS PURSUANT TO THIS SECTION TO administrative units with one or more children being served in an in-district placement for special educational services, ~~and~~; THE COMMITTEE SHALL FIRST PRIORITIZE THOSE ADMINISTRATIVE UNITS that

spent the highest percentages, based on the administrative unit's actual ANNUAL audited OPERATING expenses, in the preceding budget year on high costs incurred in providing special educational services to children in such in-district placements.

SECTION 20. 22-28-104 (2) (a) (III) and (2) (b), Colorado Revised Statutes, are amended to read:

22-28-104. Establishment of public preschool programs.

(2) (a) (III) For the 2008-09 budget year and each budget year thereafter, ~~nineteen thousand eight hundred sixty~~ TWENTY THOUSAND ONE HUNDRED SIXTY children may annually participate in the state preschool ~~and kindergarten~~ program.

(b) (I) For the 2006-07 AND 2007-08 budget year ~~and budget~~ years, ~~thereafter~~, the department shall allow school districts to apply to the department for authorization to serve no more than fifteen percent of the total number of children authorized to participate in the state preschool ~~and kindergarten~~ program pursuant to paragraph (a) of this subsection (2) through a full-day kindergarten portion of the district's preschool ~~and kindergarten~~ program. The department, using established criteria, shall select school districts to participate in the full-day kindergarten portions until the total number of full-day kindergarten positions applied for has been filled or the fifteen-percent limitation has been reached, whichever event occurs first. Notwithstanding any other provision of law, the department shall not grant waivers that would allow more than a total of fifteen percent of the total number of children authorized to participate in the state preschool ~~and kindergarten~~ program pursuant to paragraph (a) of this subsection (2) to be served through the full-day kindergarten portion of all district preschool ~~and kindergarten~~ programs statewide.

(II) FOR THE 2008-09 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, NONE OF THE CHILDREN PARTICIPATING IN THE STATE PRESCHOOL PROGRAM SHALL PARTICIPATE IN THE PROGRAM THROUGH A FULL-DAY KINDERGARTEN PORTION OF THE PROGRAM.

SECTION 21. The introductory portion to 22-28-107 (1) and 22-28-107 (1) (b), Colorado Revised Statutes, are amended, and the said 22-28-107 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

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

(b) Whether the district preschool ~~and kindergarten~~ program will be a FOUR-AND-ONE-HALF-MONTH, nine-month, or twelve-month program;

(1.4) FOR THE 2008-09 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, A SCHOOL DISTRICT THAT APPLIES TO THE DEPARTMENT TO PARTICIPATE IN THE STATE PRESCHOOL PROGRAM BY OFFERING A NINE-MONTH PROGRAM MAY APPLY FOR PERMISSION FROM THE DEPARTMENT TO RECEIVE FUNDING FOR A NINE-MONTH PROGRAM BUT TO USE UP TO HALF OF THE MONEYS ALLOCATED FOR THE PROGRAM TO PREPARE, DURING THE FIRST HALF OF THE SCHOOL YEAR, TO OFFER A PRESCHOOL PROGRAM AND TO USE THE REMAINDER OF THE MONEYS TO OFFER, DURING THE SECOND HALF OF THE SCHOOL YEAR, A FOUR-AND-ONE-HALF-MONTH PRESCHOOL PROGRAM.

SECTION 22. 22-28-108, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

22-28-108. Criteria for district preschool programs. (5.5) FUNDING PROVIDED PURSUANT TO THIS ARTICLE SHALL ONLY BE USED TO PAY A DISTRICT'S COSTS OF PROVIDING PRESCHOOL SERVICES DIRECTLY TO CHILDREN ENROLLED IN THE DISTRICT'S PRESCHOOL PROGRAM. THE COSTS SHALL INCLUDE TEACHER AND PARAPROFESSIONAL SALARIES AND BENEFITS, SUPPLIES AND MATERIALS, HOME VISITS, THE ENTIRE COST OF ANY PRESCHOOL PROGRAM CONTRACTED SERVICES, THE COSTS OF SERVICES PROVIDED BY A DISTRICT TO CHILDREN ENROLLED IN THE DISTRICT'S PRESCHOOL PROGRAM OR THEIR PARENTS, ANY ASSOCIATED PROFESSIONAL DEVELOPMENT ACTIVITIES, COSTS THAT A DISTRICT WOULD NOT OTHERWISE HAVE INCURRED BUT FOR THE SERVICES PROVIDED IN CONJUNCTION WITH THE PRESCHOOL PROGRAM, AND A REASONABLE ALLOCATION OF DISTRICT OVERHEAD COSTS NOT TO EXCEED FIVE PERCENT OF THE PROGRAM COSTS.

ANY MONEYS REMAINING IN THE DISTRICT'S PRESCHOOL PROGRAM BUDGET AT THE END OF ANY BUDGET YEAR SHALL REMAIN IN THE PROGRAM BUDGET FOR USE IN THE PRESCHOOL PROGRAM IN SUBSEQUENT BUDGET YEARS.

SECTION 23. 22-30.5-505 (2) (d), Colorado Revised Statutes, is amended to read:

22-30.5-505. State charter school institute - institute board - appointment - powers and duties - rules. (2) (d) FOR ANY BOARD MEMBER APPOINTED ON OR AFTER THE EFFECTIVE DATE OF THIS SECTION AS AMENDED IN HOUSE BILL 08-1388, ENACTED AT THE SECOND REGULAR SESSION OF THE SIXTY-SIXTH GENERAL ASSEMBLY, during his or her term of office, a member of the institute board shall not be a member of the general assembly; an officer, employee, or board member of a school district or charter school in the state; A MEMBER OF THE STATE BOARD; or an employee of the institute board or the department of education.

SECTION 24. 22-42-102 (2) (a) (V) and (2) (a) (VI), Colorado Revised Statutes, are amended, and the said 22-42-102 (2) (a) is further amended BY THE ADDITION OF A NEW SUBPARAGRAPH, to read:

22-42-102. Bonded indebtedness - elections. (2) (a) The board of education of any school district, at any regular biennial school election or at a special election called for the purpose, shall submit to the eligible electors of the district the question of contracting a bonded indebtedness for one or more of the following purposes:

(V) For improving school grounds; ~~or~~

(VI) For funding floating indebtedness; OR

(VII) FOR ACQUIRING, CONSTRUCTING, OR IMPROVING ANY CAPITAL ASSET THAT THE DISTRICT IS AUTHORIZED BY LAW TO OWN.

SECTION 25. Article 43.7 of title 22, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

PART 3
FULL-DAY KINDERGARTEN FACILITY
CAPITAL CONSTRUCTION ASSISTANCE

22-43.7-301. Full-day kindergarten facility capital construction fund - creation. (1) THERE IS HEREBY ESTABLISHED IN THE STATE TREASURY THE FULL-DAY KINDERGARTEN FACILITY CAPITAL CONSTRUCTION FUND, REFERRED TO IN THIS PART 3 AS THE "FUND". THE FUND SHALL CONSIST OF ANY MONEYS ANNUALLY APPROPRIATED THERETO BY THE GENERAL ASSEMBLY FOR THE PURPOSES OF THIS PART 3. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF A BUDGET YEAR SHALL REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND.

(2) THE STATE BOARD SHALL USE THE MONEYS IN THE FUND TO PROVIDE GRANTS OR MATCHING GRANTS TO ANY SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL THAT IS UNDERTAKING A CAPITAL CONSTRUCTION PROJECT TO RENOVATE A FACILITY, RENT A FACILITY, OR PROVIDE A TEMPORARY AUXILIARY FACILITY THAT WILL BE USED IN CONNECTION WITH PROVIDING A FULL-DAY KINDERGARTEN PROGRAM. THE STATE BOARD SHALL AWARD A GRANT OR MATCHING GRANT PURSUANT TO THIS PART 3 TO A SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL ONLY IF, WITHOUT THE GRANT OR MATCHING GRANT, THE SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL WOULD BE UNABLE TO PROVIDE A FACILITY IN WHICH TO OFFER A FULL DAY OF KINDERGARTEN TO MORE STUDENTS THAN WERE OFFERED A FULL DAY OF KINDERGARTEN IN THE 2007-08 BUDGET YEAR. FOR PURPOSES OF THIS PART 3, "TEMPORARY AUXILIARY FACILITY" MEANS A TEMPORARY BUILDING THAT WILL BE PLACED ON THE SAME CAMPUS AS A MAIN EDUCATIONAL FACILITY.

