

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

**ENGROSSED**

*This Version Includes All Amendments Adopted  
on Second Reading in the House of Introduction*

LLS NO. 13-0336.02 Julie Pelegrin x2700

**SENATE BILL 13-213**

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**SENATE SPONSORSHIP**

**Johnston and Heath,**

**HOUSE SPONSORSHIP**

**Hamner,**

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**Senate Committees**  
Education

**House Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING THE FINANCING OF PUBLIC SCHOOLS, AND, IN**  
102             **CONNECTION THEREWITH, CREATING THE "PUBLIC SCHOOL**  
103             **FINANCE ACT".**

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**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 creates a new school finance act (the new act), implementation of which is conditional upon passage of a statewide ballot measure to increase state revenues for funding public education. After the statewide ballot measure passes, certain requirements around collecting

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

SENATE  
Amended 2nd Reading  
April 1, 2013

daily membership and program enrollments and calculating state and local shares of total program will take effect during the first budget year commencing after the election, but the new funding formula and the distribution of state moneys under the provisions of the new act will not take effect until the second budget year commencing after the election. School districts (districts) and charter schools continue to receive funding under the existing "Public School Finance Act of 1994" (the current act) and related statutory provisions until the new act fully takes effect in the second budget year commencing after the election.

The new act is similar to the current act in that it starts with the statewide base per pupil funding amount, applies a formula to calculate a district's per pupil funding, increases each district's funding based on the number of at-risk pupils enrolled in the district, and multiplies the per pupil funding amount by the number of pupils enrolled in the district to calculate the district's amount of operational funding (total program) for each budget year. The new act continues to use a specific per pupil amount to fund pupils who are enrolled in multi-district on-line schools (on-line pupils) and pupils who are enrolled in the ASCENT program (ASCENT pupils), which amounts are also included in a district's total program. And the new act continues to fund each district's total program by a combination of local property tax and specific ownership tax revenues and state moneys. The new act differs from the current act in the following general areas:

- ! Calculation of pupil enrollment;
- ! Funding for preschool and kindergarten pupils;
- ! Factors included in the formula for calculating total program;
- ! The definition of at-risk pupils and the percentage increase in funding for at-risk pupils;
- ! Minimum per pupil funding;
- ! On-line pupil funding and ASCENT program funding;
- ! Calculation of total program for and payment of state moneys to institute charter schools;
- ! Calculation of state and local shares of total program;
- ! Authorized mill levy overrides;
- ! State moneys available to districts and institute charter schools in addition to total program;
- ! Mid-year recalculation of total program for certain districts and institute charter schools;
- ! Allocations of funding by districts to charter schools and other schools of the district;
- ! Review of the return on the investment of funding and cost studies every 4 years;
- ! Public financial reporting by districts and institute charter schools; and

! State moneys for mid-year recalculation of funding for new and expanding district charter schools.

**Calculation of pupil enrollment.** Under the current act, funding for school districts and charter schools is based on the number of pupils enrolled as of a specific pupil enrollment count date, generally October 1 of each year. The new act uses a school district's or an institute charter school's average daily membership (ADM) as the basis for calculating total program. A district's or institute charter school's membership includes all of the pupils enrolled in the district or the institute charter school, including students enrolled in preschool, but does not include on-line pupils or ASCENT pupils. Districts and institute charter schools must report membership and on-line pupil and ASCENT pupil enrollment on a quarterly basis, reporting the number of pupils enrolled each school day. The department of education (department) will calculate each district's and each institute charter school's ADM for the first and second quarter of the school year, for the first and second halves of each school year, and for the entire school year (averaging period) by totaling the pupils enrolled each school day for the averaging period and dividing by the number of school days in the averaging period. The department will do the same for each district's and institute charter school's on-line pupil ADM and ASCENT program ADM.

Each district's and each institute charter school's total program is based on the district's or institute charter school's ADM for the last half of the budget year before the preceding budget year and the first half of the preceding budget year (funding averaging period). Funding for a district or an institute charter school with declining enrollment continues to be based on the greater of the actual ADM or the ADM averaged for up to 5 years. For purposes of averaging over years, a district's ADM does not include preschool program enrollment. Pupil enrollment will substitute for ADM in averaging until there are 5 years of ADM available.

