## HOUSE COMMITTEE OF REFERENCE REPORT

February 27, 2012

	Chairman of Committee Date
	Committee on Education.
	After consideration on the merits, the Committee recommends the following:
	HB12-1240 be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation:
1	Amend printed bill, page 5, after line 3 insert:
2 3 4 5 6 7 8 9	"SECTION 5. In Colorado Revised Statutes, 22-7-1018, amend (2) (c) as follows:  22-7-1018. Cost study. (2) The entity selected to conduct the cost study shall submit reports to the department of education and the department of higher education in accordance with the following timeline:  (c) On or before October 1, 2012, 2014, a report of the costs pertaining to implementation of the diploma endorsements."
10	Renumber succeeding sections accordingly.
11	Page 10, line 23, strike "OR A".
12	Page 10, line 24, strike "LETTER OF CREDIT".
13	Page 11, after line 14 insert:
14 15 16 17 18 19	"SECTION 21. In Colorado Revised Statutes, 22-2-107, amend (1) (s), (1) (t); and add (1) (u) as follows:  22-2-107. State board - power. (1) The state board has the power:  (s) To approve programs by nonpublic, nonparochial schools to provide educational services to students pursuant to section 22-33-203,

and to approve services to be provided to at-risk students pursuant to agreements entered into pursuant to section 22-33-204; and

- (t) To render a decision on the appeal of the state charter school institute's approval or denial of an institute charter school application or the revocation or nonrenewal of an institute charter school contract pursuant to part 5 of article 30.5 of this title; AND
- (u) TO PROMULGATE RULES CONCERNING PARENTAL NOTIFICATION WHEN A SCHOOL EMPLOYEE IS CHARGED WITH OR ARRESTED FOR A CRIMINAL OFFENSE.

**SECTION 22.** In Colorado Revised Statutes, 22-60.5-107, **add** (10) as follows:

22-60.5-107. Grounds for denying, annulling, suspending, or revoking license, certificate, endorsement, or authorization. (10) THE COMMISSIONER OF EDUCATION MAY ISSUE SUBPOENAS TO COMPEL THE PRODUCTION OF ALL RELEVANT PAPERS, BOOKS, RECORDS, DOCUMENTARY EVIDENCE, AND MATERIALS IN SUPPORT OF THE DEPARTMENT'S INVESTIGATION OF ALLEGATIONS THAT, IF TRUE, MAY ESTABLISH GROUNDS FOR DENYING, ANNULLING, REVOKING, OR SUSPENDING AN EDUCATOR LICENSE, CERTIFICATE, ENDORSEMENT, OR AUTHORIZATION. UPON FAILURE OF A PERSON TO COMPLY WITH SUCH SUBPOENA, THE DISTRICT COURT OF THE COUNTY IN WHICH THE SUBPOENAED PERSON RESIDES OR CONDUCTS BUSINESS, UPON APPLICATION BY THE DEPARTMENT WITH NOTICE TO THE SUBPOENAED PERSON, MAY ISSUE TO THE SUBPOENAED PERSON AN ORDER REQUIRING THAT PERSON TO PRODUCE THE RELEVANT PAPERS, BOOKS, RECORDS, DOCUMENTARY EVIDENCE, OR MATERIALS IF SO ORDERED, OR TO GIVE EVIDENCE TOUCHING THE MATTER UNDER INVESTIGATION OR QUESTION. FAILURE TO OBEY THE ORDER OF THE COURT MAY BE PUNISHED BY THE COURT AS CONTEMPT OF COURT.

**SECTION 23.** In Colorado Revised Statutes, 22-2-130, **amend** (2) (b) and (2) (c) as follows:

22-2-130. Supplemental on-line education grant program - legislative declaration - definitions - creation - eligibility - award - fund. (2) As used in this section, unless the context otherwise requires:

- (b) "Eligible charter school" means:
- (I) A charter school that is authorized by an eligible school district pursuant to part 1 of article 30.5 of this title and that does not operate an on-line program OR AS AN ON-LINE SCHOOL; or
- (II) An institute charter school that is authorized pursuant to part 5 of article 30.5 of this title, that enrolls fewer than three thousand students, as determined by the institute charter school's pupil enrollment certified by the state charter school institute on behalf of the institute

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charter school to the state board pursuant to section 22-30.5-513 (3) (a), and that does not operate an on-line program OR AS AN ON-LINE SCHOOL.