(3) EACH BUDGET YEAR, THE STATE BOARD SHALL USE FIFTY PERCENT OF THE MONEYS IN THE FUND TO PROVIDE GRANTS PURSUANT TO THIS PART 3 AND FIFTY PERCENT OF THE MONEYS IN THE FUND TO PROVIDE MATCHING GRANTS PURSUANT TO THIS PART 3.

22-43.7-302. Applications for grants and matching grants - rules. (1) EACH APPLICANT FOR A GRANT OR MATCHING GRANT PURSUANT TO THIS PART 3 SHALL SUBMIT AN APPLICATION TO THE STATE BOARD NO LATER THAN JULY 1 FOR THE BUDGET YEAR COMMENCING ON THAT JULY 1. AN INDIVIDUAL SCHOOL OF A SCHOOL DISTRICT, INCLUDING A DISTRICT CHARTER SCHOOL, MAY APPLY FOR A GRANT OR MATCHING GRANT THROUGH THE SCHOOL DISTRICT IN WHICH THE SCHOOL IS LOCATED, AND THE SCHOOL DISTRICT MAY THEN APPLY TO THE STATE BOARD FOR THE GRANT OR MATCHING GRANT ON BEHALF OF THE SCHOOL. AN INSTITUTE CHARTER

SCHOOL MAY APPLY DIRECTLY TO THE STATE BOARD.

(2) THE STATE BOARD OR ITS DESIGNEES SHALL EVALUATE EACH APPLICATION SUBMITTED BY A SCHOOL DISTRICT OR AN INSTITUTE CHARTER SCHOOL BASED ON THE FACTORS SET FORTH IN THIS SECTION AND SUCH OTHER FACTORS AS THE STATE BOARD MAY ESTABLISH BY RULE. THE STATE BOARD SHALL PROMULGATE RULES IN ACCORDANCE WITH THE "STATE ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24, C.R.S., FOR THE IMPLEMENTATION OF THIS PART 3. THE STATE BOARD MAY REQUEST ANY STATE DEPARTMENT, AGENCY, OR INSTITUTION WITH EXPERTISE OR EXPERIENCE IN CONSTRUCTION MANAGEMENT TO PROVIDE ASSISTANCE TO THE STATE BOARD WITH REGARD TO THE EVALUATION OF APPLICATIONS FOR GRANTS AND MATCHING GRANTS PURSUANT TO THIS SECTION.

(3) EACH APPLICATION FOR A GRANT OR A MATCHING GRANT SUBMITTED TO THE STATE BOARD PURSUANT TO THIS SECTION SHALL BE IN A FORM PRESCRIBED BY THE STATE BOARD AND SHALL INCLUDE:

(a) A DESCRIPTION OF THE SCOPE AND NATURE OF THE CAPITAL CONSTRUCTION PROJECT TO RENOVATE A FACILITY OR PROVIDE A TEMPORARY AUXILIARY FACILITY FOR A FULL-DAY KINDERGARTEN PROGRAM;

(b) A DESCRIPTION OF THE ARCHITECTURAL, FUNCTIONAL, AND CONSTRUCTION STANDARDS THAT ARE TO BE APPLIED TO THE FACILITY THAT IS THE SUBJECT OF THE CAPITAL CONSTRUCTION PROJECT;

(c) THE TOTAL ESTIMATED COST OF THE CAPITAL CONSTRUCTION PROJECT;

(d) THE FORM AND AMOUNT OF FINANCIAL EFFORT THAT WILL BE PROVIDED BY THE SCHOOL DISTRICT OR THE INSTITUTE CHARTER SCHOOL FOR THE CAPITAL CONSTRUCTION PROJECT;

(e) A DEMONSTRATION OF THE SCHOOL DISTRICT'S OR THE INSTITUTE CHARTER SCHOOL'S ABILITY AND WILLINGNESS TO MAINTAIN A CAPITAL CONSTRUCTION PROJECT FUNDED PURSUANT TO THIS PART 3; AND

(f) ANY OTHER INFORMATION THE STATE BOARD MAY REASONABLY REQUIRE FOR THE EVALUATION OF THE CAPITAL CONSTRUCTION PROJECT.

(4) THE STATE BOARD SHALL PRIORITIZE EACH APPLICATION FOR A GRANT OR A MATCHING GRANT THAT DESCRIBES A CAPITAL CONSTRUCTION PROJECT DEEMED ELIGIBLE BY THE STATE BOARD FOR A GRANT OR MATCHING GRANT PURSUANT TO THIS SECTION. THE STATE BOARD SHALL PRIORITIZE THE APPLICATIONS BASED ON THE FOLLOWING CRITERIA, IN DESCENDING ORDER OF IMPORTANCE:

(a) CAPITAL CONSTRUCTION PROJECTS IN SCHOOL DISTRICTS OR FOR INSTITUTE CHARTER SCHOOLS IN ACCOUNTING DISTRICTS THAT HAVE REACHED NINETY PERCENT OR MORE OF THEIR LIMIT ON BONDED INDEBTEDNESS UNDER SECTION 22-42-104; AND

(b) CAPITAL CONSTRUCTION PROJECTS IN SCHOOL DISTRICTS OR FOR INSTITUTE CHARTER SCHOOLS THAT HAVE PREVIOUSLY DEMONSTRATED CONSISTENT EFFORTS TO ALLOCATE MONEYS TO THE SCHOOL DISTRICTS' OR INSTITUTE CHARTER SCHOOLS' CAPITAL RESERVE FUND IN EXCESS OF THE MINIMUM AMOUNTS REQUIRED PURSUANT TO SECTION 22-54-105 (2) OR 22-30.5-514 (1).

22-43.7-303. Full-day kindergarten facility capital construction projects - prioritization. (1) FROM THE APPLICATIONS SUBMITTED FOR GRANTS OR MATCHING GRANTS PURSUANT TO SECTION 22-43.7-302, THE STATE BOARD SHALL ANNUALLY PREPARE A PRIORITIZED LIST OF CAPITAL CONSTRUCTION PROJECTS TO PROVIDE FACILITIES FOR FULL-DAY KINDERGARTEN PROGRAMS. THE STATE BOARD SHALL THEN DETERMINE THE TYPE AND AMOUNT OF THE GRANT OR MATCHING GRANT TO BE AWARDED TO EACH ELIGIBLE CAPITAL CONSTRUCTION PROJECT BASED ON THE INFORMATION PROVIDED BY THE SCHOOL DISTRICT OR THE INSTITUTE CHARTER SCHOOL IN THE APPLICATION.

(2) IN PRIORITIZING CAPITAL CONSTRUCTION PROJECTS AND AWARDED GRANTS AND MATCHING GRANTS PURSUANT TO THIS PART 3, THE STATE BOARD SHALL ATTEMPT TO MAXIMIZE THE TOTAL NUMBER OF STUDENTS STATEWIDE WHO WILL BE ABLE TO ATTEND A FULL DAY OF KINDERGARTEN DUE TO THE AVAILABILITY OF A RENOVATED FACILITY OR TEMPORARY AUXILIARY FACILITY FOR A FULL-DAY KINDERGARTEN PROGRAM.

(3) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT SCHOOL DISTRICTS GIVE CONSIDERATION TO THE NEEDS OF BOTH TRADITIONAL

PUBLIC SCHOOLS AND CHARTER SCHOOLS ESTABLISHED PURSUANT TO ARTICLE 30.5 OF THIS TITLE WHEN SUBMITTING APPLICATIONS FOR GRANTS OR MATCHING GRANTS PURSUANT TO THIS SECTION.

SECTION 26. Article 43.7 of title 22, Colorado Revised Statutes, as amended by House Bill 08-1335, enacted at the Second Regular Session of the Sixty-sixth General Assembly, is amended BY THE ADDITION OF A NEW PART to read:

PART 2
FULL-DAY KINDERGARTEN FACILITY
CAPITAL CONSTRUCTION ASSISTANCE

22-43.7-201. Full-day kindergarten facility capital construction fund - creation - definitions. (1) THERE IS HEREBY ESTABLISHED IN THE STATE TREASURY THE FULL-DAY KINDERGARTEN FACILITY CAPITAL CONSTRUCTION FUND, REFERRED TO IN THIS PART 2 AS THE "FUND". THE FUND SHALL CONSIST OF ANY MONEYS ANNUALLY APPROPRIATED THERETO BY THE GENERAL ASSEMBLY FOR THE PURPOSES OF THIS PART 2. ALL INTEREST AND INCOME EARNED ON THE DEPOSIT OF MONEYS IN THE FUND SHALL BE CREDITED TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF A BUDGET YEAR SHALL REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND.

