Second Regular Session Sixty-eighth General Assembly STATE OF COLORADO

PREAMENDED

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

LLS NO. 12-0678.02 Jane Ritter x4342

HOUSE BILL 12-1240

HOUSE SPONSORSHIP

Kerr A.,

(None),

SENATE SPONSORSHIP

House Committees Education Finance Appropriations

Senate Committees

A BILL FOR AN ACT

101 CONCERNING STATUTORY CHANGES TO K-12 EDUCATION.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://www.leg.state.co.us/billsummaries.)

The bill contains several statutory changes proposed by the department of education (department), including:

- A requirement will be placed on the office of legislative legal services to report any introduced legislation concerning education data to the education data advisory committee.
- ! The date for the adoption of graduation guidelines by the

state board of education is extended from December 15, 2011, to May 15, 2013. The provision that the state board of education receive, maintain, and post copies of collective bargaining agreements are repealed.

- ! The pool of potential sources for gifts, grants, and donations for S.B. 10-191 is expanded by allowing the department to accept moneys outside of federal moneys.
- ! The date for the inclusion of diploma endorsements in performance indicators is extended.
- ! The criteria for awarding the John Irwin Schools of Excellence Award is changed to include those schools with the highest level of attainment on the performance indicator concerning student achievement levels.
- ! The difference between an "on-line program" and an "on-line school" is clarified.
- ! The military dependent supplemental pupil enrollment aid program is repealed.
- ! The number of charter school food authorities is increased from 6 to 10 and the deadline is extended to 2016.
- ! Ongoing deficit is defined.
- ! The department will notify a local board of education if it approves a letter of intent on emergency reserves.
- ! The requirement that a school district receiving an impact assistance grant must certify the amount of that grant to the state board of education is removed.
- ! Specifies that if a charter school or institute charter school offers a full-day kindergarten program, the supplemental funding should be passed to the charter school or institute charter school.

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

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SECTION 1. In Colorado Revised Statutes, 22-2-106, **amend** (1)

- 3 (a.5) introductory portion as follows:
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22-2-106. State board - duties. (1) It is the duty of the state

5 board:

(a.5) To adopt, on or before December 15, 2011 MAY 15, 2013,

7 a comprehensive set of guidelines for the establishment of high school

8 graduation requirements to be used by each school district board of

1 education in developing local high school graduation requirements. Each 2 school district board of education shall retain the authority to develop its 3 own unique high school graduation requirements, so long as those local 4 high school graduation requirements meet or exceed any minimum 5 standards or basic core competencies or skills identified in the 6 comprehensive set of guidelines for high school graduation developed by 7 the state board pursuant to this paragraph (a.5). In developing the 8 guidelines for high school graduation, the state board shall utilize the 9 recommendations of the state graduation guidelines development council 10 established in section 22-7-414, as it existed prior to July 1, 2008, and 11 shall:

SECTION 2. In Colorado Revised Statutes, 22-32-109, amend
(1) (kk) (I) as follows:

14 22-32-109. Board of education - specific duties. (1) In addition
15 to any other duty required to be performed by law, each board of
16 education shall have and perform the following specific duties:

17 (kk) (I) To undertake a community-based process to develop a 18 blueprint for the education system in the community and to determine the 19 skills students will need to be successful after graduation. Each board of 20 education shall seek input from the community at large, which may 21 include, but need not be limited to, students, parents, business persons, 22 neighboring school districts, and regional boards of cooperative services. 23 Each board of education shall use this blueprint, together with the 24 guidelines for high school graduation requirements developed by the state 25 board pursuant to section 22-2-106(1)(a.5), to establish local high school 26 graduation requirements applicable to students enrolling in ninth grade 27 beginning in the 2012-13 2014-15 school year. To assist the state board

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1 of education in fulfilling its duties under part 10 of article 7 of this title, 2 each board of education shall provide to the state board of education 3 information concerning the blueprint and the input received in developing 4 the blueprint. A board of education that has undertaken a comprehensive 5 community-based process and has revised its high school graduation 6 requirements within the previous two years shall not be required to 7 develop a new blueprint for the education system in its community or 8 make any revisions to its high school graduation requirements. 9 **SECTION 3.** In Colorado Revised Statutes, 22-2-109, repeal (1)

9 SECTION 3. In Colorado Revised Statutes, 22-2-109, repear
10 (r) as follows:

22-2-109. State board of education - additional duties - teacher
 standards - principal standards. (1) The state board of education shall:
 (r) Receive the true and correct copies of all school district
 collective bargaining agreements submitted pursuant to the "Colorado
 School Collective Bargaining Agreement Sunshine Act", section
 22-32-109.4, and shall:

(I) Create a repository for all of said current collective bargaining
 agreements that is available to the public for inspection during regular
 business hours in a convenient and identified location; and

20 (II) Post copies of all of said current collective bargaining
 21 agreements on the department's web site. The posting may be done
 22 through a link to an individual school district's web site.

23 SECTION 4. In Colorado Revised Statutes, add 22-2-308 as
24 follows:

25 22-2-308. Data reporting requirements - office of legislative
 26 legal services. NOTWITHSTANDING THE PROVISIONS OF SECTION 2-3-505,
 27 C.R.S., THE OFFICE OF LEGISLATIVE LEGAL SERVICES, CREATED IN SECTION

1 2-3-501, C.R.S., SHALL NOTIFY EDAC OF ANY LEGISLATION INTRODUCED 2 THAT CREATES BY SPECIFIC LANGUAGE A NEW DATA REPORTING 3 REQUIREMENT TO ANY STATE OR FEDERAL AGENCY. 4 **SECTION 5.** In Colorado Revised Statutes, 22-7-1018, amend 5 (2) (c) as follows: 6 22-7-1018. Cost study. (2) The entity selected to conduct the cost 7 study shall submit reports to the department of education and the 8 department of higher education in accordance with the following 9 timeline: 10 (c) On or before October 1, 2012, 2014, a report of the costs 11 pertaining to implementation of the diploma endorsements. **SECTION 6.** In Colorado Revised Statutes, 22-9-105.7, amend 12 13 (1) as follows: 14 22-9-105.7. Great teachers and leaders fund - created - gifts, 15 grants, and donations. (1) The department is authorized to seek, accept, 16 and expend federal grants GIFTS, GRANTS, AND DONATIONS for the 17 implementation of section 22-9-105.5; except that the department may not 18 accept a gift, grant, or donation except from federal moneys that is subject 19 to conditions that are inconsistent with this or any law of the state. The 20 department shall transmit all federal moneys received to the state 21 treasurer, who shall credit the same to the great teachers and leaders fund, 22 which fund is hereby created and referred to in this section as the "fund". 23 Moneys in the fund are continuously appropriated to the department for 24 the direct and indirect costs associated with implementing section 25 22-9-105.5. **SECTION 7.** In Colorado Revised Statutes, 22-11-204, amend 26

27 (4) (a) (II) as follows:

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1 **22-11-204. Performance indicators - measures.** (4) The 2 department shall determine the level of attainment of each public high 3 school, each school district, the institute, and the state as a whole on the 4 postsecondary and workforce readiness indicator by using, at a minimum, 5 the following measures:

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(a) For each public high school, the department shall calculate:

7 (II) Beginning with the 2011-12 school year and for each school 8 year thereafter As SOON AS THE DATA IS AVAILABLE, the percentage of 9 students graduating from the public high school who receive a diploma 10 that includes a postsecondary and workforce readiness endorsement as 11 described in section 22-7-1009 (1) and the percentage who receive a 12 diploma that includes an endorsement for exemplary demonstration of 13 postsecondary and workforce readiness as described in section 22-7-1009 14 (2); and

15 SECTION 8. In Colorado Revised Statutes, 22-11-602, amend 16 (2) as follows:

17 22-11-602. Colorado school awards program - John Irwin 18 schools of excellence awards - rules. (2) Of the moneys available for 19 the program pursuant to this part 6, one third shall be awarded to the 20 public schools whose WITH THE HIGHEST level of attainment on the 21 performance indicator concerning student achievement levels, as 22 calculated pursuant to section 22-11-204 (3). is within the top eight 23 percent of all public schools in the state. An award granted pursuant to 24 this section shall be known as a "John Irwin Schools of Excellence 25 Award".