(c) "Eligible school district" means a school district that does not export an on-line program OR ON-LINE SCHOOL to students receiving the program at a location outside of the school district's geographic boundaries and that enrolls fewer than three thousand students, as determined by the school district's pupil enrollment certified to the state board pursuant to section 22-54-112.

**SECTION 24.** In Colorado Revised Statutes, 22-11-103, **amend** (28) as follows:

**22-11-103. Definitions.** As used in this article, unless the context otherwise requires:

(28) "Public school" shall have the same meaning as provided in section 22-1-101 and includes, but is not limited to, a district charter school, an institute charter school, and an on-line program, as defined in section 22-30.7-102 (9), AND AN ON-LINE SCHOOL, AS DEFINED IN SECTION 22-30.7-102 (9.5).

**SECTION 25.** In Colorado Revised Statutes, 22-11-307, **amend** (2.5) as follows:

**22-11-307.** Accreditation of public schools. (2.5) In adopting its school accreditation policies for its on-line programs AND ON-LINE SCHOOLS, as defined in section SECTIONS 22-30.7-102 (9) AND 22-30.7-102 (9.5), a local school board or the institute board shall include a review of the on-line program's OR SCHOOL'S alignment to the quality standards outlined in section 22-30.7-105 (3) (b).

**SECTION 26.** In Colorado Revised Statutes, 22-20-109, **amend** (2.5) (a), (4) (a), (5) (a), (6), (7) introductory portion, (7) (b), (7) (c), and (7) (d) as follows:

**22-20-109. Tuition - rules.** (2.5) (a) When a child with a disability is placed out of the home in a group home and attends school in an administrative unit other than the child's administrative unit of residence and the school does not provide the child with 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) (a) When a child with a disability enrolls and attends a school in an administrative unit other than the child's administrative unit of residence pursuant to the provisions of section 22-36-101, and the school 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.

- (5) (a) When a child with a disability enrolls in and attends a district charter school pursuant to the provisions of part 1 of article 30.5 of this title or an institute charter school pursuant to part 5 of article 30.5 of this title, including a district or institute charter school that provides an on-line program OR OPERATES AS AN ON-LINE SCHOOL pursuant to article 30.7 of this title, the district of residence shall be responsible for paying to the district or institute charter school the tuition charge for the excess costs incurred in educating the child.
- (6) (a) When a child with a disability enrolls in and attends an on-line program OR ON-LINE SCHOOL pursuant to article 30.7 of this title that is not provided by a district or institute charter school, the district of residence shall be responsible for paying to the provider of the on-line program OR ON-LINE SCHOOL the tuition charge for the excess costs 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. The notice shall be in writing and shall also be sent to the special education directors for the administrative units of residence and of attendance. If the on-line provider does not intend to seek tuition costs, notification is not required.
- (d) The amount of the tuition charge shall be determined pursuant to rules adopted by the state board pursuant to subsection (7) of this section. The tuition responsibility shall be reflected in a contract entered into by the administrative unit of residence, the district of residence if it is not an administrative unit, the administrative unit of attendance, and the district of attendance if it is not an administrative unit. Under the circumstances described in this subsection (6), the provisions of section 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;
- (d) Specify the limitations on the number of staff members per number of students that a charter school, <del>or</del> on-line program, OR ON-LINE SCHOOL shall provide in educating children with disabilities;