(2) THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD SHALL USE THE MONEYS IN THE FUND TO PROVIDE GRANTS OR MATCHING GRANTS TO ANY SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL THAT IS UNDERTAKING A CAPITAL CONSTRUCTION PROJECT TO RENOVATE A FACILITY, RENT A FACILITY, OR PROVIDE A TEMPORARY AUXILIARY FACILITY THAT WILL BE USED IN CONJUNCTION WITH PROVIDING A FULL-DAY KINDERGARTEN PROGRAM. THE BOARD SHALL AWARD A GRANT OR MATCHING GRANT PURSUANT TO THIS PART 2 TO A SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL ONLY IF, WITHOUT THE GRANT OR MATCHING GRANT, THE SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL WOULD BE UNABLE TO PROVIDE A FACILITY IN WHICH TO OFFER A FULL DAY OF KINDERGARTEN TO MORE STUDENTS THAN WERE OFFERED A FULL DAY OF KINDERGARTEN IN THE 2007-08 BUDGET YEAR. FOR PURPOSES OF THIS PART 2, "TEMPORARY AUXILIARY FACILITY" MEANS A TEMPORARY BUILDING THAT WILL BE PLACED ON THE SAME CAMPUS AS A MAIN EDUCATIONAL FACILITY.

(3) EACH BUDGET YEAR, THE BOARD SHALL USE FIFTY PERCENT OF THE MONEYS IN THE FUND TO PROVIDE GRANTS PURSUANT TO THIS PART 2 AND FIFTY PERCENT OF THE MONEYS IN THE FUND TO PROVIDE MATCHING GRANTS PURSUANT TO THIS PART 2.

22-43.7-202. Applications for grants and matching grants - rules. (1) EACH APPLICANT FOR A GRANT OR MATCHING GRANT PURSUANT TO THIS PART 2 SHALL SUBMIT AN APPLICATION TO THE BOARD NO LATER THAN JULY 1 FOR THE BUDGET YEAR COMMENCING ON THAT JULY 1. AN INDIVIDUAL SCHOOL OF A SCHOOL DISTRICT, INCLUDING A DISTRICT CHARTER SCHOOL, MAY APPLY FOR A GRANT OR MATCHING GRANT THROUGH THE SCHOOL DISTRICT IN WHICH THE SCHOOL IS LOCATED, AND THE SCHOOL DISTRICT MAY THEN APPLY TO THE BOARD FOR THE GRANT OR MATCHING GRANT ON BEHALF OF THE SCHOOL. AN INSTITUTE CHARTER SCHOOL MAY APPLY DIRECTLY TO THE BOARD.

(2) THE BOARD OR ITS DESIGNEES SHALL EVALUATE EACH APPLICATION SUBMITTED BY A SCHOOL DISTRICT OR AN INSTITUTE CHARTER SCHOOL BASED ON THE FACTORS SET FORTH IN THIS SECTION AND SUCH OTHER FACTORS AS THE BOARD MAY ESTABLISH BY RULE.

(3) EACH APPLICATION FOR A GRANT OR A MATCHING GRANT SUBMITTED TO THE BOARD PURSUANT TO THIS SECTION SHALL BE IN A FORM PRESCRIBED BY THE BOARD AND SHALL INCLUDE:

(a) A DESCRIPTION OF THE SCOPE AND NATURE OF THE CAPITAL CONSTRUCTION PROJECT TO RENOVATE A FACILITY OR PROVIDE A TEMPORARY AUXILIARY FACILITY FOR A FULL-DAY KINDERGARTEN PROGRAM;

(b) A DESCRIPTION OF THE ARCHITECTURAL, FUNCTIONAL, AND CONSTRUCTION STANDARDS THAT ARE TO BE APPLIED TO THE FACILITY THAT IS THE SUBJECT OF THE CAPITAL CONSTRUCTION PROJECT;

(c) THE TOTAL ESTIMATED COST OF THE CAPITAL CONSTRUCTION PROJECT;

(d) THE FORM AND AMOUNT OF FINANCIAL EFFORT THAT WILL BE PROVIDED BY THE SCHOOL DISTRICT OR THE INSTITUTE CHARTER SCHOOL FOR THE CAPITAL CONSTRUCTION PROJECT;

(e) A DEMONSTRATION OF THE SCHOOL DISTRICT'S OR THE INSTITUTE CHARTER SCHOOL'S ABILITY AND WILLINGNESS TO MAINTAIN A CAPITAL CONSTRUCTION PROJECT FUNDED PURSUANT TO THIS PART 2; AND

(f) ANY OTHER INFORMATION THE BOARD MAY REASONABLY REQUIRE FOR THE EVALUATION OF THE CAPITAL CONSTRUCTION PROJECT.

(4) THE BOARD SHALL PRIORITIZE EACH APPLICATION FOR A GRANT OR A MATCHING GRANT THAT DESCRIBES A CAPITAL CONSTRUCTION PROJECT DEEMED ELIGIBLE BY THE BOARD FOR A GRANT OR MATCHING GRANT PURSUANT TO THIS PART 2. THE BOARD SHALL PRIORITIZE THE APPLICATIONS BASED ON THE FOLLOWING CRITERIA, IN DESCENDING ORDER OF IMPORTANCE:

(a) CAPITAL CONSTRUCTION PROJECTS IN SCHOOL DISTRICTS OR FOR INSTITUTE CHARTER SCHOOLS IN ACCOUNTING DISTRICTS THAT HAVE REACHED NINETY PERCENT OR MORE OF THEIR LIMIT ON BONDED INDEBTEDNESS UNDER SECTION 22-42-104; AND

(b) CAPITAL CONSTRUCTION PROJECTS IN SCHOOL DISTRICTS OR FOR INSTITUTE CHARTER SCHOOLS THAT HAVE PREVIOUSLY DEMONSTRATED CONSISTENT EFFORTS TO ALLOCATE MONEYS TO THE SCHOOL DISTRICTS' OR INSTITUTE CHARTER SCHOOLS' CAPITAL RESERVE FUND IN EXCESS OF THE MINIMUM AMOUNTS REQUIRED PURSUANT TO SECTION 22-54-105 (2) OR 22-30.5-514 (1).

22-43.7-203. Full-day kindergarten facility capital construction projects - prioritization. (1) FROM THE APPLICATIONS SUBMITTED FOR GRANTS OR MATCHING GRANTS PURSUANT TO SECTION 22-43.7-202, THE BOARD SHALL ANNUALLY PREPARE A PRIORITIZED LIST OF CAPITAL CONSTRUCTION PROJECTS TO PROVIDE FACILITIES FOR FULL-DAY KINDERGARTEN PROGRAMS. THE BOARD SHALL THEN DETERMINE THE TYPE AND AMOUNT OF THE GRANT OR MATCHING GRANT TO BE AWARDED TO EACH ELIGIBLE CAPITAL CONSTRUCTION PROJECT BASED ON THE INFORMATION PROVIDED BY THE SCHOOL DISTRICT OR THE INSTITUTE CHARTER SCHOOL IN THE APPLICATION.

(2) THE BOARD SHALL SUBMIT TO THE STATE BOARD THE PRIORITIZED LIST OF CAPITAL CONSTRUCTION PROJECTS PREPARED PURSUANT TO SUBSECTION (1) OF THIS SECTION. THE PRIORITIZED LIST SHALL INCLUDE

THE BOARD'S RECOMMENDATIONS AS TO THE AMOUNT OF FINANCIAL ASSISTANCE TO BE PROVIDED TO APPLICANTS AND WHETHER THE ASSISTANCE SHOULD BE IN THE FORM OF A GRANT OR A MATCHING GRANT. THE STATE BOARD MAY APPROVE, DISAPPROVE, OR MODIFY THE PROVISION OF FINANCIAL ASSISTANCE TO ANY APPLICANT RECOMMENDED BY THE BOARD IF THE STATE BOARD FINDS THAT THE BOARD INCORRECTLY PRIORITIZED THE CAPITAL CONSTRUCTION PROJECTS PURSUANT TO THIS PART 2. THE STATE BOARD SHALL SPECIFICALLY EXPLAIN IN WRITING ITS REASONS FOR FINDING THAT THE BOARD INCORRECTLY PRIORITIZED ANY CAPITAL CONSTRUCTION PROJECT PURSUANT TO THIS PART 2.

(3) IN PRIORITIZING CAPITAL CONSTRUCTION PROJECTS AND AWARDING GRANTS AND MATCHING GRANTS PURSUANT TO THIS PART 2, THE BOARD SHALL ATTEMPT TO MAXIMIZE THE TOTAL NUMBER OF STUDENTS STATEWIDE WHO WILL BE ABLE TO ATTEND A FULL DAY OF KINDERGARTEN DUE TO THE AVAILABILITY OF A RENOVATED FACILITY OR TEMPORARY AUXILIARY FACILITY FOR A FULL-DAY KINDERGARTEN PROGRAM.