26 SECTION 9. In Colorado Revised Statutes, 30-25-302, repeal (5) 27 (b) as follows:

1 **30-25-302.** Eligibility - determination of impact - procedures 2 - legislative declaration. (5) (b) Any school district which receives an 3 impact assistance grant pursuant to this section shall certify the amount 4 of said grant to the state board of education. 5 SECTION 10. In Colorado Revised Statutes, 22-30.5-112, add 6 (2) (c) (III) as follows: 7 22-30.5-112. Charter schools - financing - definitions -8 guidelines. (2) (c) (III) IF A CHARTER SCHOOL OPERATES A FULL-DAY 9 KINDERGARTEN PROGRAM, FOR PURPOSES OF CALCULATING THE CHARTER 10 SCHOOL'S FUNDING PURSUANT TO THIS SUBSECTION (2), THE NUMBER OF 11 PUPILS ENROLLED IN THE CHARTER SCHOOL SHALL INCLUDE THE 12 SUPPLEMENTAL KINDERGARTEN ENROLLMENT AS DEFINED IN SECTION 13 22-54-103 (15). 14 SECTION 11. In Colorado Revised Statutes, 22-30.5-112.1, add 15 (3) (c) as follows: 16 Charter schools - definitions - exclusive 22-30.5-112.1. 17 jurisdiction districts - authorized on or after July 1, 2004 - financing. 18 (3) (c) IF A CHARTER SCHOOL OPERATES A FULL-DAY KINDERGARTEN 19 PROGRAM, FOR PURPOSES OF CALCULATING THE CHARTER SCHOOL'S 20 FUNDING PURSUANT TO THIS SUBSECTION (3), THE NUMBER OF PUPILS 21 ENROLLED IN THE CHARTER SCHOOL SHALL INCLUDE THE SUPPLEMENTAL 22 KINDERGARTEN ENROLLMENT AS DEFINED IN SECTION 22-54-103 (15). 23 SECTION 12. In Colorado Revised Statutes, 22-30.5-513, add 24 (2) (b.5) as follows: 25 22-30.5-513. Institute charter schools - definitions - funding. 26 (2) (b.5) IF AN INSTITUTE CHARTER SCHOOL OPERATES A FULL-DAY 27 KINDERGARTEN PROGRAM, FOR PURPOSES OF CALCULATING THE INSTITUTE

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CHARTER SCHOOL'S FUNDING PURSUANT TO THIS SUBSECTION (2), THE
 NUMBER OF PUPILS ENROLLED IN THE INSTITUTE'S CHARTER SCHOOL SHALL
 INCLUDE THE SUPPLEMENTAL KINDERGARTEN ENROLLMENT AS DEFINED
 IN SECTION 22-54-103 (15).

5 SECTION 13. In Colorado Revised Statutes, 22-30.7-107, repeal
6 (3) as follows:

22-30.7-107. Funding. (3) For the 2008-09 budget year, and for
each budget year thereafter, an authorizer that is providing an on-line
program may receive funding for each student enrolled in the on-line
program, regardless of whether the student was included in the pupil
enrollment or on-line pupil enrollment of a school district or institute
charter school for the preceding school year.

13 SECTION 14. In Colorado Revised Statutes, 22-30.7-102,
14 amend (9) and add (9.5) as follows:

15 22-30.7-102. Definitions. As used in this article, unless the
16 context otherwise requires:

17 (9) "On-line program" means a full-time, on-line education 18 program or school authorized pursuant to this article that delivers a 19 sequential program of synchronous or asynchronous instruction from a 20 teacher to a student primarily through the use of technology. via the 21 internet in a virtual or remote setting. THE INTERNET. "On-line program" 22 does not include a supplemental program. ACCOUNTABILITY FOR EACH 23 STUDENT IN AN ON-LINE PROGRAM IS ATTRIBUTED BACK TO A DESIGNATED 24 SCHOOL THAT HOUSES THE ON-LINE PROGRAM.

25 (9.5) "ON-LINE SCHOOL" MEANS A FULL-TIME, ON-LINE EDUCATION
26 SCHOOL AUTHORIZED PURSUANT TO THIS ARTICLE THAT DELIVERS A
27 SEQUENTIAL PROGRAM OF SYNCHRONOUS OR ASYNCHRONOUS

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INSTRUCTION FROM A TEACHER TO A STUDENT PRIMARILY THROUGH THE
 USE OF THE INTERNET. AN ON-LINE SCHOOL HAS AN ASSIGNED SCHOOL
 CODE AND OPERATES WITH ITS OWN ADMINISTRATOR, A SEPARATE
 BUDGET, AND A COMPLETE INSTRUCTIONAL PROGRAM. AN ON-LINE
 SCHOOL IS RESPONSIBLE FOR FULFILLING ALL REPORTING REQUIREMENTS
 AND WILL BE HELD TO STATE AND FEDERALLY MANDATED
 ACCOUNTABILITY PROCESSES.

8 SECTION 15. In Colorado Revised Statutes, 22-32-109.4,
9 amend (3) (a) and repeal (3) (b) as follows:

10 22-32-109.4. "Colorado School Collective Bargaining 11 Agreement Sunshine Act" - board of education - specific duties. 12 (3) In addition to any other duty required to be performed by law, each 13 board of education shall cause, within thirty days following August 8, 14 2001, a true and correct copy of each collective bargaining agreement 15 entered into by the board of education and in effect as of said date and all subsequent collective bargaining agreements entered into by the board of 16 17 education, within thirty working days following the date of ratification of 18 each agreement, to be:

- (a) Posted on the web site of the school district; if the school
 district maintains a web site;
 - (b) Filed with the state board of education;

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- SECTION 16. In Colorado Revised Statutes, 22-32-120, amend
 (7) (b) (V) as follows:
- rules. (7) On or before October 1, 2009, the state board of education
 shall promulgate rules establishing:
- 27 (b) A timeline, standards, and procedures for the department of
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22-32-120. Food services - facilities - school food authorities -

education to use in granting or denying authorization as a school food
 authority to a district charter school or an institute charter school. The
 standards shall include, at a minimum, the following requirements:

4 (V) The department of education shall not grant authorization as
5 a school food authority to more than six TEN applicant district charter
6 schools or institute charter schools until July 1, 2011 2016, including any
7 district charter schools or institute charter schools that have been granted
8 provisional authorization pursuant to subsection (6) of this section.

9 SECTION 17. In Colorado Revised Statutes, 22-44-102, add
10 (7.5) as follows:

11 22-44-102. Definitions. As used in this part 1, unless the context
12 otherwise requires:

"ONGOING DEFICIT" MEANS ANY NEGATIVE AMOUNT 13 (7.5)14 REPORTED IN THE ANNUAL FINANCIAL AUDIT OR SUBMITTED THROUGH THE 15 DEPARTMENT'S FINANCIAL DATA-COLLECTION PROCESS BY THE SCHOOL 16 DISTRICT, BOARD OF COOPERATIVE SERVICES, CHARTER SCHOOL, OR 17 CHARTER SCHOOL INSTITUTE IN THE UNASSIGNED FUND BALANCE FOR 18 GOVERNMENTAL FUNDS OR UNRESTRICTED NET ASSETS FOR PROPRIETARY 19 FUNDS AS IDENTIFIED IN THE STANDARD STATEWIDE CHART OF ACCOUNTS. 20 **SECTION 18.** In Colorado Revised Statutes, 22-44-105, add (1) 21 (c.4) as follows:

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

(c.4) UPON REVIEW OF THE LETTER OF INTENT SUBMITTED TO THE
 STATE TREASURER AND THE DEPARTMENT OF EDUCATION, THE
 DEPARTMENT OF EDUCATION WILL NOTIFY THE BOARD OF EDUCATION OF
 THE ACCEPTANCE, IF APPROPRIATE, OF THE USE OF REAL PROPERTY
 FOR THE ESTABLISHMENT OF A DISTRICT EMERGENCY RESERVE PURSUANT
 TO PARAGRAPH (c.5) OF THIS SUBSECTION (1).

7 SECTION 19. In Colorado Revised Statutes, 22-54-115, amend
8 (1) (a) as follows:

9 **22-54-115. Distribution from state public school fund.** (1) No 10 later than June 30 of each year, the state board shall determine the amount 11 of the state's share of the district's total program for the budget year 12 beginning on July 1, and the total thereof for all districts, which amount 13 shall be payable in twelve approximately equal monthly payments during 14 such budget year; except that:

(a) Such payments shall be adjusted following the certification of
pupil enrollments, the certification of valuations for assessment to the
state board pursuant to section 22-54-112 (1) and (2), the certification of
the amount of any impact assistance grants on behalf of school districts
pursuant to section 30-25-302, C.R.S., and the certification of any
payments in lieu of taxes received by school districts pursuant to section
39-3-114.5, C.R.S.;

SECTION 20. In Colorado Revised Statutes, repeal 22-54-128.
 SECTION 21. In Colorado Revised Statutes, 22-2-107, amend
 (1) (s), (1) (t); and add (1) (u) as follows:

25 22-2-107. State board - power. (1) The state board has the
26 power:

27 (s) To approve programs by nonpublic, nonparochial schools to

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1	provide educational services to students pursuant to section 22-33-203,
2	and to approve services to be provided to at-risk students pursuant to
3	agreements entered into pursuant to section 22-33-204; and
4	(t) To render a decision on the appeal of the state charter school
5	institute's approval or denial of an institute charter school application or
6	the revocation or nonrenewal of an institute charter school contract
7	pursuant to part 5 of article 30.5 of this title; AND
8	(u) To promulgate rules concerning parental notification
9	WHEN A SCHOOL EMPLOYEE IS CHARGED WITH OR ARRESTED FOR A
10	CRIMINAL OFFENSE.
11	SECTION 22. In Colorado Revised Statutes, 22-60.5-107, add
12	(10) as follows:
13	22-60.5-107. Grounds for denying, annulling, suspending, or
14	revoking license, certificate, endorsement, or authorization. (10) T_{HE}
15	COMMISSIONER OF EDUCATION MAY ISSUE SUBPOENAS TO COMPEL THE
16	PRODUCTION OF ALL RELEVANT PAPERS, BOOKS, RECORDS, DOCUMENTARY
17	EVIDENCE, AND MATERIALS IN SUPPORT OF THE DEPARTMENT'S
18	INVESTIGATION OF ALLEGATIONS THAT, IF TRUE, MAY ESTABLISH GROUNDS
19	FOR DENYING, ANNULLING, REVOKING, OR SUSPENDING AN EDUCATOR
20	LICENSE, CERTIFICATE, ENDORSEMENT, OR AUTHORIZATION. UPON
21	FAILURE OF A PERSON TO COMPLY WITH SUCH SUBPOENA, THE DISTRICT
22	COURT OF THE COUNTY IN WHICH THE SUBPOENAED PERSON RESIDES OR
23	CONDUCTS BUSINESS, UPON APPLICATION BY THE DEPARTMENT WITH
24	NOTICE TO THE SUBPOENAED PERSON, MAY ISSUE TO THE SUBPOENAED
25	PERSON AN ORDER REQUIRING THAT PERSON TO PRODUCE THE RELEVANT
26	PAPERS, BOOKS, RECORDS, DOCUMENTARY EVIDENCE, OR MATERIALS IF SO
27	ORDERED, OR TO GIVE EVIDENCE TOUCHING THE MATTER UNDER