**SECTION 27.** In Colorado Revised Statutes, 22-30.5-103, **amend** (6) as follows:

- **22-30.5-103. Definitions.** As used in this part 1, unless the context otherwise requires:
  - (6) "On-line pupil" means:
- (a) For the 2007-08 budget year, a child who receives educational services predominantly through an on-line program OR ON-LINE SCHOOL created pursuant to article 30.7 of this title.
- (b) For the 2008-09 budget year, and for each budget year thereafter, a child who receives educational services predominantly through a multi-district program ON-LINE SCHOOL, as defined in section 22-30.7-102 (6) (9.5), created pursuant to article 30.7 of this title.
- **SECTION 28.** In Colorado Revised Statutes, 22-30.5-104, **amend** (8) as follows:
- **22-30.5-104.** Charter school requirements authority. (8) A charter school shall be authorized to offer any educational program, including but not limited to an on-line program OR ON-LINE SCHOOL CREATED pursuant to article 30.7 of this title, that may be offered by a school district and that is research-based and has been proven to be effective, unless expressly prohibited by state law.
- **SECTION 29.** In Colorado Revised Statutes, 22-30.5-112, **amend** (2) (a.7) as follows:
- **22-30.5-112.** Charter schools financing definitions guidelines. (2) (a.7) For the 2000-01 budget year through the 2008-09 budget year, each 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 charter school who are not students enrolled in an on-line program OR AN 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 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., or among such allowable funds. Said moneys shall be used for the purposes set forth in section 22-45-103 (1) (c) and (1) (e) and may not be expended by the charter school for any other purpose. Any 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.

**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 participating in a multi-district program ON-LINE SCHOOL, as defined in section 22-30.7-102 (6), created pursuant to article 30.7 of this title, by the district charter school.

**SECTION 31.** In Colorado Revised Statutes, 22-30.5-112.3, **amend** (1) (a.7) (II) as follows:

## 22-30.5-112.3. Charter schools - additional aid from district.

- (1) (a.7) (II) As used in this paragraph (a.7), "pupils" means pupils, other than pupils 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), who are enrolled in a charter school.
- **SECTION 32.** In Colorado Revised Statutes, 22-30.5-502, **amend** (9) as follows:
- **22-30.5-502. Definitions.** As used in this part 5, unless the context otherwise requires:
  - (9) "On-line pupil" means:
- (a) For the 2007-08 budget year, a child who receives educational services predominantly through an on-line program OR ON-LINE SCHOOL created pursuant to article 30.7 of this title;
- (b) For the 2008-09 budget year, and for each budget year thereafter, a child who receives educational services predominantly through a multi-district program ON-LINE SCHOOL, as defined in section 22-30.7-102 (6), created pursuant to article 30.7 of this title.
- **SECTION 33.** In Colorado Revised Statutes, 22-30.5-507, 42 **amend** (9) as follows:

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**22-30.5-507. Institute charter school - requirements - authority.** (9) An institute charter school is authorized to offer any educational program, including but not limited to an on-line program OR ON-LINE SCHOOL pursuant to article 30.7 of this title, that may be offered by a school district, unless expressly prohibited by its charter contract or by state law.

**SECTION 34.** In Colorado Revised Statutes, 22-30.5-513, **amend** (1) (j) (II) as follows:

22-30.5-513. Institute charter schools - definitions - funding.
(1) As used in this section, unless the context otherwise requires:

- (j) "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 participating in a multi-district program ON-LINE SCHOOL, as defined in section 22-30.7-102 (6), created pursuant to article 30.7 of this title by the institute charter school.

**SECTION 35.** In Colorado Revised Statutes, **amend** 22-30.5-514 as follows:

22-30.5-514. Institute charter school - capital reserve, risk 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., or among such allowable funds. Said moneys shall be used for the purposes set forth in section 22-45-103 (1) (c) and (1) (e) and may not be expended by the institute charter school for any other purpose. Any 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.