(4) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT SCHOOL DISTRICTS GIVE CONSIDERATION TO THE NEEDS OF BOTH TRADITIONAL PUBLIC SCHOOLS AND CHARTER SCHOOLS ESTABLISHED PURSUANT TO ARTICLE 30.5 OF THIS TITLE WHEN SUBMITTING APPLICATIONS FOR GRANTS OR MATCHING GRANTS PURSUANT TO THIS SECTION.

(5) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT A GRANT OR MATCHING GRANT AWARDED TO A SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL PURSUANT TO THIS PART 2 SHALL NOT BE TAKEN INTO CONSIDERATION WHEN THE BOARD PRIORITIZES CAPITAL CONSTRUCTION PROJECTS PURSUANT TO PART 1 OF THIS ARTICLE. NOTHING IN THIS PART 2 SHALL BE CONSTRUED TO LIMIT OR OTHERWISE AFFECT THE AUTHORITY OF THE BOARD TO PRIORITIZE CAPITAL CONSTRUCTION PROJECTS PURSUANT TO PART 1 OF THIS ARTICLE.

SECTION 27. 22-44-105 (1.5), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

22-44-105. Budget - contents - mandatory. (1.5) (c) IF AT ANY TIME DURING THE FISCAL YEAR FOLLOWING THE ADOPTION OF A BUDGET BY A BOARD OF EDUCATION THE SCHOOL DISTRICT DETERMINES THAT THE USE OF AN ADDITIONAL PORTION OF THE SCHOOL DISTRICT'S BEGINNING FUND

BALANCE IS NECESSARY, THE BOARD OF EDUCATION SHALL ADOPT A RESOLUTION THAT MEETS AT LEAST THE MINIMUM REQUIREMENTS SPECIFIED IN PARAGRAPH (a) OF THIS SUBSECTION (1.5) BEFORE USING THE ADDITIONAL PORTION OF THE BEGINNING FUND BALANCE.

SECTION 28. 22-44-110 (5), Colorado Revised Statutes, is amended to read:

22-44-110. Budget - consideration - adoption. (5) After the adoption of the budget, the board may review and change the budget, with respect to both revenues and expenditures, at any time prior to ~~October 15~~ JANUARY 31 of the fiscal year for which the budget was adopted. After ~~October 15~~ JANUARY 31, the board shall not review or change the budget except as authorized by this article; except that, where money for a specific purpose from other than ad valorem taxes subsequently becomes available to meet a contingency, the board may adopt a supplemental budget for expenditures not to exceed the amount of said money and may appropriate said money therefrom.

SECTION 29. Part 1 of article 44 of title 22, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

22-44-118. Full-day kindergarten reserve - tracking of expenditures - preschool programs - rules. (1) (a) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION (1), FOR THE 2008-09 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, A SCHOOL DISTRICT THAT DOES NOT REPORT ANY FULL-DAY KINDERGARTEN PUPILS IN THE DISTRICT'S OCTOBER 1 PUPIL ENROLLMENT COUNT SHALL HOLD THE MONEYS RECEIVED FOR FULL-DAY KINDERGARTEN PROGRAMS THROUGH SUPPLEMENTAL KINDERGARTEN ENROLLMENT PURSUANT TO SECTION 22-54-103 (7) (d) IN A FULL-DAY KINDERGARTEN RESERVE IN THE DISTRICT'S GENERAL FUND. THE DISTRICT SHALL NOT USE THE MONEYS IN THE FULL-DAY KINDERGARTEN RESERVE UNTIL THE DISTRICT ENROLLS ONE OR MORE PUPILS IN FULL-DAY KINDERGARTEN IN THE DISTRICT. ONCE THE DISTRICT ENROLLS PUPILS IN FULL-DAY KINDERGARTEN IN THE DISTRICT, THE DISTRICT SHALL NOT BE REQUIRED TO MAINTAIN THE FULL-DAY KINDERGARTEN RESERVE.

(b) FOR THE 2008-09 BUDGET YEAR, A SCHOOL DISTRICT THAT DOES NOT REPORT ANY FULL-DAY KINDERGARTEN PUPILS IN THE DISTRICT'S

OCTOBER 1 PUPIL ENROLLMENT COUNT MAY USE THE MONEYS RECEIVED FOR FULL-DAY KINDERGARTEN PROGRAMS THROUGH SUPPLEMENTAL KINDERGARTEN ENROLLMENT PURSUANT TO SECTION 22-54-103 (7) (d) FOR PLANNING AND FACILITY PREPARATION NECESSARY FOR THE DISTRICT TO OFFER A FULL-DAY KINDERGARTEN PROGRAM IN SUBSEQUENT BUDGET YEARS.

(2) THE FINANCIAL POLICIES AND PROCEDURES ADVISORY COMMITTEE CREATED IN THE DEPARTMENT OF EDUCATION SHALL ESTABLISH BY RULE, TRACKING REQUIREMENTS DEEMED NECESSARY BY THE COMMITTEE FOR THE MONEYS THAT A DISTRICT RECEIVES THROUGH SUPPLEMENTAL KINDERGARTEN ENROLLMENT PURSUANT TO SECTION 22-54-103 (7) (d) AND HOLD-HARMLESS FULL-DAY KINDERGARTEN FUNDING PURSUANT TO SECTION 22-54-130 TO PROVIDE FULL-DAY KINDERGARTEN PROGRAMS AND, IF APPLICABLE, THROUGH THE COLORADO PRESCHOOL PROGRAM PURSUANT TO ARTICLE 28 OF THIS TITLE TO PROVIDE PRESCHOOL PROGRAMS.

SECTION 30. Repeal. 22-60.5-112.5 (1) (a) (II) and (1) (b), Colorado Revised Statutes, are repealed as follows:

22-60.5-112.5. National credential - fee assistance - one-time payments. (1) (a) For the 2002-03 budget year, the 2004-05 budget year, and each budget year thereafter, subject to available appropriations, the department of education shall assist persons who are seeking national credentials by paying a portion of the fees charged for such national credential. The general assembly shall annually appropriate, if available, moneys from the state education fund, created in section 17 (4) of article IX of the state constitution, to the department of education to be used for the purposes of this section. Fee assistance pursuant to this section shall be available to any person who:

(II) ~~Receives national credential fee assistance through a federal assistance program;~~

(b) ~~The amount of fee assistance paid pursuant to this subsection (1) shall be equal to the amount of the national credential fee received by the applying teacher through a federal assistance program.~~

SECTION 31. Part 4 of article 2 of title 22, Colorado Revised

Statutes, as enacted by House Bill 08-1204, enacted at the Second Regular Session of the Sixty-sixth General Assembly, is amended BY THE ADDITION OF A NEW SECTION to read:

22-2-408. Approved facility schools - funding. (1) FOR THE 2008-09 BUDGET YEAR AND FOR EACH BUDGET YEAR THEREAFTER, EACH APPROVED FACILITY SCHOOL SHALL SUBMIT ITS PUPIL ENROLLMENT TO THE DEPARTMENT AND RECEIVE FUNDING FROM THE DEPARTMENT IN ACCORDANCE WITH THE PROVISIONS OF SECTION 22-54-129.

(2) FOR THE 2009-10 BUDGET YEAR, AND FOR EACH BUDGET YEAR THEREAFTER, THE DEPARTMENT SHALL ANNUALLY WITHHOLD TWO PERCENT OF THE AMOUNT PAYABLE TO EACH APPROVED FACILITY SCHOOL. THE AMOUNT WITHHELD SHALL BE ALLOCATED TO THE UNIT TO OFFSET THE COSTS INCURRED BY THE UNIT AND THE FACILITY SCHOOLS BOARD IN IMPLEMENTING THIS PART 4.

SECTION 32. 24-48.5-109 (2), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

24-48.5-109. STEM after-school education pilot grant program - fund - report - repeal. (2) **Legislative declaration.** (b) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT FOR PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, THE STEM AFTER-SCHOOL EDUCATION PILOT GRANT PROGRAM IS A PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND MAY THEREFORE RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

SECTION 33. 22-54-104 (3.5) (d) (II) (A), Colorado Revised Statutes, is amended to read:

22-54-104. District total program. (3.5) Minimum per pupil funding shall be:

(d) (II) (A) As used in this ~~paragraph~~ (d) SUBSECTION (3.5), "minimum per pupil funding base" means the total of the calculation specified in sub-subparagraph (B) of this subparagraph (II) for all districts for the budget year divided by the statewide funded pupil count minus the statewide on-line pupil enrollment, for said budget year.