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1	INVESTIGATION OR QUESTION. FAILURE TO OBEY THE ORDER OF THE COURT
2	MAY BE PUNISHED BY THE COURT AS CONTEMPT OF COURT.
3	SECTION 23. In Colorado Revised Statutes, 22-2-130, amend (2)
4	(b) and (2) (c) as follows:
5	22-2-130. Supplemental on-line education grant program -
6	legislative declaration - definitions - creation - eligibility - award -
7	fund. (2) As used in this section, unless the context otherwise requires:
8	(b) "Eligible charter school" means:
9	(I) A charter school that is authorized by an eligible school district
10	pursuant to part 1 of article 30.5 of this title and that does not operate an
11	on-line program OR AS AN ON-LINE SCHOOL; or
12	(II) An institute charter school that is authorized pursuant to part
13	5 of article 30.5 of this title, that enrolls fewer than three thousand
14	students, as determined by the institute charter school's pupil enrollment
15	certified by the state charter school institute on behalf of the institute
16	charter school to the state board pursuant to section 22-30.5-513 (3) (a),
17	and that does not operate an on-line program OR AS AN ON-LINE SCHOOL.
18	(c) "Eligible school district" means a school district that does not
19	export an on-line program OR ON-LINE SCHOOL to students receiving the
20	program at a location outside of the school district's geographic
21	boundaries and that enrolls fewer than three thousand students, as
22	determined by the school district's pupil enrollment certified to the state
23	board pursuant to section 22-54-112.
24	SECTION 24. In Colorado Revised Statutes, 22-11-103, amend
25	(28) as follows:
26	22-11-103. Definitions. As used in this article, unless the context
27	otherwise requires:

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1	(28) "Public school" shall have the same meaning as provided in
2	section 22-1-101 and includes, but is not limited to, a district charter
3	school, an institute charter school, and an on-line program, as defined in
4	section 22-30.7-102 (9), AND AN ON-LINE SCHOOL, AS DEFINED IN SECTION
5	22-30.7-102 (9.5).
6	SECTION 25. In Colorado Revised Statutes, 22-11-307, amend
7	(2.5) as follows:
8	22-11-307. Accreditation of public schools. (2.5) In adopting its
9	school accreditation policies for its on-line programs AND ON-LINE
10	SCHOOLS, as defined in section SECTIONS 22-30.7-102 (9) AND
11	22-30.7-102 (9.5), a local school board or the institute board shall include
12	a review of the on-line program's OR SCHOOL'S alignment to the quality
13	standards outlined in section 22-30.7-105 (3) (b).
14	SECTION 26. In Colorado Revised Statutes, 22-20-109, amend
15	(2.5) (a), (4) (a), (5) (a), (6), (7) introductory portion, (7) (b), (7) (c), and
16	(7) (d) as follows:
17	22-20-109. Tuition - rules. (2.5) (a) When a child with a
18	disability is placed out of the home in a group home and attends school
19	in an administrative unit other than the child's administrative unit of
20	residence and the school does not provide the child with an on-line
21	program OR ON-LINE SCHOOL pursuant to article 30.7 of this title, the
22	district of residence shall be responsible for paying the tuition charge for
23	educating the child to the administrative unit of attendance.
24	(4) (a) When a child with a disability enrolls and attends a school
25	in an administrative unit other than the child's administrative unit of
26	residence pursuant to the provisions of section 22-36-101, and the school
27	does not provide the child an on-line program OR ON-LINE SCHOOL

pursuant to article 30.7 of this title, the district of residence shall be
 responsible for paying the tuition charge for educating the child to the
 administrative unit of attendance.

4 (5) (a) When a child with a disability enrolls in and attends a 5 district charter school pursuant to the provisions of part 1 of article 30.5 6 of this title or an institute charter school pursuant to part 5 of article 30.5 7 of this title, including a district or institute charter school that provides an 8 on-line program OR OPERATES AS AN ON-LINE SCHOOL pursuant to article 9 30.7 of this title, the district of residence shall be responsible for paying 10 to the district or institute charter school the tuition charge for the excess 11 costs incurred in educating the child.

12 (6) (a) When a child with a disability enrolls in and attends an 13 on-line program OR ON-LINE SCHOOL pursuant to article 30.7 of this title 14 that is not provided by a district or institute charter school, the district of 15 residence shall be responsible for paying to the provider of the on-line 16 program OR ON-LINE SCHOOL the tuition charge for the excess costs 17 incurred in educating the child.

(b) The provider of the on-line program OR ON-LINE SCHOOL shall
not charge the district of residence tuition for the excess costs incurred in
educating a child with a disability who receives educational services from
the provider of the on-line program OR ON-LINE SCHOOL unless the child
meets the criteria for funding pursuant to section 22-20-114 (1) (c) (II).

(c) The on-line provider shall provide notice to the administrative
unit of attendance, the administrative unit of residence, and the district of
residence if it is not an administrative unit, in accordance with state board
rules adopted pursuant to subsection (7) of this section when a child with
a disability applies to enroll in the on-line program OR ON-LINE SCHOOL.

1 The notice shall be in writing and shall also be sent to the special 2 education directors for the administrative units of residence and of 3 attendance. If the on-line provider does not intend to seek tuition costs, 4 notification is not required.

5 (d) The amount of the tuition charge shall be determined pursuant 6 to rules adopted by the state board pursuant to subsection (7) of this 7 section. The tuition responsibility shall be reflected in a contract entered 8 into by the administrative unit of residence, the district of residence if it 9 is not an administrative unit, the administrative unit of attendance, and the 10 district of attendance if it is not an administrative unit. Under the 11 circumstances described in this subsection (6), the provisions of section 12 22-20-108 (8) shall not apply.

(7) For the 2004-05 budget year and budget years thereafter, the
state board shall promulgate rules pertaining to the education of children
with disabilities in charter schools and rules pertaining to the education
of children with disabilities through on-line programs AND ON-LINE
SCHOOLS. Both sets of rules shall include, but need not be limited to, rules
to:

(b) Define the types and amounts of allowable costs in excess of
the per pupil funding for the child with a disability, as determined
pursuant to article 54 of this title, and any other state and federal revenues
received for educating the child, that a charter school, or on-line program,
OR ON-LINE SCHOOL may charge as tuition to a district of residence;

(c) Define other applicable revenues that a district of residence of
a child with a disability shall apply in paying the tuition charge for excess
costs incurred in educating the child at a charter school or through an
on-line program OR ON-LINE SCHOOL;

1	(d) Specify the limitations on the number of staff members per
2	number of students that a charter school, or on-line program, OR ON-LINE
3	SCHOOL shall provide in educating children with disabilities;
4	SECTION 27. In Colorado Revised Statutes, 22-30.5-103,
5	amend (6) as follows:
6	22-30.5-103. Definitions. As used in this part 1, unless the
7	context otherwise requires:
8	(6) "On-line pupil" means:
9	(a) For the 2007-08 budget year, a child who receives educational
10	services predominantly through an on-line program OR ON-LINE SCHOOL
11	created pursuant to article 30.7 of this title.
12	(b) For the 2008-09 budget year, and for each budget year
13	thereafter, a child who receives educational services predominantly
14	through a multi-district program ON-LINE SCHOOL, as defined in section
15	22-30.7-102 (6) (9.5), created pursuant to article 30.7 of this title.
16	SECTION 28. In Colorado Revised Statutes, 22-30.5-104,
17	amend (8) as follows:
18	22-30.5-104. Charter school - requirements - authority. (8) A
19	charter school shall be authorized to offer any educational program,
20	including but not limited to an on-line program OR ON-LINE SCHOOL
21	CREATED pursuant to article 30.7 of this title, that may be offered by a
22	school district and that is research-based and has been proven to be
23	effective, unless expressly prohibited by state law.
24	SECTION 29. In Colorado Revised Statutes, 22-30.5-112,
25	amend (2) (a.7) as follows:
26	22-30.5-112. Charter schools - financing - definitions -
27	guidelines. (2) (a.7) For the 2000-01 budget year through the 2008-09