(2) 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 (1) (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 accounts 1 2 created by the institute charter school for instructional supplies and materials, instructional capital outlays, or other instructional purposes, as 4 set forth in section 22-45-103 (1) (a) (II), or among such accounts. 5 Moneys may be transferred among the three accounts. The moneys in the 6 accounts shall be used for the purposes set forth in section 22-45-103 (1) 7 (a) (II) and may not be expended by the institute charter school for any 8 other purpose. Any moneys in the accounts that are not projected to be 9 expended during a budget year shall be budgeted for the purposes set 10 forth in section 22-45-103 (1) (a) (II) in the next budget year. Nothing in 11 this subsection (2) shall be construed to require that interest on moneys 12 in the accounts be specifically allocated to the accounts. Any moneys 13 remaining in any such THE account that have not been expended prior to 14 the 2009-10 budget year shall be budgeted for the purposes set forth in 15 section 22-45-103 (1) (a) (II) in the 2009-10 budget year or any budget 16 vear thereafter.

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

**22-30.5-515. Institute charter school - additional aid.** (1) (b) As used in this subsection (1), "pupils" means pupils other than pupils 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), who are enrolled in a qualified charter school.

**SECTION 37.** In Colorado Revised Statutes, 22-30.7-101, **amend** (1) (e) and (1) (f) as follows:

- **22-30.7-101. Legislative declaration.** (1) The general assembly hereby finds and declares that:
- (e) On-line programs AND ON-LINE SCHOOLS must be accountable to students and parents and to the institutions that accredit on-line programs AND ON-LINE SCHOOLS;
- (f) The state has a role in ensuring quality oversight of on-line programs AND ON-LINE SCHOOLS, but the state should not replace a school district or an authorizing entity in directly administering on-line programs AND ON-LINE SCHOOLS;

**SECTION 38.** In Colorado Revised Statutes, 22-30.7-102, **amend** (2), (6), (8), and (13) as follows:

- **22-30.7-102. Definitions.** As used in this article, unless the context otherwise requires:
- 39 (2) "Authorizer" means an entity that authorizes an on-line 40 program OR ON-LINE SCHOOL. "Authorizer" shall include a school district, 41 any group of two or more school districts, a board of cooperative services

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created pursuant to section 22-5-104, or the state charter school institute established pursuant to section 22-30.5-503.

- (6) "Multi-district program ON-LINE SCHOOL" means an on-line program SCHOOL that serves a student population drawn from two or 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.
- (13) "Single-district ON-LINE program" OR "SINGLE-DISTRICT ON-LINE SCHOOL" means an on-line program OR ON-LINE SCHOOL that serves only students who reside within a single school district. or, in the case of a program authorized by one or more districts or a board of cooperative services, an on-line program that serves only students who reside within the authorizing districts or within the member districts of 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.

(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).
- (i) To establish a process and timeline for documenting and tracking complaints concerning on-line programs AND ON-LINE SCHOOLS;

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

**SECTION 40.** In Colorado Revised Statutes, **amend** 22-30.7-105 as follows:

- **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.
- (c) The provisions of article 36 of this title concerning schools of choice shall apply to an on-line program OR ON-LINE SCHOOL implemented pursuant to this article.
- (d) The provisions of the "Education Accountability Act of 2009", article 11 of this title, shall apply to an on-line program OR ON-LINE SCHOOL implemented pursuant to this article in the same manner as said provisions apply to the other public schools operating in this state.
- (3) (a) An on-line program OR ON-LINE SCHOOL that is administered pursuant to the provisions of this article shall satisfy the quality standards established by rules promulgated by the state board 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:
- (I) An on-line program's OR ON-LINE SCHOOL'S governance, vision, and organization;
- (II) Standards-based curricula and data-driven instructional practices;
  - (III) Technological capacity and support;
  - (IV) Internet safety;
    - (V) Sound financial and accounting practices and resources;
    - (VI) Student academic performance and improvement;
- (VII) Monitoring and assessment of student academic performance and improvement;
  - (VIII) Course completion measurements;
  - (IX) Attendance tracking procedures;
  - (X) Data analysis, management, and reporting;
  - (XI) Guidance counseling;
- (XII) Engagement of parents and communities in on-line programs AND ON-LINE SCHOOLS;
- (XIII) Provisions for students with special needs, including gifted and talented students and English language learners; and
  - (XIV) Program evaluation and improvement.
- (c) Repealed.
- 41 (4) (a) The records of each student participating in a multi-district 42 program ON-LINE SCHOOL shall be maintained on a permanent basis by the

authorizer of the multi-district program ON-LINE SCHOOL; except that, if a charter school provides the multi-district program ON-LINE SCHOOL, only the charter school and not the authorizer shall be required to maintain the records. The records shall include, but need not be limited to:

(I) Attendance data;

- (II) Test, evaluation, and statewide assessment results;
- (III) Immunization records, as required by sections 25-4-902 and 25-4-903, C.R.S.; and
- (IV) Such other records as are required under law concerning enrolled students, including but not limited to records required by state or federal statutes concerning the education of students with disabilities.
- (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.