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

ARTICLE 69
Alternative Teacher Compensation Plan Act

22-69-101. Short title. THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "ALTERNATIVE TEACHER COMPENSATION PLAN ACT".

22-69-102. Legislative declaration. (1) THE GENERAL ASSEMBLY HEREBY FINDS THAT:

(a) TEACHERS ARE A KEY COMPONENT IN THE ACADEMIC SUCCESS OF CHILDREN;

(b) TO SUPPORT TEACHERS, SCHOOL DISTRICTS SHOULD ENCOURAGE INNOVATIVE, CREATIVE, AND HIGH-QUALITY TEACHING PRACTICES, AND TEACHERS WHO FOLLOW THESE PRACTICES AND WHO PROMOTE EXCELLENT STUDENT PERFORMANCE SHOULD BE REWARDED;

(c) PROMOTING STUDENT PERFORMANCE AND ACHIEVING TEACHING EXCELLENCE IS PARTICULARLY DIFFICULT WHEN DEALING WITH THE ISSUES RELATED TO AT-RISK STUDENTS;

(d) CONSISTENT WITH THE FINDINGS OF THE P-20 COUNCIL, THE STATE DOES NOT FULLY FUND STATE MANDATES NOR ADEQUATELY MEET THE NEEDS OF SCHOOL DISTRICTS TO ATTRACT, RETAIN, AND SUPPORT THE HIGH-QUALITY TEACHERS NEEDED TO REACH COLORADO'S EDUCATIONAL GOALS;

(e) ALTERNATIVE TEACHER COMPENSATION PLANS CAN SERVE AS A MECHANISM FOR REWARDING TEACHING EXCELLENCE AND ENCOURAGING CREATIVE AND INNOVATIVE APPROACHES TO HELPING COLORADO IMPROVE THE ACADEMIC PERFORMANCE OF ALL STUDENTS AND MEET ITS EDUCATION GOALS THAT INCLUDE, BUT ARE NOT LIMITED TO, DECREASING THE DROPOUT RATE, CLOSING THE ACHIEVEMENT GAP, AND INCREASING THE NUMBER OF POSTSECONDARY DEGREES AND CERTIFICATES AWARDED TO COLORADO STUDENTS; AND

(f) CONSISTENT WITH THE RECOMMENDATIONS OF THE P-20

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

(2) THE GENERAL ASSEMBLY THEREFORE DECLARES THAT PROVIDING SEED MONEY THROUGH A COMPETITIVE GRANT PROGRAM TO SCHOOL DISTRICTS THAT SEEK TO DEVELOP ALTERNATIVE TEACHER COMPENSATION PLANS IS A CONCRETE WAY IN WHICH THE STATE CAN FURTHER THE GOALS OF TEACHING EXCELLENCE AND HIGH STUDENT ACHIEVEMENT IN THE PARTICIPATING SCHOOL DISTRICTS.

(3) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT, FOR PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, PROVIDING FUNDING FOR THE DESIGN AND DEVELOPMENT OF ALTERNATIVE TEACHER COMPENSATION PLANS IS SPECIFICALLY INCLUDED AS AN AUTHORIZED USE OF MONEYS IN THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION. THEREFORE, THIS ARTICLE MAY BE IMPLEMENTED WITH APPROPRIATIONS FROM THE STATE EDUCATION FUND.

22-69-103. Definitions. AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "DEPARTMENT" MEANS THE DEPARTMENT OF EDUCATION, CREATED AND EXISTING PURSUANT TO SECTION 24-1-115, C.R.S.

(2) "GRANT PROGRAM" MEANS THE ALTERNATIVE TEACHER COMPENSATION PLAN GRANT PROGRAM CREATED PURSUANT TO SECTION 22-69-104.

(3) "P-20 COUNCIL" MEANS THE GOVERNOR'S P-20 EDUCATION COORDINATING COUNCIL CREATED BY THE GOVERNOR UNDER EXECUTIVE ORDER B 003 07.

(4) "SCHOOL DISTRICT" MEANS ANY SCHOOL DISTRICT ORGANIZED AND EXISTING PURSUANT TO LAW BUT DOES NOT INCLUDE A JUNIOR COLLEGE DISTRICT.

(5) "STATE BOARD" MEANS THE STATE BOARD OF EDUCATION, CREATED AND EXISTING PURSUANT TO SECTION 1 OF ARTICLE IX OF THE STATE CONSTITUTION.

(6) "TEACHER" MEANS A PERSON EMPLOYED TO INSTRUCT STUDENTS IN A PUBLIC SCHOOL IN THE STATE.

22-69-104. Alternative teacher compensation plan grant program - created - applications. (1) THERE IS HEREBY CREATED IN THE DEPARTMENT THE ALTERNATIVE TEACHER COMPENSATION PLAN GRANT PROGRAM TO PROVIDE FUNDING TO SCHOOL DISTRICTS TO SUPPORT THE DESIGN AND DEVELOPMENT OF AN ALTERNATIVE TEACHER COMPENSATION PLAN THAT IS TAILORED TO THE PARTICULAR SCHOOL DISTRICT.

(2) (a) THE DEPARTMENT SHALL ADMINISTER THE GRANT PROGRAM AS PROVIDED IN THIS ARTICLE AND PURSUANT TO THE RULES ESTABLISHED BY THE STATE BOARD.

(b) A SCHOOL DISTRICT MAY APPLY TO THE DEPARTMENT, IN ACCORDANCE WITH PROCEDURES AND TIME FRAMES ESTABLISHED BY THE STATE BOARD, TO RECEIVE GRANT MONEYS FOR THE DESIGN AND DEVELOPMENT OF AN ALTERNATIVE TEACHER COMPENSATION PLAN.

(c) THE CRITERIA FOR AWARDING GRANTS, AT A MINIMUM, SHALL REQUIRE THAT:

(I) THE FINAL ALTERNATIVE TEACHER COMPENSATION PLAN BE DESIGNED AND DEVELOPED COLLABORATIVELY WITH TEACHERS THROUGH THE SCHOOL DISTRICT-ADOPTED PROCEDURES FOR SETTING COMPENSATION, ADMINISTRATORS, PARENTS, AND THE SCHOOL DISTRICT BOARD OF EDUCATION;

(II) THE FINAL ALTERNATIVE TEACHER COMPENSATION PLAN BE OPEN TO ALL TEACHERS WHO MEET THE ESTABLISHED PERFORMANCE CRITERIA WITHOUT REGARD TO GRADE LEVEL, SUBJECT AREA, OR ASSIGNMENT; AND

(III) THE SCHOOL DISTRICT SEEK A STABLE, SUFFICIENT, AND SUSTAINABLE SOURCE OF NEW REVENUE TO FUND THE ALTERNATIVE TEACHER COMPENSATION PLAN ON AN ONGOING BASIS.

(d) THE STATE BOARD SHALL UTILIZE THE RESEARCH AND RESOURCES OF THE P-20 COUNCIL IN ESTABLISHING ANY ADDITIONAL CRITERIA FOR SCHOOL DISTRICTS SEEKING GRANT MONEYS.

(3) MONEYS AWARDED TO A SCHOOL DISTRICT PURSUANT TO THE GRANT PROGRAM SHALL BE USED BY THE SCHOOL DISTRICT TO SUPPORT THE CREATION OF THE SCHOOL DISTRICT'S ALTERNATIVE TEACHER COMPENSATION PLAN. SUPPORT MAY INCLUDE, BUT NEED NOT BE LIMITED TO:

(a) IDENTIFYING OVERALL GOALS AND OBJECTIVES FOR THE SCHOOL DISTRICT'S ALTERNATIVE TEACHER COMPENSATION PLAN;

(b) IDENTIFYING VARIOUS METHODS OF ASSESSING STUDENT ACHIEVEMENT AND TEACHER EFFECTIVENESS;

(c) CREATING DATA SYSTEMS NEEDED FOR AN ALTERNATIVE TEACHER COMPENSATION SYSTEM;

(d) FORECASTING THE FUTURE COSTS OF THE ALTERNATIVE TEACHER COMPENSATION SYSTEM TO ENSURE SUSTAINABILITY;

(e) LINKING THE ALTERNATIVE TEACHER COMPENSATION PLAN WITH THE OVERALL SCHOOL DISTRICT INSTRUCTIONAL IMPROVEMENT STRATEGY AND THE STATE'S EDUCATIONAL GOALS;

(f) ALIGNING THE SCHOOL DISTRICT'S HUMAN RESOURCES, CURRICULUM, AND PROFESSIONAL DEVELOPMENT STRUCTURES WITH THE PAY STRUCTURE SPECIFIED IN THE ALTERNATIVE TEACHER COMPENSATION PLAN;

(g) ESTABLISHING OUTREACH AND ON-GOING COMMUNICATIONS WITHIN THE SCHOOL DISTRICT AND TO THE COMMUNITY REGARDING THE ALTERNATIVE TEACHER COMPENSATION PLAN;

(h) STRATEGIES FOR RECRUITING AND SUPPORTING HIGHLY EFFECTIVE TEACHERS IN STRUGGLING SCHOOLS; AND

(i) STRATEGIES FOR RECRUITING AND RETAINING HIGH-QUALITY TEACHERS IN SUBJECT AREAS THAT ARE DIFFICULT TO STAFF.