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1	budget year, each charter school shall annually allocate the minimum per
2	pupil dollar amount specified in section 22-54-105 (2) (b), multiplied by
3	the number of students enrolled in the charter school who are not students
4	enrolled in an on-line program OR AN ON-LINE SCHOOL, as defined in
5	section SECTIONS 22-30.7-102 (9) AND 22-30.7-102 (9.5), to a fund
6	created by the charter school for capital reserve purposes, as set forth in
7	section 22-45-103 (1) (c) and (1) (e), or solely for the management of
8	risk-related activities, as identified in section 24-10-115, C.R.S., and
9	article 13 of title 29, C.R.S., or among such allowable funds. Said moneys
10	shall be used for the purposes set forth in section 22-45-103 (1) (c) and
11	(1) (e) and may not be expended by the charter school for any other
12	purpose. Any moneys remaining in such THE fund that have not been
13	expended prior to the 2009-10 budget year shall be budgeted for the
14	purposes set forth in section 22-45-103 (1) (c) and (1) (e) in the 2009-10
15	budget year or any budget year thereafter.
15	budget year or any budget year thereafter.
15 16	budget year or any budget year thereafter. SECTION 30. In Colorado Revised Statutes, 22-30.5-112.1,
15 16 17	 budget year or any budget year thereafter. SECTION 30. In Colorado Revised Statutes, 22-30.5-112.1, amend (1) (k) (II) as follows:
15 16 17 18	 budget year or any budget year thereafter. SECTION 30. In Colorado Revised Statutes, 22-30.5-112.1, amend (1) (k) (II) as follows: 22-30.5-112.1. Charter schools - definitions - exclusive
15 16 17 18 19	 budget year or any budget year thereafter. SECTION 30. In Colorado Revised Statutes, 22-30.5-112.1, amend (1) (k) (II) as follows: 22-30.5-112.1. Charter schools - definitions - exclusive jurisdiction districts - authorized on or after July 1, 2004 - financing.
15 16 17 18 19 20	 budget year or any budget year thereafter. SECTION 30. In Colorado Revised Statutes, 22-30.5-112.1, amend (1) (k) (II) as follows: 22-30.5-112.1. Charter schools - definitions - exclusive jurisdiction districts - authorized on or after July 1, 2004 - financing. (1) As used in this section, unless the context otherwise requires:
15 16 17 18 19 20 21	 budget year or any budget year thereafter. SECTION 30. In Colorado Revised Statutes, 22-30.5-112.1, amend (1) (k) (II) as follows: 22-30.5-112.1. Charter schools - definitions - exclusive jurisdiction districts - authorized on or after July 1, 2004 - financing. (1) As used in this section, unless the context otherwise requires: (k) "On-line pupil enrollment" means:
15 16 17 18 19 20 21 22	 budget year or any budget year thereafter. SECTION 30. In Colorado Revised Statutes, 22-30.5-112.1, amend (1) (k) (II) as follows: 22-30.5-112.1. Charter schools - definitions - exclusive jurisdiction districts - authorized on or after July 1, 2004 - financing. (1) As used in this section, unless the context otherwise requires: (k) "On-line pupil enrollment" means: (II) For the 2008-09 budget year, and for budget years thereafter,
15 16 17 18 19 20 21 22 23	 budget year or any budget year thereafter. SECTION 30. In Colorado Revised Statutes, 22-30.5-112.1, amend (1) (k) (II) as follows: 22-30.5-112.1. Charter schools - definitions - exclusive jurisdiction districts - authorized on or after July 1, 2004 - financing. (1) As used in this section, unless the context otherwise requires: (k) "On-line pupil enrollment" means: (II) For the 2008-09 budget year, and for budget years thereafter, the number of pupils, on October 1 within the applicable budget year or
 15 16 17 18 19 20 21 22 23 24 	 budget year or any budget year thereafter. SECTION 30. In Colorado Revised Statutes, 22-30.5-112.1, amend (1) (k) (II) as follows: 22-30.5-112.1. Charter schools - definitions - exclusive jurisdiction districts - authorized on or after July 1, 2004 - financing. (1) As used in this section, unless the context otherwise requires: (k) "On-line pupil enrollment" means: (II) For the 2008-09 budget year, and for budget years thereafter, the number of pupils, on October 1 within the applicable budget year or the school day nearest said date, enrolled in, attending, and actively

1	SECTION 31. In Colorado Revised Statutes, 22-30.5-112.3,
2	amend (1) (a.7) (II) as follows:
3	22-30.5-112.3. Charter schools - additional aid from district.
4	(1) (a.7) (II) As used in this paragraph (a.7), "pupils" means
5	pupils, other than pupils enrolled in an on-line program OR ON-LINE
6	SCHOOL, as defined in section SECTIONS 22-30.7-102 (9) AND 22-30.7-102
7	(9.5), who are enrolled in a charter school.
8	SECTION 32. In Colorado Revised Statutes, 22-30.5-502,
9	amend (9) as follows:
10	22-30.5-502. Definitions. As used in this part 5, unless the
11	context otherwise requires:
12	(9) "On-line pupil" means:
13	(a) For the 2007-08 budget year, a child who receives educational
14	services predominantly through an on-line program OR ON-LINE SCHOOL
15	created pursuant to article 30.7 of this title;
16	(b) For the 2008-09 budget year, and for each budget year
17	thereafter, a child who receives educational services predominantly
18	through a multi-district program ON-LINE SCHOOL, as defined in section
19	22-30.7-102 (6), created pursuant to article 30.7 of this title.
20	SECTION 33. In Colorado Revised Statutes, 22-30.5-507,
21	amend (9) as follows:
22	22-30.5-507. Institute charter school - requirements -
23	authority. (9) An institute charter school is authorized to offer any
24	educational program, including but not limited to an on-line program OR
25	ON-LINE SCHOOL pursuant to article 30.7 of this title, that may be offered
26	by a school district, unless expressly prohibited by its charter contract or
27	by state law.

1	SECTION 34. In Colorado Revised Statutes, 22-30.5-513,
2	amend (1) (j) (II) as follows:
3	22-30.5-513. Institute charter schools - definitions - funding.
4	(1) As used in this section, unless the context otherwise requires:
5	(j) "On-line pupil enrollment" means:
6	(II) For the 2008-09 budget year, and for budget years thereafter,
7	the number of pupils, on October 1 within the applicable budget year or
8	the school day nearest said date, enrolled in, attending, and actively
9	participating in a multi-district program ON-LINE SCHOOL, as defined in
10	section 22-30.7-102 (6), created pursuant to article 30.7 of this title by the
11	institute charter school.
12	SECTION 35. In Colorado Revised Statutes, amend 22-30.5-514
13	as follows:
14	22-30.5-514. Institute charter school - capital reserve, risk
14 15	22-30.5-514. Institute charter school - capital reserve, risk management, and instructional purposes. (1) For the 2004-05 budget
15	management, and instructional purposes. (1) For the 2004-05 budget
15 16	management, and instructional purposes. (1) For the 2004-05 budget year through the 2008-09 budget year, each institute charter school shall
15 16 17	management, and instructional purposes. (1) For the 2004-05 budget year through the 2008-09 budget year, each institute charter school shall annually allocate the minimum per pupil dollar amount specified in
15 16 17 18	management, and instructional purposes. (1) For the 2004-05 budget year through the 2008-09 budget year, each institute charter school shall annually allocate the minimum per pupil dollar amount specified in section 22-54-105 (2) (b), multiplied by the number of students enrolled
15 16 17 18 19	management, and instructional purposes. (1) For the 2004-05 budget year through the 2008-09 budget year, each institute charter school shall annually allocate the minimum per pupil dollar amount specified in section 22-54-105 (2) (b), multiplied by the number of students enrolled in the institute charter school who are not students enrolled in an on-line
15 16 17 18 19 20	management, and instructional purposes. (1) For the 2004-05 budget year through the 2008-09 budget year, each institute charter school shall annually allocate the minimum per pupil dollar amount specified in section 22-54-105 (2) (b), multiplied by the number of students enrolled in the institute charter school who are not students enrolled in an on-line program OR ON-LINE SCHOOL, as defined in section SECTIONS 22-30.7-102
15 16 17 18 19 20 21	management, and instructional purposes. (1) For the 2004-05 budget year through the 2008-09 budget year, each institute charter school shall annually allocate the minimum per pupil dollar amount specified in section 22-54-105 (2) (b), multiplied by the number of students enrolled in the institute charter school who are not students enrolled in an on-line program OR ON-LINE SCHOOL, as defined in section SECTIONS 22-30.7-102 (9.5), to a fund created by the institute charter school
15 16 17 18 19 20 21 22	management, and instructional purposes. (1) For the 2004-05 budget year through the 2008-09 budget year, each institute charter school shall annually allocate the minimum per pupil dollar amount specified in section 22-54-105 (2) (b), multiplied by the number of students enrolled in the institute charter school who are not students enrolled in an on-line program OR ON-LINE SCHOOL, as defined in section SECTIONS 22-30.7-102 (9) AND 22-30.7-102 (9.5), to a fund created by the institute charter school for capital reserve purposes, as set forth in section 22-45-103 (1) (c) and
 15 16 17 18 19 20 21 22 23 	management, and instructional purposes. (1) For the 2004-05 budget year through the 2008-09 budget year, each institute charter school shall annually allocate the minimum per pupil dollar amount specified in section 22-54-105 (2) (b), multiplied by the number of students enrolled in the institute charter school who are not students enrolled in an on-line program OR ON-LINE SCHOOL, as defined in section SECTIONS 22-30.7-102 (9) AND 22-30.7-102 (9.5), to a fund created by the institute charter school for capital reserve purposes, as set forth in section 22-45-103 (1) (c) and (1) (e), or solely for the management of risk-related activities, as
 15 16 17 18 19 20 21 22 23 24 	management, and instructional purposes. (1) For the 2004-05 budget year through the 2008-09 budget year, each institute charter school shall annually allocate the minimum per pupil dollar amount specified in section 22-54-105 (2) (b), multiplied by the number of students enrolled in the institute charter school who are not students enrolled in an on-line program OR ON-LINE SCHOOL, as defined in section SECTIONS 22-30.7-102 (9) AND 22-30.7-102 (9.5), to a fund created by the institute charter school for capital reserve purposes, as set forth in section 22-45-103 (1) (c) and (1) (e), or solely for the management of risk-related activities, as identified in section 24-10-115, C.R.S., and article 13 of title 29, C.R.S.,

moneys remaining in such THE fund that have not been expended prior to
the 2009-10 budget year shall be budgeted for the purposes set forth in
section 22-45-103 (1) (c) and (1) (e) in the 2009-10 budget year or any
budget year thereafter.