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

**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 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 <del>program</del> ON-LINE SCHOOL.

- (2) Notwithstanding the provisions of subsection (1) of this section, the state board may, in its discretion, waive the requirement that an authorizer that chooses to authorize a multi-district program ON-LINE SCHOOL apply to the on-line division for certification of the program SCHOOL if the multi-district program ON-LINE SCHOOL that the authorizer seeks to authorize has ten or fewer students from outside the school district enrolled in the program SCHOOL.
- (3) Notwithstanding the provisions of subsection (1) of this 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 be required to apply to the on-line division for certification of the multi-district program ON-LINE SCHOOL in the event that ten or fewer students from outside the school district in which the single-district ON-LINE program OR ON-LINE SCHOOL is operating enroll in the program 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 <del>program</del> ON-LINE SCHOOL possesses adequate resources and the capacity to oversee the multi-district <del>program</del> ON-LINE SCHOOL, including but not limited to oversight of the following components of the multi-district <del>program</del> ON-LINE SCHOOL:
  - (I) Curriculum and instruction;
  - (II) Use of software applications and technology;
  - (III) Data gathering, analysis, and reporting;
  - (IV) Human resources management;
- (V) Financial management, facilities management, and risk management; and
  - (VI) Other relevant public education administration functions;
- (b) Whether the plan for operating and monitoring the multi-district program ON-LINE SCHOOL agreed to by the authorizer of the multi-district program ON-LINE SCHOOL and the principal, director, or other chief administrator of the multi-district program ON-LINE SCHOOL adequately addresses, at a minimum, consideration of the following elements:
- 40 (I) The multi-district <del>program's</del> ON-LINE SCHOOL'S vision, mission, and goals;

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- (II) The multi-district program's ON-LINE SCHOOL'S organizational structure and governance, including governing board and school policies and procedures;
  - (III) Equitable access for all students;
- (IV) Guidance counseling for all students enrolled in the multi-district program ON-LINE SCHOOL;
  - (V) Student academic credit policies;
- (VI) Student achievement and attendance policies, including but not limited to monitoring graduation and dropout rates;
  - (VII) Student records policies and procedures;
  - (VIII) Student admission and placement policies and procedures;
  - (IX) Staff development plans;
    - (X) Student services, including counseling and tutorial support;
  - (XI) Staff, student, and parent handbooks;
  - (XII) Employment and contractor policies and procedures;
    - (XIII) Annual budgeting and finance practices;
    - (XIV) Facility plans, including any contemplated physical sites;
- 18 (XV) Risk management;

- (XVI) Data development, analysis, and reporting; and
- (XVII) Policies and procedures for facilitating communication between the multi-district program ON-LINE SCHOOL, parents, and school districts in which students who are enrolled in the multi-district program ON-LINE SCHOOL reside; and
- (c) The degree to which the multi-district program ON-LINE SCHOOL will satisfy the quality standards for on-line programs AND ON-LINE SCHOOLS described in section 22-30.7-105.
- (5) On or before January 1, 2008, the state board shall promulgate rules establishing processes and timelines by which a prospective authorizer may apply to the on-line division for certification of a multi-district program ON-LINE SCHOOL pursuant to this section.
- (6) On or before January 1, 2008, the state board shall create an expedited procedure for the approval or denial of certification for multi-district programs ON-LINE SCHOOLS that were operating as of January 1, 2007.
- (7) Notwithstanding any provision of this section to the contrary, an authorizer of a multi-district program ON-LINE SCHOOL that was operating as of January 1, 2007, may continue to operate until August 1, 2008, without receiving certification of the program SCHOOL by the on-line division pursuant to this section.
- (8) The state board shall not approve the certification of a multi-district program ON-LINE SCHOOL until the state board has promulgated rules for such certification pursuant to this section.