(4) A SCHOOL DISTRICT'S FINAL PLAN FOR AN ALTERNATIVE TEACHER COMPENSATION SYSTEM SHALL:

(a) PROVIDE COMPENSATION IN ADDITION TO EXISTING PAY SCHEDULES;

(b) BE TRANSPARENT WITH RESPECT TO HOW A TEACHER QUALIFIES FOR ADDITIONAL COMPENSATION AND HOW MUCH ADDITIONAL COMPENSATION A QUALIFYING TEACHER MAY RECEIVE;

(c) CONTAIN BROAD, MULTI-DIMENSIONAL CRITERIA FOR ASSESSING PERFORMANCE WITHIN THE SYSTEM;

(d) INCLUDE ALL OF THE ADDITIONAL COMPENSATION IN A TEACHER'S RETIREMENT OR PENSION CALCULATIONS;

(e) INCLUDE A PROCEDURE FOR CHALLENGING ADVERSE DECISIONS UNDER THE SYSTEM TO ENSURE FAIRNESS; AND

(f) CONTAIN A PROCESS FOR CONTINUAL EVALUATION OF THE SYSTEM THAT SHALL, AT A MINIMUM, ADDRESS THE FOLLOWING:

(I) HOW THE ALTERNATIVE TEACHER COMPENSATION SYSTEM WILL DEMONSTRATE MEASURABLE EFFECTIVENESS;

(II) HOW THE ALTERNATIVE TEACHER COMPENSATION SYSTEM WILL MEASURE AND DEMONSTRATE A DECREASE IN THE SCHOOL DISTRICT'S DROPOUT RATE;

(III) HOW THE ALTERNATIVE TEACHER COMPENSATION SYSTEM WILL HELP TO CLOSE THE ACHIEVEMENT GAP; AND

(IV) HOW THE ALTERNATIVE TEACHER COMPENSATION SYSTEM WILL HELP TO INCREASE STUDENTS' ATTAINMENT OF POSTSECONDARY DEGREES AND CERTIFICATES.

(5) THE DEPARTMENT SHALL MAKE AVAILABLE TO EACH SCHOOL DISTRICT THAT RECEIVES A GRANT PURSUANT TO THE GRANT PROGRAM THE RESEARCH AND OTHER MATERIALS CONCERNING ALTERNATIVE TEACHER COMPENSATION PLANS COLLECTED BY THE P-20 COUNCIL.

(6) EACH SCHOOL DISTRICT THAT RECEIVES A GRANT SHALL SUBMIT A COPY OF ITS FINAL ALTERNATIVE TEACHER COMPENSATION PLAN TO THE DEPARTMENT, ALONG WITH A SUMMARY OF THE KEY COMPONENTS OF THE PLAN AND THE MECHANISM FOR FUNDING THE PLAN.

(7) NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO REQUIRE A SCHOOL DISTRICT TO PARTICIPATE IN THE GRANT PROGRAM OR TO MODIFY THE TERMS OF AN EXISTING TEACHER COMPENSATION PLAN OR CONTRACT.

22-69-105. Alternative teacher compensation plan grant program - rules - awarding grants. (1) THE STATE BOARD SHALL PROMULGATE RULES IN ACCORDANCE WITH THE "STATE ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24, C.R.S., FOR IMPLEMENTATION OF THE GRANT PROGRAM. AT A MINIMUM, THE RULES SHALL SPECIFY THE PROCEDURES AND TIME FRAMES FOR APPLYING FOR THE GRANT, THE FORM OF THE GRANT APPLICATION, THE INFORMATION TO BE PROVIDED BY THE SCHOOL DISTRICT APPLICANT, AND ANY ADDITIONAL CRITERIA FOR AWARDING GRANTS.

(2) THE DEPARTMENT SHALL REVIEW EACH GRANT APPLICATION RECEIVED FROM A SCHOOL DISTRICT PURSUANT TO SECTION 22-69-104 AND SHALL MAKE RECOMMENDATIONS TO THE STATE BOARD CONCERNING WHETHER A GRANT SHOULD BE AWARDED TO A SCHOOL DISTRICT AND THE AMOUNT OF THE GRANT TO BE AWARDED. IF THE DEPARTMENT DETERMINES THAT AN APPLICATION IS MISSING ANY INFORMATION REQUIRED BY RULE OF THE STATE BOARD TO BE INCLUDED WITH THE APPLICATION, THE DEPARTMENT MAY CONTACT THE SCHOOL DISTRICT TO OBTAIN THE MISSING INFORMATION.

(3) SUBJECT TO AVAILABLE APPROPRIATIONS, BEGINNING IN THE 2008-09 FISCAL YEAR, THE STATE BOARD SHALL ANNUALLY AWARD GRANTS UNDER THE GRANT PROGRAM TO APPLYING SCHOOL DISTRICTS, TAKING INTO ACCOUNT THE DEPARTMENT'S RECOMMENDATIONS.

(4) THE DEPARTMENT IS AUTHORIZED TO SEEK AND ACCEPT GIFTS, GRANTS, AND DONATIONS FROM PRIVATE AND PUBLIC SOURCES FOR THE IMPLEMENTATION OF THE GRANT PROGRAM PURSUANT TO THIS ARTICLE.

(5) THE DEPARTMENT MAY ANNUALLY EXPEND NO MORE THAN TWO PERCENT OF THE MONEYS ANNUALLY APPROPRIATED FOR THE GRANT

PROGRAM TO OFFSET THE DIRECT AND INDIRECT COSTS INCURRED IN IMPLEMENTING THE GRANT PROGRAM PURSUANT TO THIS ARTICLE.

(6) FOR THE 2008-09 BUDGET YEAR, THE GENERAL ASSEMBLY SHALL APPROPRIATE ONE MILLION DOLLARS FROM THE STATE EDUCATION FUND OR FROM ANY OTHER SOURCE TO THE DEPARTMENT TO FUND GRANTS TO SCHOOL DISTRICTS FOR THE PURPOSES OF THIS ARTICLE.

22-69-106. Alternative teacher compensation plan grant program - report. (1) ON OR BEFORE JANUARY 15, 2010, AND ON OR BEFORE JANUARY 15 EACH YEAR THEREAFTER, SO LONG AS GRANT MONEYS WERE AWARDED TO AT LEAST ONE SCHOOL DISTRICT PURSUANT TO THE GRANT PROGRAM DURING THE PRECEDING CALENDAR YEAR, THE DEPARTMENT SHALL REPORT TO THE EDUCATION COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR COMMITTEES, AND TO THE GOVERNOR THE FOLLOWING INFORMATION FROM THE PRECEDING CALENDAR YEAR:

(a) A GENERAL DESCRIPTION OF HOW THE GRANT PROGRAM WAS IMPLEMENTED, INCLUDING THE CRITERIA USED TO AWARD THE GRANTS TO SCHOOL DISTRICTS;

(b) THE NUMBER OF GRANTS AWARDED, THE NAME OF EACH SCHOOL DISTRICT RECEIVING A GRANT, AND THE AMOUNT OF EACH GRANT AWARDED;

(c) A SUMMARY OF THE GOALS OF EACH SCHOOL DISTRICT AWARDED A GRANT WITH RESPECT TO THE DESIGN AND DEVELOPMENT OF ITS ALTERNATIVE TEACHER COMPENSATION PLAN; AND

(d) A SUMMARY OF THE KEY COMPONENTS OF EACH FINAL ALTERNATIVE TEACHER COMPENSATION PLAN SUBMITTED TO THE DEPARTMENT PURSUANT TO SECTION 22-69-104 (6).

(2) EACH SCHOOL DISTRICT PARTICIPATING IN THE GRANT PROGRAM SHALL PROVIDE ANY DATA OR OTHER INFORMATION REQUESTED BY THE DEPARTMENT FOR THE PURPOSE OF MEETING THE REPORTING REQUIREMENTS OF SUBSECTION (1) OF THIS SECTION.