5 (2) For the 2004-05 budget year through the 2008-09 budget year, 6 each institute charter school shall annually allocate the minimum per 7 pupil dollar amount specified in section 22-54-105 (1) (b), multiplied by 8 the number of students enrolled in the institute charter school who are not 9 students enrolled in an on-line program OR ON-LINE SCHOOL, as defined 10 in section SECTIONS 22-30.7-102 (9) AND 22-30.7-102 (9.5), to accounts 11 created by the institute charter school for instructional supplies and 12 materials, instructional capital outlays, or other instructional purposes, as 13 set forth in section 22-45-103 (1) (a) (II), or among such accounts. 14 Moneys may be transferred among the three accounts. The moneys in the 15 accounts shall be used for the purposes set forth in section 22-45-103(1)16 (a) (II) and may not be expended by the institute charter school for any 17 other purpose. Any moneys in the accounts that are not projected to be 18 expended during a budget year shall be budgeted for the purposes set 19 forth in section 22-45-103 (1) (a) (II) in the next budget year. Nothing in 20 this subsection (2) shall be construed to require that interest on moneys 21 in the accounts be specifically allocated to the accounts. Any moneys 22 remaining in any such THE account that have not been expended prior to 23 the 2009-10 budget year shall be budgeted for the purposes set forth in 24 section 22-45-103 (1) (a) (II) in the 2009-10 budget year or any budget 25 year thereafter.

26 SECTION 36. In Colorado Revised Statutes, 22-30.5-515,
27 amend (1) (b) as follows:

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1	22-30.5-515. Institute charter school - additional aid.
2	(1) (b) As used in this subsection (1), "pupils" means pupils other than
3	pupils enrolled in an on-line program OR ON-LINE SCHOOL, as defined in
4	section SECTIONS 22-30.7-102 (9) AND 22-30.7-102 (9.5), who are
5	enrolled in a qualified charter school.
6	SECTION 37. In Colorado Revised Statutes, 22-30.7-101, amend
7	(1) (e) and (1) (f) as follows:
8	22-30.7-101. Legislative declaration. (1) The general assembly
9	hereby finds and declares that:
10	(e) On-line programs AND ON-LINE SCHOOLS must be accountable
11	to students and parents and to the institutions that accredit on-line
12	programs AND ON-LINE SCHOOLS;
13	(f) The state has a role in ensuring quality oversight of on-line
14	programs AND ON-LINE SCHOOLS, but the state should not replace a school
15	district or an authorizing entity in directly administering on-line programs
16	AND ON-LINE SCHOOLS;
17	SECTION 38. In Colorado Revised Statutes, 22-30.7-102,
18	amend (2), (6), (8), and (13) as follows:
19	22-30.7-102. Definitions. As used in this article, unless the
20	context otherwise requires:
21	(2) "Authorizer" means an entity that authorizes an on-line
22	program OR ON-LINE SCHOOL. "Authorizer" shall include a school district,
23	any group of two or more school districts, a board of cooperative services
24	created pursuant to section 22-5-104, or the state charter school institute
25	established pursuant to section 22-30.5-503.
26	(6) "Multi-district program ON-LINE SCHOOL" means an on-line
27	program SCHOOL that serves a student population drawn from two or

1 more school districts.

(8) "On-line learning expert" means a person with special
knowledge of and experience in the teaching or administration of
multi-district programs, single district programs, SINGLE-DISTRICT
ON-LINE PROGRAMS AND ON-LINE SCHOOLS, MULTI-DISTRICT ON-LINE
SCHOOLS, or supplemental programs for students in kindergarten through
twelfth grade.

8 (13) "Single-district ON-LINE program" OR "SINGLE-DISTRICT 9 ON-LINE SCHOOL" means an on-line program OR ON-LINE SCHOOL that 10 serves only students who reside within a single school district. or, in the 11 case of a program authorized by one or more districts or a board of 12 cooperative services, an on-line program that serves only students who 13 reside within the authorizing districts or within the member districts of 14 the authorizing board of cooperative services.

SECTION 39. In Colorado Revised Statutes, 22-30.7-103,
 amend (2), (3) (b), (3) (d), (3) (i), (3) (j), (3) (l), and (3) (m) as follows:
 22-30.7-103. Division of on-line learning - created - duties.

18 (2) **Purposes.** The purposes of the on-line division are:

(a) To support on-line programs AND ON-LINE SCHOOLS, students,
parents, authorizers, and other entities related to on-line learning by
providing information and access to available data; and

(b) To facilitate the certification of multi-district programs
ON-LINE SCHOOLS in accordance with rules promulgated by the state board
pursuant to section 22-30.7-106.

(3) Duties. The on-line division shall have the following duties:
(b) To evaluate applications for certification of multi-district
programs ON-LINE SCHOOLS using criteria adopted by rules promulgated

by the state board pursuant to section 22-30.7-106 and to recommend that
 the state board grant or deny certification based upon the criteria;

(d) To recommend to the state board on or before September 1,
2007, a process, timeline, and standard MOU form for use by
multi-district programs ON-LINE SCHOOLS and school districts in crafting
memoranda of understanding pursuant to section 22-30.7-111 regarding
the placement of learning centers within the boundaries of a school
district. At a minimum, the standard MOU form shall include the
information specified in section 22-30.7-111 (1) (b).

10 (i) To establish a process and timeline for documenting and
11 tracking complaints concerning on-line programs AND ON-LINE SCHOOLS;
12 (j) To collect resources to support the implementation of quality
13 on-line programs AND ON-LINE SCHOOLS and make the resources available
14 to on-line programs AND ON-LINE SCHOOLS upon request;

(1) To annually collect and review information concerning sound
financial and accounting practices and resources for each on-line program
AND ON-LINE SCHOOL. The information may be the same information
submitted by on-line charter schools pursuant to section 22-30.5-109 (1);
and

20 (m) If the on-line division has reason to believe that an on-line 21 program OR ON-LINE SCHOOL is not in substantial compliance with one or 22 more of the statutory or regulatory requirements applicable to on-line 23 programs AND ON-LINE SCHOOLS, to provide notice to the on-line program 24 OR ON-LINE SCHOOL, and its authorizer, and require that the on-line 25 program OR ON-LINE SCHOOL, together with its authorizer, address a plan 26 for coming into compliance. The plan may be included in the school plan 27 required pursuant to section 22-11-210 (2).

SECTION 40. In Colorado Revised Statutes, amend 22-30.7-105

2 as follows:

1

22-30.7-105. Program criteria - guidelines - quality standards
- records - rules. (1) (a) A school district a group of two or more school
districts, a board of cooperative services created pursuant to section
22-5-104, and the state charter school institute established pursuant to
section 22-30.5-503 are hereby authorized to create or oversee
single-district ON-LINE programs OR SINGLE-DISTRICT ON-LINE SCHOOLS.

(b) A school district, a group of two or more school districts, a
board of cooperative services created pursuant to section 22-5-104, and
the state charter school institute established pursuant to section
22-30.5-503 are hereby authorized to create or oversee multi-district
programs ON-LINE SCHOOLS, subject to the requirement that the authorizer
apply to the on-line division for certification of the multi-district program
ON-LINE SCHOOL as described in section 22-30.7-106.

(c) Nothing in this article shall be construed to prohibit an on-line
program OR ON-LINE SCHOOL from providing supplemental on-line
courses.

(2) The following guidelines shall apply to each on-line program
OR ON-LINE SCHOOL that is created or overseen pursuant to the provisions
of this article:

(a) A student who is participating in an on-line program OR
ON-LINE SCHOOL shall be subject to compulsory school attendance as
provided in article 33 of this title and shall be deemed to comply with the
compulsory attendance requirements through participation in the on-line
program OR ON-LINE SCHOOL.

(b) Each student participating in an on-line program OR ON-LINE

SCHOOL shall be subject to the statewide assessments administered
 pursuant to section 22-7-409.

3 (c) The provisions of article 36 of this title concerning schools of
4 choice shall apply to an on-line program OR ON-LINE SCHOOL
5 implemented pursuant to this article.