In the first and second years of operation for a district charter school or an institute charter school, funding is based on the projected membership or on-line enrollment of the charter school and the ADM or on-line ADM for the first half of the first year of operation. Also, for a district charter school or an institute charter school that is building out grade levels, funding is recalculated mid-year if the district charter school's or the institute charter school's ADM or on-line ADM for the first half of the current year is greater than the ADM or on-line ADM for the funding averaging period. The state pays any increase in a district charter school's funding that results from the recalculation.

**Funding for preschool and kindergarten pupils.** Under the current act, the state funds a restricted number of 3-, 4-, and 5-year-old preschool program pupils who meet eligibility requirements. These preschool pupils are funded as half-day pupils. Each district and each

institute charter school may include in its pupil enrollment only as many preschool pupils as it is allowed to enroll out of the total number of funded preschool positions. Under the new act, each district and each institute charter school may enroll all of the 3-, 4-, and 5-year-old preschool program pupils who apply for the program and meet the eligibility requirements. Preschool pupils are still funded as half-day pupils.

Under the current act, kindergarten pupils are funded as half-day pupils, but a pupil who repeats kindergarten is funded as a full-day pupil in the second year. Each district and each institute charter school also receives supplemental kindergarten funding based on .08 of a pupil. Under the new act, all kindergarten pupils are funded as full-day pupils.

**Factors included in the formula for calculating total program.**

Under the current act, the formula for calculating total program adjusts the statewide base per pupil funding amount by a cost of living factor, personnel costs, nonpersonnel costs, and a size factor. After total program is calculated, the current act reduces each district's total program and the funding for each institute charter school through application of a negative factor.

Under the new act, the only factor that adjusts statewide base per pupil funding is the size factor, which is unchanged from the current act, except that it applies only to districts with a funded membership of fewer than 4,300 pupils. The new act does not include a negative factor.

**The definition of at-risk pupils and the percentage increase in funding for at-risk pupils.** Under the current act, at-risk pupils are defined to include pupils who are eligible for free lunch under federal law and pupils with limited English proficiency. A pupil who meets both criteria is only counted once for purposes of at-risk funding. The amount of increase for at-risk funding starts at 12% of per pupil funding and may increase to as much as 30% depending on the size of a district and the concentration of at-risk pupils within the district.

The new act creates separate formula weights for at-risk pupils and for English language learners (ELL). The new act defines an at-risk pupil as a pupil who is eligible for free or reduced-price lunch under federal law and defines an ELL as a pupil who is identified and receiving English language proficiency programs under the "English Language Proficiency Act", but a pupil may not be counted as an ELL for more than 5 years. An individual pupil may be counted and receive weighted funding as both an at-risk pupil and an ELL. The department calculates each district's and each institute charter school's at-risk pupil ADM and English language learner ADM. Each district and institute charter school receives at-risk funding starting at 20%, and increasing to as much as 40%, of statewide base per pupil funding multiplied by the at-risk ADM. Each district and institute charter school receives ELL funding starting at 20%, and increasing to as much as 40%, of statewide base per pupil funding

multiplied by the English language learner ADM. The increase in the percentage is based on the concentration of at-risk pupils and ELLs in the district or institute charter school. At-risk pupils and ELLs who are enrolled in multi-district on-line schools are included in the at-risk and ELL funding.

**Minimum per pupil funding.** Under the current act, a district receives as total program the greater of total program calculated using the formula and at-risk funding, plus on-line funding and ASCENT program funding, or minimum per pupil funding multiplied by the district's funded pupil count, plus on-line funding and ASCENT program funding. The new act does not include minimum per pupil funding.

**On-line pupil funding and ASCENT program funding.** Under the current act, a district receives funding for each on-line pupil and each pupil enrolled in the ASCENT program at the amount, starting in the 2007-08 budget year, of \$6,135 per pupil, which amount has been increased by inflation and decreased by the negative factor each budget year. Under the new act, the per pupil amount for on-line pupil funding and ASCENT program funding is equal to the statewide base per pupil funding for the applicable budget year. A multi-district on-line school receives at-risk funding and ELL funding in addition to the on-line pupil funding.