SECTION 35. 22-28-102 (1), Colorado Revised Statutes, is amended to read:

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

SECTION 36. 22-28-103 (5) and (9), Colorado Revised Statutes, are amended, and the said 22-28-103 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

22-28-103. Definitions. As used in this article, unless the context otherwise requires:

(2.5) "COLORADO PRESCHOOL PROGRAM" MEANS ALL THE DISTRICT PRESCHOOL PROGRAMS ESTABLISHED IN THE STATE PURSUANT TO THE PROVISIONS OF THIS ARTICLE.

(5) "District preschool ~~and kindergarten~~ program" means a preschool ~~and full-day kindergarten~~ program established by a school district pursuant to the provisions of section 22-28-107.

(9) "~~State preschool and kindergarten program~~" means ~~all the district preschool and full-day kindergarten programs established within this state pursuant to the provisions of this article.~~

SECTION 37. The introductory portion to 22-28-104 (1) and 22-28-104 (2) (a) (I), (2) (a) (II), (3), (4) (a), and (5) (b), Colorado Revised Statutes, are amended to read:

22-28-104. Establishment of public preschool programs.
(1) There is hereby established a state preschool ~~and kindergarten~~ program,

which shall be implemented in school districts beginning in the 2006-07 budget year. The purposes of the program are:

(2) (a) (I) ~~For the 2006-07 budget year, fourteen thousand three hundred sixty children may annually participate in the state preschool and kindergarten program.~~

(II) ~~For the 2007-08 budget year, sixteen thousand three hundred sixty children may annually participate in the state preschool and kindergarten program.~~

(3) A school district that participates in the state preschool ~~and kindergarten~~ program shall be entitled to count children enrolled in the district preschool ~~and kindergarten~~ program in accordance with the provisions of section 22-54-103 (9.5) for purposes of determining preschool ~~and kindergarten~~ program enrollment under the "Public School Finance Act of 1994", article 54 of this title.

(4) (a) Subject to the limitations in paragraph (b) of this subsection (4), the per pupil operating reimbursement provided to any school district that participates in the ~~preschool portion of the~~ state preschool ~~and kindergarten~~ program shall be increased to allow a single child to enroll in the ~~preschool portion of the~~ program using two positions so that the child may attend a full day of preschool.

(5) Nothing in this article shall be construed to:

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

SECTION 38. 22-28-105 (1) (d), Colorado Revised Statutes, is amended to read:

22-28-105. District preschool program advisory council - duties.

(1) (d) The board of education shall have final responsibility for submittal of the application to participate in the ~~state~~ COLORADO preschool ~~and~~

~~kindergarten~~ program and for operation and maintenance of the preschool and ~~kindergarten~~ program within the school district. No action taken by the district advisory council shall be final until approved by the board of education.

SECTION 39. The introductory portions to 22-28-107 (1) and (1) (d), 22-28-107 (1) (d) (III), and the introductory portion to 22-28-107 (4) (b), Colorado Revised Statutes, are amended to read:

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

(d) If the district preschool and ~~kindergarten~~ program is to be provided by the school district:

(III) The training program for preschool and ~~kindergarten~~ teachers;

(4) (b) The department shall annually select a reasonable number of school districts that have implemented preschool and ~~kindergarten~~ programs pursuant to this article and shall conduct on-site visits to determine whether:

SECTION 40. 22-28-108 (1) (a), the introductory portion to 22-28-108 (1) (b), and 22-28-108 (1) (b) (II), Colorado Revised Statutes, are amended to read:

22-28-108. Criteria for district preschool programs. (1) (a) The department shall establish basic program standards for district preschool and ~~kindergarten~~ programs using nationally accepted standards for preschool programs and requiring compliance with the Colorado rules for child care centers promulgated by the department of human services pursuant to section 26-6-106, C.R.S. ~~except that a full-day kindergarten component of a district preschool and kindergarten program need not be in compliance with such rules.~~

(b) The state board shall establish, by rule, criteria for school districts to use in establishing district preschool ~~and kindergarten~~ programs, subject to the following requirements:

(II) The maximum number of pupils in a preschool class shall not exceed sixteen. ~~and the maximum number of pupils in a full-day kindergarten class shall not exceed twenty.~~

SECTION 41. The introductory portion to 22-28-109 (1) and 22-28-109 (1) (a) and (3), Colorado Revised Statutes, are amended to read:

22-28-109. District preschool programs provided by a head start agency or child care agencies. (1) The state recognizes that there is significant value in using existing and established infrastructure through a head start agency or child care agencies, where available, for the provision of a district preschool ~~and kindergarten~~ program. Before the board of education of any school district whose pupil enrollment was less than or equal to seven hundred fifty pupils for the preceding budget year expends money for capital projects to provide additional facilities for a district preschool ~~and kindergarten~~ program, the board shall consider whether the district preschool ~~and kindergarten~~ program may be contracted out, in whole or in part, to a head start agency or one or more child care agencies located in the school district. The board of any school district, regardless of pupil enrollment, may contract out the district preschool ~~and kindergarten~~ program only if the provisions of this section are satisfied. In making its determination on whether to contract out the district preschool ~~and kindergarten~~ program, the board shall consider the recommendation of the district advisory council along with the following:

(a) Whether there is an established preschool program being provided by the school district or by a head start agency or one or more child care agencies that could be expanded or modified to include the district preschool ~~and kindergarten~~ program;

(3) If the district preschool ~~and kindergarten~~ program is contracted out pursuant to the provisions of subsection (1) of this section, the board of education and the head start agency or child care agencies shall develop a plan for the transition of children from the preschool portion of the program to kindergarten. ~~or to the kindergarten portion of the program, whichever is applicable, and from the kindergarten portion of the program to first~~

grade.

SECTION 42. Article 28 of title 22, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

22-28-114. Change of program name - direction to revisor - authorization. (1) THE REVISOR OF STATUTES IS AUTHORIZED TO CHANGE ALL REFERENCES TO THE COLORADO PRESCHOOL AND KINDERGARTEN PROGRAM AND TO THE STATE PRESCHOOL AND KINDERGARTEN PROGRAM THAT APPEAR IN THE COLORADO REVISED STATUTES TO THE COLORADO PRESCHOOL PROGRAM.

(2) THE REVISOR OF STATUTES IS AUTHORIZED TO CHANGE ALL REFERENCES TO THE DISTRICT OR DISTRICT'S PRESCHOOL AND KINDERGARTEN PROGRAM THAT APPEAR IN THE COLORADO REVISED STATUTES TO THE DISTRICT OR DISTRICT'S PRESCHOOL PROGRAM.

SECTION 43. 22-54-103 (9.5), Colorado Revised Statutes, is amended to read:

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

(9.5) (a) (I) "Preschool ~~and kindergarten~~ program enrollment" means the number of pupils enrolled in a district preschool ~~and kindergarten~~ program pursuant to article 28 of this title on October 1 within the applicable budget year or the school date nearest said date. A pupil enrolled in a district preschool ~~and kindergarten~~ program pursuant to article 28 of this title shall be counted as a half-day pupil.

(II) Notwithstanding the provisions of subparagraph (I) of this paragraph (a), for budget years commencing on or after July 1, 2005, a district may choose to determine the number of pupils enrolled in the ~~preschool portion of the~~ district preschool ~~and kindergarten~~ program pursuant to article 28 of this title on November 1 within the applicable budget year or the school date nearest said date, rather than on October 1. The "preschool ~~and kindergarten~~ program enrollment" for the district shall be the number of pupils enrolled in the ~~preschool portion of the~~ district PRESCHOOL program, who shall be counted as half-day pupils.

(b) For purposes of determining preschool and kindergarten program enrollment for the ~~2005-06 budget year~~ 2008-09 BUDGET YEAR and each budget year thereafter, a district shall count and receive funding only for:

(I) Pupils enrolled in ~~the preschool portion of~~ a district preschool and kindergarten program pursuant to section 22-28-104 who are three years old as of October 1 of the applicable budget year; AND

(II) Pupils enrolled in ~~the preschool portion of~~ a district preschool and kindergarten program pursuant to section 22-28-104 who are at least four years old as of October 1 of the applicable budget year. ~~and~~

(III) ~~Pupils enrolled in a full-day kindergarten component of a district preschool and kindergarten program pursuant to section 22-28-104 who are five years old as of October 1 of the applicable budget year.~~

SECTION 44. Repeal. Article 86 of title 22 and 22-45-103 (1) (g), Colorado Revised Statutes, are repealed.

SECTION 45. Appropriation - adjustments to the 2008 long bill.