6 (d) The provisions of the "Education Accountability Act of 2009",
7 article 11 of this title, shall apply to an on-line program OR ON-LINE
8 SCHOOL implemented pursuant to this article in the same manner as said
9 provisions apply to the other public schools operating in this state.

10 (3) (a) An on-line program OR ON-LINE SCHOOL that is 11 administered pursuant to the provisions of this article shall satisfy the 12 quality standards established by rules promulgated by the state board 13 pursuant to paragraph (b) of this subsection (3).

(b) On or before January 1, 2008, the state board, in consultation
with the on-line division, shall promulgate rules establishing quality
standards for on-line programs AND ON-LINE SCHOOLS administered
pursuant to the provisions of this article. The rules shall include, but need
not be limited to, the establishment of quality standards in the following
areas:

- 20 (I) An on-line program's OR ON-LINE SCHOOL'S governance, vision,
 21 and organization:
- 22 (II) Standards-based curricula and data-driven instructional
 23 practices;
- 24 (III) Technological capacity and support;
- 25 (IV) Internet safety;
- 26 (V) Sound financial and accounting practices and resources;
- 27 (VI) Student academic performance and improvement;

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1	(VII) Monitoring and assessment of student academic
2	performance and improvement;
3	(VIII) Course completion measurements;
4	(IX) Attendance tracking procedures;
5	(X) Data analysis, management, and reporting;
6	(XI) Guidance counseling;
7	(XII) Engagement of parents and communities in on-line
8	programs AND ON-LINE SCHOOLS;
9	(XIII) Provisions for students with special needs, including gifted
10	and talented students and English language learners; and
11	(XIV) Program evaluation and improvement.
12	(c) Repealed.
13	(4) (a) The records of each student participating in a multi-district
14	program ON-LINE SCHOOL shall be maintained on a permanent basis by the
15	authorizer of the multi-district program ON-LINE SCHOOL; except that, if
16	a charter school provides the multi-district program ON-LINE SCHOOL,
17	only the charter school and not the authorizer shall be required to
18	maintain the records. The records shall include, but need not be limited
19	to:
20	(I) Attendance data;
21	(II) Test, evaluation, and statewide assessment results;
22	(III) Immunization records, as required by sections 25-4-902 and
23	25-4-903, C.R.S.; and
24	(IV) Such other records as are required under law concerning
25	enrolled students, including but not limited to records required by state or
26	federal statutes concerning the education of students with disabilities.
27	(b) (I) If a student enrolled in a school within a school district

transfers to an on-line program OR ON-LINE SCHOOL, the school district
shall transmit to the on-line program OR ON-LINE SCHOOL all performance,
attendance, and assessment data concerning the student within thirty days
after the school district receives notice from the on-line program OR
ON-LINE SCHOOL that the student has enrolled in the on-line program OR
ON-LINE SCHOOL.

(II) If a student enrolled in an on-line program OR ON-LINE
SCHOOL transfers to a school within a school district, the on-line program
OR ON-LINE SCHOOL shall transmit to the school all performance,
attendance, and assessment data concerning the student within thirty days
after the on-line program OR ON-LINE SCHOOL receives notice from the
school district that the student has enrolled in the school.

(5) Each student participating in an on-line program OR ON-LINE
SCHOOL shall be a resident of this state and shall demonstrate that he or
she possesses the appropriate electronic equipment and resources to
participate in the program OR SCHOOL; except that an on-line program OR
ON-LINE SCHOOL may provide such equipment and resources to a student
to enable the student to participate in the on-line program OR ON-LINE
SCHOOL.

20 SECTION 41. In Colorado Revised Statutes, amend 22-30.7-106
21 as follows:

22 22-30.7-106. Certification of multi-district on-line schools criteria - rules. (1) If a school district, a group of two or more school
districts, a board of cooperative services created pursuant to section
25 22-5-104, or the state charter school institute established pursuant to
section 22-30.5-503 chooses to authorize a multi-district program
ON-LINE SCHOOL, the school district, group of two or more school

districts, board of cooperative services, or state charter school institute
 shall, prior to authorizing the multi-district program ON-LINE SCHOOL,
 apply to the on-line division for certification of the multi-district program
 ON-LINE SCHOOL.

5 (2) Notwithstanding the provisions of subsection (1) of this 6 section, the state board may, in its discretion, waive the requirement that 7 an authorizer that chooses to authorize a multi-district program ON-LINE 8 SCHOOL apply to the on-line division for certification of the program 9 SCHOOL if the multi-district program ON-LINE SCHOOL that the authorizer 10 seeks to authorize has ten or fewer students from outside the school 11 district enrolled in the program SCHOOL.

12 (3) Notwithstanding the provisions of subsection (1) of this 13 section, an authorizer of a single-district ON-LINE program OR ON-LINE SCHOOL that becomes a multi-district program ON-LINE SCHOOL shall not 14 15 be required to apply to the on-line division for certification of the 16 multi-district program ON-LINE SCHOOL in the event that ten or fewer 17 students from outside the school district in which the single-district 18 ON-LINE program OR ON-LINE SCHOOL is operating enroll in the program 19 MULTI-DISTRICT ON-LINE SCHOOL.

(4) The state board shall promulgate rules specifying criteria to be
used by the on-line division in certifying multi-district programs ON-LINE
SCHOOLS. The criteria shall include, but need not be limited to, the
following:

(a) Whether the authorizer of the multi-district program ON-LINE
SCHOOL possesses adequate resources and the capacity to oversee the
multi-district program ON-LINE SCHOOL, including but not limited to
oversight of the following components of the multi-district program

1	ON-LINE SCHOOL:

2	(I) Curriculum and instruction;
3	(II) Use of software applications and technology;
4	(III) Data gathering, analysis, and reporting;
5	(IV) Human resources management;
6	(V) Financial management, facilities management, and risk
7	management; and
8	(VI) Other relevant public education administration functions;
9	(b) Whether the plan for operating and monitoring the
10	multi-district program ON-LINE SCHOOL agreed to by the authorizer of the
11	multi-district program ON-LINE SCHOOL and the principal, director, or
12	other chief administrator of the multi-district program ON-LINE SCHOOL
13	adequately addresses, at a minimum, consideration of the following
14	elements:
15	(I) The multi-district program's ON-LINE SCHOOL'S vision, mission,
16	and goals;
17	(II) The multi-district program's ON-LINE SCHOOL'S organizational
18	structure and governance, including governing board and school policies
19	and procedures;
20	(III) Equitable access for all students;
21	(IV) Guidance counseling for all students enrolled in the
22	multi-district program ON-LINE SCHOOL;
23	(V) Student academic credit policies;
24	(VI) Student achievement and attendance policies, including but
25	not limited to monitoring graduation and dropout rates;
26	(VII) Student records policies and procedures;
27	(VIII) Student admission and placement policies and procedures;

1	(IX) Staff development plans;
2	(X) Student services, including counseling and tutorial support;
3	(XI) Staff, student, and parent handbooks;
4	(XII) Employment and contractor policies and procedures;
5	(XIII) Annual budgeting and finance practices;
6	(XIV) Facility plans, including any contemplated physical sites;
7	(XV) Risk management;
8	(XVI) Data development, analysis, and reporting; and
9	(XVII) Policies and procedures for facilitating communication
10	between the multi-district program ON-LINE SCHOOL, parents, and school
11	districts in which students who are enrolled in the multi-district program
12	ON-LINE SCHOOL reside; and
13	(c) The degree to which the multi-district program ON-LINE
14	SCHOOL will satisfy the quality standards for on-line programs AND
15	ON-LINE SCHOOLS described in section 22-30.7-105.
16	(5) On or before January 1, 2008, the state board shall promulgate
17	rules establishing processes and timelines by which a prospective
18	authorizer may apply to the on-line division for certification of a
19	multi-district program ON-LINE SCHOOL pursuant to this section.
20	(6) On or before January 1, 2008, the state board shall create an
21	expedited procedure for the approval or denial of certification for
22	multi-district programs ON-LINE SCHOOLS that were operating as of
23	January 1, 2007.
24	(7) Notwithstanding any provision of this section to the contrary,
25	an authorizer of a multi-district program ON-LINE SCHOOL that was
26	operating as of January 1, 2007, may continue to operate until August 1,
27	2008, without receiving certification of the program SCHOOL by the

1 on-line division pursuant to this section.

2 (8) The state board shall not approve the certification of a
3 multi-district program ON-LINE SCHOOL until the state board has
4 promulgated rules for such certification pursuant to this section.

5 SECTION 42. In Colorado Revised Statutes, 22-30.7-107,
6 amend (2) and (3) as follows:

22-30.7-107. Funding. (2) For the 2008-09 budget year, and for
each budget year thereafter, for purposes of determining total program
funding pursuant to article 54 of this title:

10 (a) (I) A school district that is providing a single-district ON-LINE 11 program OR ON-LINE SCHOOL, or a school district in which a district 12 charter school is providing a single-district ON-LINE program OR ON-LINE 13 SCHOOL, shall include each student who is enrolled in the single-district 14 ON-LINE program OR ON-LINE SCHOOL as of October 1 of the applicable 15 budget year in the school district's pupil enrollment for the applicable 16 budget year and shall receive the school district's per-pupil funding for 17 each student enrolled in the single-district ON-LINE program OR ON-LINE 18 SCHOOL.