**Calculation of total program for and payment of state moneys to institute charter schools.** Under the current act, the funding for an institute charter school is based on the total program of the district within which the institute charter school is physically located (accounting district). The department calculates the accounting district's total program, adding the institute charter school's pupil enrollment, and then subtracts the institute charter school's funding from the state share of the accounting district. Under the new act, the department will calculate the total program for each institute charter school using the per pupil funding amount of the accounting district, but using the institute charter school's funded membership, at-risk pupil ADM, English language learner ADM, on-line pupil ADM, if applicable, and ASCENT program ADM, if applicable. Each institute charter school's total program will also include a mill levy equalization per pupil amount that is equal to the total statewide mill levy override for the preceding budget year divided by the statewide district total funded membership, less the ASCENT program ADM, for the preceding budget year. The department will pay the total program for institute charter schools directly from the state public school fund to the state charter school institute for distribution to the institute charter schools.

**Calculation of state and local shares of total program.** Under the current act, a district must levy the lesser of the number of property tax mills that it levied in the previous budget year, or the number of mills it can levy and not exceed the constitutional property tax revenue limits

if the district remains subject to TABOR, or 27 mills. The amount of property tax and specific ownership tax that the district receives is the district's local share, and the district's state share is the difference between the district's local share and total program.

Under the new act, the department will recalculate each district's total program mill levy using statewide state and local shares of 60% and 40%. The department will apply these percentages in a formula for calculating each district's local share that takes into account the district's real property assessed valuation, median family income, and at-risk pupil percentage. The department will then translate the calculated local share into a number of mills that may increase up to 25 mills, except a district's mill levy cannot be less than the number of mills levied in the preceding budget year, or more than the number of mills that generates property tax revenue in excess of the constitutional property tax revenue limit if the district remains subject to TABOR. The amount generated by the district's total program mill levy plus the amount the district receives in specific ownership tax revenue is the district's local share, and the district's state share is the difference between the district's local share and total program. The department will recalculate each district's total program mill levy in 5 years and then every 6 years thereafter using the district's most recent assessed valuation, median income, and at-risk pupil percentage.

If a district's total program mill levy is greater than the number of mills assessed in the preceding budget year, and the district is receiving an amount of state share plus teaching and leadership investment moneys (state funding) that is less than the district previously received in state funding, the district must seek voter approval for a mill levy increase at least once during the period in which the district is expected to assess the total program mill levy. If a district does not assess the full total program mill levy for any reason, the department will calculate the district's state share as if the district did assess the full total program mill levy, but the district will receive hold-harmless moneys in the amount of the difference between what the district received in state share before recalculation and what the district receives in state share after recalculation for the period in which the total program mill levy applies. If a district's total program mill levy generates an amount of property tax revenue that exceeds the district's total program, and the district's total program is decreased under the new act, the district must consider the amount of excess revenue as a portion of the district's mill levy override for cost of living expenses, and the amount counts against the cap on the district's mill levy override for cost of living expenses. If the district's total program mill levy generates property tax revenues that exceed the district's total program plus this excess revenue amount, the district must use the amount received above the excess revenue to replace state categorical program funding that it would otherwise receive from the state.

**Authorized mill levy overrides.** Under the current act, a district

may levy a number of mills in addition to its total program mill levy (mill levy overrides). There are 3 types of mill levy overrides in the current act. One is for general operating expenses, and the amount of revenue that a district may generate from this override is capped at the greater of 25% of the district's total program or \$200,000. The second authorized mill levy override is for a supplemental cost of living adjustment, but to receive this override, a district must have received voter approval before June 2002. The third authorized mill levy override is for the excess costs of providing full-day kindergarten, including the capital construction costs associated with a full-day kindergarten program.

Under the new act, a district may continue collecting any mill levy overrides that it has prior authority to collect. In addition, there are 4 types of mill levy overrides that a district may seek if it is levying the required number of mills based on the recalculation.

The first type is a mill levy override for general operating expenses. The amount of revenue that the district may generate from the override is limited to the greater of 25% of the district's total program plus teaching and leadership investment moneys for the applicable budget year; 25% of the district's total program for the 2014-15 budget year calculated without the negative factor plus teaching and leadership investment moneys for the applicable budget year plus the amount of categorical buyouts and state support received for categorical programs; or \$200,000. A district may also seek a mill levy override to fund early childhood education programs, a mill levy override to fund technology and building maintenance and operation, and a mill levy override to help offset cost of living expenses incurred by employees. The cost of living mill levy override is capped at an amount equal to the portion of the district's total program for the 2014-15 budget year that is attributable to the cost of living factor, calculated before the negative factor. The cap increases by inflation annually beginning with the 2016-17 budget year.