(1) In addition to any other appropriation, there is hereby appropriated, out of moneys in the state education fund created in section 17 (4) of article IX of the state constitution, not otherwise appropriated, to the department of education, assistance to public schools, public school finance, for administration, for the fiscal year beginning July 1, 2008, the sum of four hundred thirty thousand six hundred sixteen dollars (\$430,616) cash funds and 6.0 FTE, or so much thereof as may be necessary, for the implementation of section 22-54-131 (5), Colorado Revised Statutes, for administration of the Colorado preschool program, and for administration of the full-day kindergarten facility capital construction fund, created in article 43.7 of title 22, Colorado Revised Statutes.

(2) In addition to any other appropriation, there is hereby appropriated, out of moneys in the state education fund created in section 17 (4) of article IX of the state constitution, not otherwise appropriated, to the department of education, assistance to public schools, public school finance, for the fiscal year beginning July 1, 2008, the sum of two hundred thousand dollars (\$200,000) cash funds, or so much thereof as may be necessary, for the declining enrollment study required by section 22-54-132, Colorado Revised Statutes.

(3) In addition to any other appropriation, there is hereby appropriated, out of moneys in the state education fund created in section 17 (4) of article IX of the state constitution, not otherwise appropriated, to the department of education, assistance to public schools, categorical programs, special education - children with disabilities, for high cost grants, for the fiscal year beginning July 1, 2008, the sum of two million dollars (\$2,000,000) cash funds.

(4) In addition to any other appropriation, there is hereby appropriated, out of moneys in the state education fund created in section 17 (4) of article IX of the state constitution, not otherwise appropriated, to the department of education, assistance to public schools, grant programs, distributions, and other assistance, to the full-day kindergarten facility capital construction fund created in article 43.7 of title 22, Colorado Revised Statutes, for the fiscal year beginning July 1, 2008, the sum of thirty-four million five hundred thousand dollars (\$34,500,000) cash funds.

(5) In addition to any other appropriation, there is hereby appropriated, out of moneys in the state education fund created in section 17 (4) of article IX of the state constitution, not otherwise appropriated, to the department of education, assistance to public schools, grant programs, distributions, and other assistance, for the fiscal year beginning July 1, 2008, the sum of three hundred thousand dollars (\$300,000) cash funds, or so much thereof as may be necessary, for transfer to the office of the governor for the STEM after-school education pilot grant program created in section 24-48.5-109, Colorado Revised Statutes.

(6) In addition to any other appropriation, there is hereby appropriated, out of moneys in the state education fund created in section 17 (4) of article IX of the state constitution, not otherwise appropriated, to the department of education, assistance to public schools, grant programs, distributions, and other assistance, for the fiscal year beginning July 1, 2008, the sum of eighteen million four hundred seventy-five thousand two hundred fifty-six dollars (\$18,475,256) cash funds, or so much thereof as may be necessary, for facility school funding pursuant to section 22-54-129, Colorado Revised Statutes.

(7) In addition to any other appropriation, there is hereby appropriated, out of moneys in the state education fund created in section 17 (4) of article IX of the state constitution, not otherwise appropriated, to

the department of education, assistance to public schools, grant programs, distributions, and other assistance, for the fiscal year beginning July 1, 2008, the sum of seven million three hundred fifty-six thousand four hundred nine dollars (\$7,356,409) cash funds, or so much thereof as may be necessary, for hold-harmless full-day kindergarten funding pursuant to section 22-54-130, Colorado Revised Statutes.

(8) In addition to any other appropriation, there is hereby appropriated, out of moneys in the state education fund created in section 17 (4) of article IX of the state constitution, not otherwise appropriated, to the department of education, assistance to public schools, grant programs, distributions, and other assistance, for the fiscal year beginning July 1, 2008, the sum of five hundred eighty-seven thousand five hundred four dollars (\$587,504) cash funds, or so much thereof as may be necessary, for hold-harmless facility school student funding pursuant to section 22-54-134, Colorado Revised Statutes.

(9) In addition to any other appropriation, there is hereby appropriated, to the office of the governor, economic development programs, for the fiscal year beginning July 1, 2008, the sum of three hundred thousand dollars (\$300,000), or so much thereof as may be necessary, for the STEM after-school education pilot program created in section 24-48.5-109, Colorado Revised Statutes. Said sum shall be from reappropriated funds received from the department of education out of the appropriation made in subsection (5) of this section.

(10) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the general fund not otherwise appropriated, to the department of human services, division of child care, for child care licensing and administration, for the fiscal year beginning July 1, 2008, the sum of eighty-five thousand ninety-two dollars (\$85,092) and 1.5 FTE, or so much thereof as may be necessary, for the implementation of this act.

(11) For the implementation of this act, the general fund appropriation to the controlled maintenance trust fund made in section 23 of the annual general appropriation act, for the fiscal year beginning July 1, 2008, shall be decreased by eighty-five thousand ninety-two dollars (\$85,092).

(12) In addition to any other appropriation, there is hereby appropriated, out of moneys in the state education fund created in section 17 (4) of article IX of the state constitution, not otherwise appropriated, to the department of education, assistance to public schools, categorical programs, for special education - gifted and talented children, for the fiscal year beginning July 1, 2008, the sum of two hundred thousand dollars (\$200,000) cash funds.

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

(14) For the implementation of this act, appropriations made in the annual general appropriation act for the fiscal year beginning July 1, 2008, shall be adjusted as follows:

(a) The appropriation to the department of education, assistance to public schools, public school finance, for the state share of districts' total program funding, is increased by nineteen million nine hundred sixty-seven thousand sixteen dollars (\$19,967,016), or so much thereof as may be necessary, for the increase in the statewide base per pupil funding authorized by section 22-54-104 (5) (a) (XV), Colorado Revised Statutes. Said sum shall be from the state education fund created in section 17 (4) of article IX of the state constitution.

(b) The appropriation to the department of education, assistance to public schools, public school finance, for the state share of districts' total program funding, is increased by nine million two hundred twenty-six thousand dollars (\$9,226,000), or so much thereof as may be necessary, for the pupil enrollment averaging authorized by section 22-54-103 (7) (d), Colorado Revised Statutes. Said sum shall be from the state education fund created in section 17 (4) of article IX of the state constitution.

(c) The appropriation to the department of education, assistance to public schools, public school finance, for the state share of districts' total

program funding, is increased by thirty-one million seven hundred nineteen thousand eight hundred ninety-two dollars (\$31,719,892), or so much thereof as may be necessary, for supplemental kindergarten enrollment as authorized by section 22-54-103 (7) (d), Colorado Revised Statutes. Said sum shall be from the state education fund created in section 17 (4) of article IX of the state constitution.

(d) The appropriation to the department of education, assistance to public schools, public school finance, for the state share of districts' total program funding, is decreased by thirteen million three hundred thirty-three thousand nine hundred seventy-six dollars (\$13,333,976). Said sum shall be from the state education fund created in section 17 (4) of article IX of the state constitution.

(e) The appropriation to the department of education, assistance to public schools, public school finance, for the state share of districts' total program funding, is increased by nine hundred eighty-seven thousand dollars (\$987,000), or so much thereof as may be necessary, for the Colorado preschool program. Said sum shall be from the state education fund created in section 17 (4) of article IX of the state constitution.

(f) The appropriation from the state education fund, created in section 17 (4) of article IX of the state constitution, to the department of education, assistance to public schools, grant programs, distributions, and other assistance, for charter school capital construction, is increased by five million dollars (\$5,000,000).

(g) The appropriation from the state education fund, created in section 17 (4) of article IX of the state constitution, to the department of education, assistance to public schools, grant programs, distributions, and other assistance, for the facility summer school grant program, is decreased by four million eight hundred thousand dollars (\$4,800,000).

SECTION 46. Effective date. (1) This act shall take effect upon passage; except that:

(a) Section 22-54-129 (6) (b), Colorado Revised Statutes, enacted in section 12 of this act, shall take effect only if House Bill 08-1204 is enacted at the Second Regular Session of the Sixty-sixth General Assembly and becomes law.

(b) Section 25 of this act shall not take effect if House Bill 08-1335 is enacted at the Second Regular Session of the Sixty-sixth General Assembly and becomes law.

(c) Section 26 of this act shall take effect only if House Bill 08-1335 is enacted at the Second Regular Session of the Sixty-sixth General Assembly and becomes law.

(d) Section 31 of this act shall take effect only if House Bill 08-1204 is enacted at the Second Regular Session of the Sixty-sixth General Assembly and becomes law.

SECTION 47. Safety clause. The general assembly hereby finds,

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

Andrew Romanoff
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Peter C. Groff
PRESIDENT OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Karen Goldman
SECRETARY OF
THE SENATE

APPROVED _____

Bill Ritter, Jr.
GOVERNOR OF THE STATE OF COLORADO