19 (II) An institute charter school that is providing a single-district 20 ON-LINE program OR ON-LINE SCHOOL shall include each student who is 21 enrolled in the single-district ON-LINE program OR ON-LINE SCHOOL as of 22 October 1 of the applicable budget year in the institute charter school's 23 pupil enrollment for the applicable budget year and shall receive the 24 per-pupil funding of the institute charter school's accounting district for 25 each student enrolled in the single-district ON-LINE program OR ON-LINE 26 SCHOOL.

27

(b) (I) A school district that is providing a multi-district program

ON-LINE SCHOOL, or a school district in which a district charter school is
 providing a multi-district program ON-LINE SCHOOL, shall include each
 student who is enrolled in the multi-district program ON-LINE SCHOOL as
 of October 1 of the applicable budget year in the school district's on-line
 pupil enrollment for the applicable budget year and shall receive on-line
 funding, as specified in section 22-54-104 (4.5).

(II) An institute charter school that is providing a multi-district
program ON-LINE SCHOOL shall include each student who is enrolled in
the multi-district program ON-LINE SCHOOL as of October 1 of the
applicable budget year in the institute charter school's on-line enrollment
for the applicable budget year and shall receive on-line funding, as
specified in section 22-54-104 (4.5).

(3) For the 2008-09 budget year, and for each budget year
thereafter, an authorizer that is providing an on-line program OR ON-LINE
SCHOOL may receive funding for each student enrolled in the on-line
program OR ON-LINE SCHOOL, regardless of whether the student was
included in the pupil enrollment or on-line pupil enrollment of a school
district or institute charter school for the preceding school year.

SECTION 43. In Colorado Revised Statutes, 22-30.7-108,
amend (1) as follows:

21 22-30.7-108. Extracurricular and interscholastic activities.
(1) A student who is participating in an on-line program OR AN ON-LINE
SCHOOL, other than a student who is participating in the on-line program
OR ON-LINE SCHOOL after having been expelled from a public school, may
participate on an equal basis in any extracurricular or interscholastic
activity offered by a public school or offered by a private school, at the
private school's discretion, as provided in section 22-32-116.5.

SECTION 44. In Colorado Revised Statutes, amend
 22-30.7-109.5 as follows:

3 22-30.7-109.5. On-line programs and on-line schools - report 4 to authorizer and department. Each on-line program AND ON-LINE 5 SCHOOL shall annually submit to its authorizer and to the department 6 information, pursuant to state board rules, concerning sound financial and 7 accounting practices and resources. A multi-district on-line program 8 SCHOOL shall notify its authorizer and the department of any intent to amend the program's OR SCHOOL'S application for certification, which 9 10 shall include any intent to expand grade levels served by the program OR 11 SCHOOL, any intent to change education service providers, or other 12 intended changes, as defined by the state board. If the department 13 concludes that the on-line program OR ON-LINE SCHOOL should not be 14 permitted to amend its application for certification, based on the quality 15 standards established by the state board pursuant to section 22-30.7-105, 16 the department shall notify the authorizer and the on-line program OR 17 ON-LINE PROGRAM of its decision within thirty days of receiving the 18 notification from the program OR SCHOOL. The authorizer shall then have 19 thirty days to appeal the department's decision to the state board, pursuant 20 to the state board's administrative policies.

SECTION 45. In Colorado Revised Statutes, amend 22-30.7-111
 as follows:

23

22-30.7-111. Learning centers - memoranda of understanding

rules - appeal process. (1) (a) A multi-district program ON-LINE
 SCHOOL that intends to provide instruction to students within one or more
 learning centers shall, before providing such instruction, seek to enter into
 a memorandum of understanding with each school district in which the

multi-district program ON-LINE SCHOOL intends to provide instruction
 within a learning center.

3 (b) A multi-district program ON-LINE SCHOOL that intends to 4 provide instruction to students within a learning center shall notify the 5 school district in which the proposed learning center is located of the 6 multi-district program's ON-LINE SCHOOL'S intention in writing at least 7 ninety days before the multi-district program ON-LINE SCHOOL intends to 8 commence providing such instruction. The notice shall include the 9 standard MOU form that addresses, at a minimum, the following 10 information as it applies to each learning center to be located within the 11 school district: 12 (I) A description of any curricula that will be offered by the 13 multi-district program ON-LINE SCHOOL at the learning center; 14 (II) The proposed location of the learning center; 15 (III) The grade levels to be served at the learning center; 16 (IV) The number of students projected to attend the multi-district 17 program ON-LINE SCHOOL at the learning center; 18 (V) Any building permits or certifications of building safety that 19 may be required by law; 20 (VI) A list of all staff positions at the learning center, including 21 a description of duties for each position; 22 (VII) Measures to ensure compliance with state and federal laws 23 concerning educator licensing and fingerprint-based criminal history 24 record checks; 25 (VIII) The name of and contact information for the multi-district 26 program ON-LINE SCHOOL and the names of and contact information for 27 all learning center administrators; and

(IX) The plans for one or more public meetings to be held prior
 to the opening of a learning center.

3 (c) Within forty-five days after receiving the notice and standard 4 MOU form from a multi-district program ON-LINE SCHOOL pursuant to 5 paragraph (b) of this subsection (1), the school district and the 6 multi-district program ON-LINE SCHOOL shall meet to discuss the terms of 7 the memorandum of understanding, based on the standard MOU form 8 provided with the notice. The school district and the multi-district 9 program ON-LINE SCHOOL may mutually agree to change the information 10 in the standard MOU form provided with the notice or to include 11 information in the memorandum of understanding in addition to that 12 included in the standard MOU form.

(d) Within forty-five days after receiving the notice and the
standard MOU form pursuant to paragraph (b) of this subsection (1), the
school district and the multi-district program ON-LINE SCHOOL shall hold
at least one public meeting at which they shall receive public input
concerning location of one or more learning centers within the school
district.

19 (e) No later than forty-five days after the school district receives 20 the notice and standard MOU form pursuant to paragraph (b) of this 21 subsection (1), the school district shall notify the multi-district program 22 ON-LINE SCHOOL, the on-line division, and the state board in writing of the 23 school district's decision whether to enter into a memorandum of 24 understanding with the multi-district program ON-LINE SCHOOL for operation of a learning center within the school district. If the school 25 26 district does not provide notice of its decision within forty-five days, the 27 standard MOU form provided by the multi-district program ON-LINE

1 SCHOOL with the notice shall become effective on the forty-sixth day 2 following the school district's receipt of the notice and standard MOU 3 form, and the multi-district program ON-LINE SCHOOL may proceed under 4 the terms of the standard MOU form as provided to the school district.

5

(f) A school district may refuse to enter into a memorandum of 6 understanding with a multi-district program ON-LINE SCHOOL for the 7 operation of a learning center within the school district only if:

8 The standard MOU form provided by the multi-district (\mathbf{I}) 9 program ON-LINE SCHOOL fails to satisfy the requirements described in 10 paragraph (b) of this subsection (1); or

11 (II)The school district reasonably determines that the 12 multi-district program ON-LINE SCHOOL is contrary to the best interests of 13 the pupils, parents, community, or school district.

(g) If a school district refuses to enter into a memorandum of 14 15 understanding with a multi-district program ON-LINE SCHOOL for 16 operation of a learning center, the multi-district program ON-LINE SCHOOL 17 may appeal the school district's decision to the state board pursuant to the 18 provisions of subsection (6) of this section.

19 (h) Notwithstanding any provision of this section to the contrary, 20 a multi-district program ON-LINE SCHOOL that seeks to operate a learning 21 center within a school district shall not be required to enter into a 22 memorandum of understanding with the school district if the school 23 district is the authorizer of the multi-district program ON-LINE SCHOOL.

24 (i) Notwithstanding any provision of this section to the contrary, 25 a school district and a multi-district program ON-LINE SCHOOL may 26 mutually agree in writing to decline to enter into a memorandum of 27 understanding.

(j) To ensure that all students have a reasonable opportunity to
 benefit from on-line education, a school district and a multi-district
 program ON-LINE SCHOOL shall make good faith efforts to craft and enter
 into a memorandum of understanding pursuant to the provisions of this
 section.

6 (2) A memorandum of understanding entered into by a school 7 district and a multi-district program ON-LINE SCHOOL pursuant to the 8 provisions of this section shall be effective for three years. A school 9 district and a multi-district program ON-LINE SCHOOL may enter into an 10 unlimited number of successive memoranda of understanding.

11 (3) If a school district and a multi-district program ON-LINE 12 SCHOOL enter into a memorandum of understanding pursuant to the 13 provisions of this section, the memorandum of understanding shall 14 include consideration of all learning centers that the multi-district 15 program ON-LINE SCHOOL proposes, at the time the memorandum of 16 understanding is crafted, to operate within the school district, and the 17 memorandum of understanding shall supersede any memorandum of 18 understanding previously entered into by the school district and the 19 multi-district program ON-LINE SCHOOL.