**SECTION 42.** In Colorado Revised Statutes, 22-30.7-107, **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:
- (a) (I) A school district that is providing a single-district ON-LINE program OR ON-LINE SCHOOL, or a school district in which a district charter school is providing a single-district ON-LINE program OR ON-LINE SCHOOL, shall include each student who is enrolled in the single-district ON-LINE program OR ON-LINE SCHOOL as of October 1 of the applicable budget year in the school district's pupil enrollment for the applicable budget year and shall receive the school district's per-pupil funding for each student enrolled in the single-district ON-LINE program OR ON-LINE SCHOOL.
- (II) An institute charter school that is providing a single-district ON-LINE program OR ON-LINE SCHOOL shall include each student who is enrolled in the single-district ON-LINE program OR ON-LINE SCHOOL as of October 1 of the applicable budget year in the institute charter school's pupil enrollment for the applicable budget year and shall receive the per-pupil funding of the institute charter school's accounting district for each student enrolled in the single-district ON-LINE program OR ON-LINE SCHOOL.
- (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.

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

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:

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

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

**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.

(b) A multi-district program ON-LINE SCHOOL that intends to provide instruction to students within a learning center shall notify the school district in which the proposed learning center is located of the

multi-district program's ON-LINE SCHOOL'S intention in writing at least ninety days before the multi-district program ON-LINE SCHOOL intends to commence providing such instruction. The notice shall include the standard MOU form that addresses, at a minimum, the following information as it applies to each learning center to be located within the school district:

- (I) A description of any curricula that will be offered by the multi-district program ON-LINE SCHOOL at the learning center;
  - (II) The proposed location of the learning center;
  - (III) The grade levels to be served at the learning center;
- (IV) The number of students projected to attend the multi-district program ON-LINE SCHOOL at the learning center;
- (V) Any building permits or certifications of building safety that may be required by law;
- (VI) A list of all staff positions at the learning center, including a description of duties for each position;
- (VII) Measures to ensure compliance with state and federal laws concerning educator licensing and fingerprint-based criminal history record checks;
- (VIII) The name of and contact information for the multi-district program ON-LINE SCHOOL and the names of and contact information for 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.
- (c) Within forty-five days after receiving the notice and standard MOU form from a multi-district program ON-LINE SCHOOL pursuant to paragraph (b) of this subsection (1), the school district and the multi-district program ON-LINE SCHOOL shall meet to discuss the terms of the memorandum of understanding, based on the standard MOU form provided with the notice. The school district and the multi-district program ON-LINE SCHOOL may mutually agree to change the information in the standard MOU form provided with the notice or to include information in the memorandum of understanding in addition to that 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.
- (e) No later than forty-five days after the school district receives the notice and standard MOU form pursuant to paragraph (b) of this

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subsection (1), the school district shall notify the multi-district program ON-LINE SCHOOL, the on-line division, and the state board in writing of the school district's decision whether to enter into a memorandum of understanding with the multi-district program ON-LINE SCHOOL for operation of a learning center within the school district. If the school district does not provide notice of its decision within forty-five days, the standard MOU form provided by the multi-district program ON-LINE SCHOOL with the notice shall become effective on the forty-sixth day following the school district's receipt of the notice and standard MOU form, and the multi-district program ON-LINE SCHOOL may proceed under the terms of the standard MOU form as provided to the school district.

