NOTE: This bill has been prepared for the signature of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

HOUSE BILL 10-1318

BY REPRESENTATIVE(S) Pommer, Ferrandino, Lambert, Stephens; also SENATOR(S) Tapia, Keller, White, Hudak, Penry, Steadman, Williams.

CONCERNING CIRCUMSTANCES UNDER WHICH THE REQUIREMENT THAT EACH SCHOOL DISTRICT RECEIVE A MINIMUM AMOUNT OF STATE FUNDING FOR TOTAL PROGRAM FUNDING AS CALCULATED THROUGH THE "PUBLIC SCHOOL FINANCE ACT OF 1994" SHALL NOT APPLY TO ANY DISTRICT.

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

SECTION 1. 22-54-106 (1) (b) and (4) (c), Colorado Revised Statutes, are amended to read:

22-54-106. Local and state shares of district total program. (1) (b) (I) Except as provided in subsections (8), (11), and (12) of this section, the state's share of a district's total program shall be the difference between the district's total program and the district's share of its total program; except that, UNLESS OTHERWISE PROVIDED BY SUBPARAGRAPH (II) OF THIS PARAGRAPH (b), no district shall receive less in state aid than an amount established by the general assembly in the annual general appropriation act based upon the amount of school lands and mineral lease

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

moneys received pursuant to the provisions of article 41 of this title and section 34-63-102 (2), C.R.S., multiplied by the district's funded pupil count.

(II) (A) For the 2010-11 budget year through the 2014-15 budget year, the requirement that no district shall receive less in state aid than an amount established by the general assembly in the annual general appropriation act as specified in subparagraph (I) of this paragraph (b) shall not apply to any district.

(B) ON OR BEFORE JANUARY 15, 2015, THE DEPARTMENT OF EDUCATION SHALL SUBMIT A REPORT TO THE JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY AND TO THE EDUCATION COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES, REGARDING THE ESTIMATED FISCAL IMPACT OF AND THE POTENTIAL NUMBER OF DISTRICTS THAT WILL BE IMPACTED BY RESTORING THE REQUIREMENT, IN THE 2015-16 BUDGET YEAR, THAT NO DISTRICT SHALL RECEIVE LESS IN STATE AID THAN AN AMOUNT ESTABLISHED BY THE GENERAL ASSEMBLY IN THE ANNUAL GENERAL APPROPRIATION ACT AS SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (b).

(4) (c) If a supplemental appropriation is not made by the general assembly to fully fund the state's share of the total program of all districts including funding for institute charter schools or a supplemental appropriation is made to reduce the state's share of the total program of all districts including funding for institute charter schools, the state aid of each district and the funding for each institute charter school shall be reduced in accordance with the provisions of this paragraph (c). The total program of each district that receives state aid shall be reduced by a percentage determined by dividing the deficit in the appropriation or the reduction in the appropriation, whichever is applicable, by the total program of all districts which THAT receive state aid. The state aid of each district shall be reduced by the amount of the reduction in the district's total program or the amount of state aid, whichever is less, EVEN IF, FOR THE 2009-10 BUDGET YEAR OR ANY BUDGET YEAR THEREAFTER. THE REDUCTION WOULD RESULT IN A DISTRICT RECEIVING LESS STATE AID THAN THE AMOUNT OF MINIMUM STATE AID FOR EACH DISTRICT AS DETERMINED BY THE GENERAL ASSEMBLY FOR THE APPLICABLE BUDGET YEAR. The funding for each institute charter school shall be reduced in proportion to the reduction in the total program

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of the district from which the institute charter school's funding is withheld. The department of education shall see that the reduction in state aid required by this paragraph (c) is accomplished prior to the end of the budget year.

SECTION 2. 22-54-114 (2.3), Colorado Revised Statutes, is amended to read:

22-54-114. State public school fund. (2.3) Notwithstanding any provision of this article to the contrary, of the total amount appropriated by the general assembly in the annual appropriation bill for each budget year to meet the state's share of the total program of all districts and the total funding for all institute charter schools, the department of education may transfer an amount specified by the general assembly in the annual general appropriation bill for that budget year to offset the direct and indirect administrative costs incurred by the department in implementing the provisions of this article. The total program of each district that receives state aid and the total funding for each institute charter school shall be reduced by a percentage determined by dividing the amount of the transfer by the total program of all districts that receive state aid plus the total funding for all institute charter schools. The state aid of each district shall be reduced by the amount of the reduction in the district's total program or the amount of state aid, whichever is less, EVEN IF, FOR THE 2009-10 BUDGET YEAR OR ANY BUDGET YEAR THEREAFTER, THE REDUCTION WOULD RESULT IN A DISTRICT RECEIVING LESS STATE AID THAN THE AMOUNT OF MINIMUM STATE AID FOR EACH DISTRICT AS DETERMINED BY THE GENERAL ASSEMBLY FOR THE APPLICABLE BUDGET YEAR. The department of education shall ensure that the reduction in state aid and institute charter school funding required by this subsection (2.3) is accomplished prior to the end of the budget year. The reductions described in this subsection (2.3)shall be in addition to any reduction that may be required pursuant to section 22-54-106 (4) (c).

SECTION 3. 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.

Terrance D. Carroll SPEAKER OF THE HOUSE OF REPRESENTATIVES

Brandon C. Shaffer 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

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