The new act does not affect the mill levy authorizations that exist in current law outside of the current act.

**State moneys available to districts and institute charter schools in addition to total program.** Under the current act, a district or an institute charter school may receive funding in addition to total program under several provisions, including hold-harmless full-day kindergarten funding, small attendance center aid limited to districts and institute charter schools that received the aid prior to the 2008-09 budget year, funding for national school meal programs, funding for declining enrollment districts with new charter schools, state assistance for charter schools for capital construction, and moneys through the contingency reserve fund. The new act includes all of these provisions except hold-harmless full-day kindergarten funding. In addition, under the new act, institute charter schools are not eligible for small attendance center aid.

In addition, under the new act a district or an institute charter school may receive state funding in addition to the state share of total program through one or more of these new provisions:

Each district and each institute charter school will receive teaching and leadership investment moneys in an amount equal to \$600 in the first year, and 50% of the new tax revenue divided by the statewide total ADM in subsequent years, multiplied by the district's or institute charter school's ADM, which does not include multi-district on-line school enrollment or ASCENT program enrollment.

If the recalculation of a district's state and local shares results in the district receiving less state funding than the district previously received, the district will receive hold-harmless moneys equal to the difference between the amount of state share the district received before the recalculation and the amount of state share received after; except that a district cannot receive a combination of local share, state share, and hold-harmless moneys that exceeds the district's total program for the 2014-15 budget year. The department will recalculate a district's hold-harmless moneys when it recalculates the district's state and local shares.

A district may receive a mill levy equalization payment that is calculated as a specified dollar amount multiplied by the district's ADM in the budget year in which it receives voter approval for a property tax increase, minus the amount of property tax revenue received from 2.5 mills in a property tax year in which the district applies for the mill levy equalization payment. The dollar amount is equal to the per pupil amount that would be generated by a levy of 2.5 mills on the statewide assessed valuation for the budget year in which the district receives voter approval for the property tax increase. The district may apply for and receive the payment in each budget year in which the district payment would be greater than zero and the district has an ADM of fewer than 10,000 pupils. A district that receives mill levy equalization payments must distribute to charter schools of the district a per pupil share of the amount of mill levy equalization payments received.

A district that receives less in state share following recalculation of the state and local shares may apply to the department for reimbursement of election costs if the district holds an election to increase the mill levy to the newly required number of mills and the county clerk and recorder's office requires the district to pay election costs.

A district may apply for and receive moneys through the education innovation grant program created in the new act. The grant program is designed to provide money to teachers, principals, district administrators, public schools, school districts, and boards of cooperative services to implement innovations in the delivery of public education. The department reviews applications and recommends grant recipients to the education innovation board (board) created in the new act. The governor,



the president of the senate, and the speaker of the house of representatives appoint the members of the board, and the board is responsible for awarding the grants. The department must create metrics for measuring the success of the innovations that receive grants and must report to the education committees concerning the innovations and results received. A majority of the moneys appropriated for the grant program must be awarded to fund expanded learning time initiatives, and priority must be given to applications from priority improvement and turnaround districts and schools.

**Mid-year recalculation of total program.** Under the current act, a district's total program for a full budget year is based on the pupil enrollment count from October 1, and it is not adjusted during the budget year. Under the new act, if a district's or institute charter school's ADM for the first half of a budget year increases by a percentage that is greater than the statewide average enrollment growth for the applicable funding averaging period, the department must recalculate the district's or institute charter school's total program using the current year ADM, at-risk pupil ADM, English language learner ADM, on-line pupil ADM, if applicable, and ASCENT program ADM, if applicable. The department will adjust the remaining monthly payments as necessary. A district that receives a mid-year recalculation must recalculate and adjust the funding for the charter schools of the district based on the charter schools' current year ADM, at-risk pupil ADM, English language learner ADM, on-line pupil ADM, if applicable, and ASCENT program ADM, if applicable.

**Allocations of funding by districts to charter schools and other schools of the district.** Under the current act and related provisions, each district charter school receives funding based on the authorizing district's per pupil revenues or adjusted per pupil revenues plus at-risk supplemental aid. Each district is required to use a percentage of its at-risk funding to provide programs for at-risk pupils, including English language proficiency programs. Otherwise, a district is not restricted in how it uses its operating moneys or in how it allocates them to schools of the district.