- (f) A school district may refuse to enter into a memorandum of understanding with a multi-district program ON-LINE SCHOOL for the operation of a learning center within the school district only if:
- (I) The standard MOU form provided by the multi-district program ON-LINE SCHOOL fails to satisfy the requirements described in paragraph (b) of this subsection (1); or
- (II) The school district reasonably determines that the multi-district program ON-LINE SCHOOL is contrary to the best interests of the pupils, parents, community, or school district.
- (g) If a school district refuses to enter into a memorandum of understanding with a multi-district program ON-LINE SCHOOL for operation of a learning center, the multi-district program ON-LINE SCHOOL may appeal the school district's decision to the state board pursuant to the provisions of subsection (6) of this section.
- (h) Notwithstanding any provision of this section to the contrary, a multi-district program ON-LINE SCHOOL that seeks to operate a learning center within a school district shall not be required to enter into a memorandum of understanding with the school district if the school district is the authorizer of the multi-district program ON-LINE SCHOOL.
- (i) Notwithstanding any provision of this section to the contrary, a school district and a multi-district program ON-LINE SCHOOL may mutually agree in writing to decline to enter into a memorandum of 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.
- (2) A memorandum of understanding entered into by a school district and a multi-district program ON-LINE SCHOOL pursuant to the provisions of this section shall be effective for three years. A school

district and a multi-district program ON-LINE SCHOOL may enter into an unlimited number of successive memoranda of understanding.

- (3) If a school district and a multi-district program ON-LINE SCHOOL enter into a memorandum of understanding pursuant to the provisions of this section, the memorandum of understanding shall include consideration of all learning centers that the multi-district program ON-LINE SCHOOL proposes, at the time the memorandum of understanding is crafted, to operate within the school district, and the memorandum of understanding shall supersede any memorandum of understanding previously entered into by the school district and the multi-district program ON-LINE SCHOOL.
- (4) (a) If a multi-district program ON-LINE SCHOOL is operating a learning center within a school district under the terms of a memorandum of understanding, and the multi-district program ON-LINE SCHOOL seeks to operate an additional learning center within the school district, which additional learning center is not contemplated in an existing memorandum of understanding, the multi-district program ON-LINE SCHOOL shall provide notice to the school district of the multi-district program's ON-LINE SCHOOL'S intention to operate an additional learning center. The 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).
- (c) (I) If the multi-district program ON-LINE SCHOOL receives notice within thirty days that the school district has decided to seek to craft a new memorandum of understanding, the multi-district program ON-LINE SCHOOL and the school district shall seek to craft a new 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).

- (6) (a) On or before January 1, 2008, the state board shall promulgate rules establishing procedures and timelines by which a 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.
- (b) If the state board determines that a school district's decision to refuse to enter into a memorandum of understanding was contrary to the best interests of the pupils, parents, community, or school district, the state board shall issue an order directing the school district to enter into a final memorandum of understanding with the multi-district program ON-LINE SCHOOL regarding the placement of one or more learning centers within the school district and to use the standard MOU form provided with the notice pursuant to paragraph (b) of subsection (1) of this section as the basis for the final memorandum of understanding.
- (c) Upon receiving notice from a multi-district program ON-LINE SCHOOL that the multi-district program ON-LINE SCHOOL is appealing a decision by a school district to refuse to enter into a memorandum of understanding with the multi-district program ON-LINE SCHOOL, the state board shall resolve the dispute within forty-five days by either affirming the school district's decision or issuing an order directing the school district to enter into a memorandum of understanding with the multi-district program ON-LINE SCHOOL, as described in paragraph (b) of 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 one or more learning centers within a school district as of January 1, 2007, shall provide notification to the school district on or before September 1, 2007, of any learning centers being operated by the multi-district program ON-LINE SCHOOL within the school district. The notice shall include the information described in subparagraphs (I) through (VIII) of paragraph (b) of subsection (1) of this section.

**SECTION 46.** In Colorado Revised Statutes, 22-33-104, **amend** (1) (c) as follows:

**22-33-104.** Compulsory school attendance. (1) (c) A student who participates in an on-line program OR ON-LINE SCHOOL pursuant to

the provisions of article 30.7 of this title shall be deemed to attend school in accordance with the requirements of this subsection (1).