20 (4) (a) If a multi-district program ON-LINE SCHOOL is operating a 21 learning center within a school district under the terms of a memorandum 22 of understanding, and the multi-district program ON-LINE SCHOOL seeks 23 to operate an additional learning center within the school district, which 24 additional learning center is not contemplated in an existing memorandum 25 of understanding, the multi-district program ON-LINE SCHOOL shall 26 provide notice to the school district of the multi-district program's 27 ON-LINE SCHOOL'S intention to operate an additional learning center. The

1 notice shall include the standard MOU form.

(b) Upon receiving notice from a multi-district program ON-LINE
SCHOOL as described in paragraph (a) of this subsection (4), the school
district shall decide whether to seek to craft a new memorandum of
understanding with the multi-district program ON-LINE SCHOOL, and the
school district shall notify the multi-district program ON-LINE SCHOOL of
the school district's decision within thirty days after receiving the notice
described in paragraph (a) of this subsection (4).

9 (c) (I) If the multi-district program ON-LINE SCHOOL receives 10 notice within thirty days that the school district has decided to seek to 11 craft a new memorandum of understanding, the multi-district program 12 ON-LINE SCHOOL and the school district shall seek to craft a new 13 memorandum of understanding pursuant to the provisions of this section.

(II) If the multi-district program ON-LINE SCHOOL does not receive notice within thirty days after the school district's decision, or the multi-district program ON-LINE SCHOOL receives notice that the school district has decided not to seek to craft a new memorandum of understanding, the multi-district program ON-LINE SCHOOL may begin to operate the additional learning center.

(5) On or before October 1, 2007, the state board shall approve the
standard MOU form, which shall, at a minimum, include the information
specified in paragraph (b) of subsection (1) of this section. The standard
MOU form approved by the state board shall be based on the standard
MOU form recommended by the on-line division pursuant to section
22-30.7-103 (3) (d).

26 (6) (a) On or before January 1, 2008, the state board shall
27 promulgate rules establishing procedures and timelines by which a

-39-

multi-district program ON-LINE SCHOOL may appeal to the state board a
decision by a school district to refuse to enter into a memorandum of
understanding with the multi-district program ON-LINE SCHOOL for the
operation of a learning center within the school district.

5 (b) If the state board determines that a school district's decision to 6 refuse to enter into a memorandum of understanding was contrary to the 7 best interests of the pupils, parents, community, or school district, the 8 state board shall issue an order directing the school district to enter into 9 a final memorandum of understanding with the multi-district program 10 ON-LINE SCHOOL regarding the placement of one or more learning centers 11 within the school district and to use the standard MOU form provided 12 with the notice pursuant to paragraph (b) of subsection (1) of this section 13 as the basis for the final memorandum of understanding.

14 (c) Upon receiving notice from a multi-district program ON-LINE 15 SCHOOL that the multi-district program ON-LINE SCHOOL is appealing a 16 decision by a school district to refuse to enter into a memorandum of 17 understanding with the multi-district program ON-LINE SCHOOL, the state 18 board shall resolve the dispute within forty-five days by either affirming 19 the school district's decision or issuing an order directing the school 20 district to enter into a memorandum of understanding with the 21 multi-district program ON-LINE SCHOOL, as described in paragraph (b) of 22 this subsection (6).

(7) Notwithstanding any provision of this section to the contrary,
a multi-district program ON-LINE SCHOOL that operates one or more
learning centers within a school district as of January 1, 2007, may
continue to operate learning centers within the school district until August
1, 2008, without entering into a memorandum of understanding with the

school district. A multi-district program ON-LINE SCHOOL that operates 1 2 one or more learning centers within a school district as of January 1, 3 2007, shall provide notification to the school district on or before 4 September 1, 2007, of any learning centers being operated by the 5 multi-district program ON-LINE SCHOOL within the school district. The 6 notice shall include the information described in subparagraphs (I) 7 through (VIII) of paragraph (b) of subsection (1) of this section. 8 SECTION 46. In Colorado Revised Statutes, 22-33-104, amend 9 (1) (c) as follows: 10 22-33-104. Compulsory school attendance. (1) (c) A student 11 who participates in an on-line program OR ON-LINE SCHOOL pursuant to 12 the provisions of article 30.7 of this title shall be deemed to attend school 13 in accordance with the requirements of this subsection (1). 14 **SECTION 47.** In Colorado Revised Statutes, 22-33-105, amend 15 (5) (a) as follows: 16 22-33-105. Suspension, expulsion, and denial of admission. 17 (5) (a) Whenever a petition filed in juvenile court alleges that a child at 18 least twelve years of age but under eighteen years of age has committed 19 an offense that would constitute unlawful sexual behavior, as defined in section 16-22-102 (9), C.R.S., or a crime of violence, as defined in 20 21 section 18-1.3-406, C.R.S., if committed by an adult or whenever charges 22 filed in district court allege that a child has committed such an offense, 23 basic identification information concerning such child and the details of 24 the alleged delinquent act or offense shall be provided immediately to the 25 school district in which the child is enrolled in accordance with the 26 provisions of section 19-1-304 (5), C.R.S. Upon receipt of such 27 information, the board of education of the school district or its designee

1 shall determine whether the student has exhibited behavior that is 2 detrimental to the safety, welfare, and morals of the other students or of 3 school personnel in the school and whether educating the student in the 4 school may disrupt the learning environment in the school, provide a 5 negative example for other students, or create a dangerous and unsafe 6 environment for students, teachers, and other school personnel. The 7 determination may be made in executive session to the extent allowed by 8 section 24-6-402 (4) (h), C.R.S. If the board of education or its designee, in accordance with the provisions of this subsection (5), makes a 9 10 determination that the student should not be educated in the school, it may 11 proceed with suspension or expulsion in accordance with subsection (2) 12 of this section and section 22-33-106. Alternatively, the board of 13 education or its designee may determine that it will wait until the 14 conclusion of the juvenile proceedings to consider the expulsion matter, 15 in which case it shall be the responsibility of the district to provide the 16 student with an appropriate alternate education program, including but not 17 limited to an on-line program OR ON-LINE SCHOOL authorized pursuant to 18 article 30.7 of this title, or a home-based education program during the 19 period pending the resolution of the juvenile proceedings. Information 20 made available to the school district and not otherwise available to the 21 public pursuant to the provisions of section 19-1-304, C.R.S., shall 22 remain confidential. 23 SECTION 48. In Colorado Revised Statutes, 22-54-103, amend 24 (8.5) (a) (II) and (10) (a) (II) (B) as follows: 25 22-54-103. Definitions - repeal. As used in this article, unless the 26 context otherwise requires:

27 (8.5) (a) "On-line pupil enrollment" means:

1	(II) For the 2008-09 budget year, and for budget years thereafter,
2	the number of pupils, on October 1 within the applicable budget year or
3	the school day nearest said date, enrolled in, attending, and actively
4	participating in a multi-district program ON-LINE SCHOOL, as defined in
5	section 22-30.7-102 (6), created pursuant to article 30.7 of this title.
6	(10) (a) (II) "Pupil enrollment" shall include:
7	(B) For the 2008-09 budget year, and for budget years thereafter,
8	a pupil who is enrolled in, attending, and actively participating in a
9	single-district on-line program OR ON-LINE SCHOOL operated pursuant to
10	article 30.7 of this title.
11	SECTION 49. In Colorado Revised Statutes, 22-54-126, amend
12	(1) (b) as follows:
13	22-54-126. Declining enrollment districts with new charter
14	schools - additional aid - definitions. (1) As used in this section, unless
15	the context otherwise requires:
16	(b) "New charter school enrollment" means the number of pupils
17	enrolled in a new district charter school of a declining enrollment district
18	on October 1 or the school date nearest said date in the budget year in
19	which the new district charter school is opened in the declining
20	enrollment district minus the number of pupils enrolled as of that date in
21	an on-line program OR AN ON-LINE SCHOOL who are also enrolled in the
22	new district charter school of the declining enrollment district.
23	SECTION 50. In Colorado Revised Statutes, 22-58-101, amend
24	(2) as follows:
25	22-58-101. Legislative declaration. (2) The general assembly
26	therefore finds that it is in the best interests of the state to encourage
27	school districts and charter schools to test alternative models of school

1 funding by collecting data to show the effects a model would have if it 2 were implemented, while continuing to receive actual funding pursuant 3 to the "Public School Finance Act of 1994", article 54 of this title. School 4 districts and charter schools are encouraged to consider funding models 5 that may address, at a minimum, the unique challenges of funding 6 students who are significantly at risk of academic failure, students who 7 are gifted and talented, students enrolled in on-line programs OR ON-LINE 8 SCHOOLS, students who return to public school after dropping out, and 9 students concurrently enrolled in high school and higher education 10 classes. School districts and charter schools are also encouraged to 11 consider models of education funding based on achievement rather than 12 attendance or hours of participation.

13 SECTION 51. In Colorado Revised Statutes, 22-82.9-104,
14 amend (3) as follows:

15 22-82.9-104. Child nutrition school lunch protection program 16 - creation - administration - objectives. (3) The department shall 17 approve a multi-district on-line program SCHOOL operating in learning 18 centers, as defined in section 22-30.7-102 (4), to participate in the 19 program and in the school lunch program so long as the multi-district 20 on-line program SCHOOL complies with the federal requirements for 21 participating in the school lunch program, including but not limited to 22 completing and submitting the required federal application form for each 23 student who chooses to participate in the school lunch program.

SECTION 52. 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.