**SECTION 47.** In Colorado Revised Statutes, 22-33-105, **amend** (5) (a) as follows:

22-33-105. Suspension, expulsion, and denial of admission. (5) (a) Whenever a petition filed in juvenile court alleges that a child at least twelve years of age but under eighteen years of age has committed 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 section 18-1.3-406, C.R.S., if committed by an adult or whenever charges filed in district court allege that a child has committed such an offense, basic identification information concerning such child and the details of the alleged delinquent act or offense shall be provided immediately to the school district in which the child is enrolled in accordance with the provisions of section 19-1-304 (5), C.R.S. Upon receipt of such information, the board of education of the school district or its designee shall determine whether the student has exhibited behavior that is detrimental to the safety, welfare, and morals of the other students or of school personnel in the school and whether educating the student in the school may disrupt the learning environment in the school, provide a negative example for other students, or create a dangerous and unsafe environment for students, teachers, and other school personnel. The determination may be made in executive session to the extent allowed by 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 determination that the student should not be educated in the school, it may proceed with suspension or expulsion in accordance with subsection (2) of this section and section 22-33-106. Alternatively, the board of education or its designee may determine that it will wait until the conclusion of the juvenile proceedings to consider the expulsion matter, in which case it shall be the responsibility of the district to provide the student with an appropriate alternate education program, including but not limited to an on-line program OR ON-LINE SCHOOL authorized pursuant to article 30.7 of this title, or a home-based education program during the period pending the resolution of the juvenile proceedings. Information made available to the school district and not otherwise available to the public pursuant to the provisions of section 19-1-304, C.R.S., shall remain confidential.

**SECTION 48.** In Colorado Revised Statutes, 22-54-103, **amend** (8.5) (a) (II) and (10) (a) (II) (B) as follows:

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

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(8.5) (a) "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 participating in a multi-district program ON-LINE SCHOOL, as defined in section 22-30.7-102 (6), created pursuant to article 30.7 of this title.
  - (10) (a) (II) "Pupil enrollment" shall include:
- (B) For the 2008-09 budget year, and for budget years thereafter, a pupil who is enrolled in, attending, and actively participating in a single-district on-line program OR ON-LINE SCHOOL operated pursuant to article 30.7 of this title.

**SECTION 49.** In Colorado Revised Statutes, 22-54-126, **amend** (1) (b) as follows:

- **22-54-126.** Declining enrollment districts with new charter schools additional aid definitions. (1) As used in this section, unless the context otherwise requires:
- (b) "New charter school enrollment" means the number of pupils enrolled in a new district charter school of a declining enrollment district on October 1 or the school date nearest said date in the budget year in which the new district charter school is opened in the declining enrollment district minus the number of pupils enrolled as of that date in an on-line program OR AN ON-LINE SCHOOL who are also enrolled in the new district charter school of the declining enrollment district.

**SECTION 50.** In Colorado Revised Statutes, 22-58-101, **amend** (2) as follows:

22-58-101. Legislative declaration. (2) The general assembly therefore finds that it is in the best interests of the state to encourage school districts and charter schools to test alternative models of school funding by collecting data to show the effects a model would have if it were implemented, while continuing to receive actual funding pursuant to the "Public School Finance Act of 1994", article 54 of this title. School districts and charter schools are encouraged to consider funding models that may address, at a minimum, the unique challenges of funding students who are significantly at risk of academic failure, students who are gifted and talented, students enrolled in on-line programs OR ON-LINE SCHOOLS, students who return to public school after dropping out, and students concurrently enrolled in high school and higher education classes. School districts and charter schools are also encouraged to consider models of education funding based on achievement rather than attendance or hours of participation.

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

1 22-82.9-104. Child nutrition school lunch protection program 2 - creation - administration - objectives. (3) The department shall approve a multi-district on-line program SCHOOL operating in learning 3 centers, as defined in section 22-30.7-102 (4), to participate in the 4 program and in the school lunch program so long as the multi-district on-line program SCHOOL complies with the federal requirements for 6 7 participating in the school lunch program, including but not limited to 8 completing and submitting the required federal application form for each 9 student who chooses to participate in the school lunch program.".

10 Renumber succeeding section accordingly.

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