Under the new act, each district must annually calculate its per pupil at-risk funding by dividing the total amount of at-risk funding received by the number of at-risk pupils enrolled in the district each school day, totaled for the funding averaging period and divided by the number of school days in the funding averaging period. Each district must also annually calculate its per pupil ELL funding by dividing the total amount of ELL funding by the district's English language learner ADM. Each district must then allocate the at-risk funding and ELL funding to each charter school, including a multi-district on-line charter school, by multiplying the per pupil at-risk funding by the charter school's at-risk pupil ADM and the per pupil ELL funding by the charter school's English language learner ADM.

Each district must also allocate to each school of the district that is not a charter school the district's state-share portion of the per pupil at-risk funding multiplied by the school's at-risk pupil ADM and the district's state-share portion of the per pupil ELL funding multiplied by the school's English language learner ADM. A principal of a school that is not a charter school has full autonomy to use the school's at-risk and ELL funding as he or she sees fit for the at-risk pupils and ELLs enrolled at the school. The principal may use the moneys to purchase programs or services from the district. The principal may also choose to forego control of the at-risk and ELL funding, in which case the district maintains control of the funding.

Each district, each charter school, and each public school must use the at-risk funding and the ELL funding for programs that primarily serve at-risk pupils and ELLs.

In addition, each district must distribute to each of its district charter schools a per pupil share of the local property tax revenues approved on or after July 1, 2014, that the district collects in addition to revenues for total program unless the revenue was specifically authorized for a program that the charter school does not offer. If a district fails to distribute the per pupil share of additional local property tax revenues or the per pupil share of any mill levy equalization the district receives, the state board must revoke the district's exclusive authority to charter schools within its boundaries. A district may recover its exclusive chartering authority after complying with the distribution requirements for 6 months.

**Review of the return on the investment of funding and cost studies every 4 years.** Beginning in January of 2016 and every 4 years thereafter, the department must prepare a report analyzing the increases in academic growth and achievement, if any, achieved in programs, among student groups, or in areas of the state, that received an increased investment of moneys under the new act. The report must also include cost studies that identify any deficits in funding and the amounts needed to remedy the deficits. The cost studies must apply 3 identified methods. The cost study must also attempt to correlate funding deficits with performance deficits.

**Public financial reporting by districts and institute charter schools.** Under current law, the state board must implement a statewide financial, student management, and human resource electronic data communications and reporting system (reporting system). Under the bill, the reporting system, including the standard chart of accounts, must require the reporting of expenditures, including salary and benefit expenditures, at the school-site level. The department will create, either directly or by contract, a web site view that translates the reported expenditures for schools, districts, boards of cooperative services, and the state charter school institute into a format that is readable by a layperson.

**State moneys for mid-year recalculation of funding for new and expanding district charter schools.** Under the current act, a district charter school's funding is based on its pupil enrollment as of October 1 of the budget year, and there are no mid-year adjustments in funding. Under the new act for the first year that a charter school enrolls pupils, its funding is based on the projected membership or on-line enrollment for the first day of class. For the second year in which the charter school enrolls pupils, the charter school's funding is based on the ADM or on-line ADM for the first half of the previous budget year. For the second year that a charter school enrolls pupils and in any other year in which the charter school expands its program offering by at least one grade level, the district will calculate the charter schools' ADM or on-line ADM, whichever is applicable, for the first half of the then-current budget year, and, if it has increased over the ADM or on-line ADM for the applicable averaging period, the district must recalculate the charter school's funding using the current year ADM or on-line ADM. The department must distribute to the district, for the charter school, the increased amount of funding.

**Funding changes to certain categorical programs.** Beginning in the 2015-16 budget year, the bill discontinues the general fund appropriations for the "English Language Proficiency Act" and the services for expelled and at-risk students grant program, and states the general assembly's intent that the amounts previously appropriated to those programs should be appropriated to fund the "Exceptional Children's Educational Act".

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** article 54.5 to  
3 title 22 as follows:

4 **ARTICLE 54.5**

5 **Public School Finance Act**

6 PART 1

7 GENERAL PROVISIONS

8 **22-54.5-101. Short title.** THIS ARTICLE SHALL BE KNOWN AND  
9 MAY BE CITED AS THE "PUBLIC SCHOOL FINANCE ACT".

10 **22-54.5-102. Legislative declaration.** (1) (a) THE GENERAL  
11 ASSEMBLY FINDS THAT:

1           (I) SINCE PASSAGE OF THE "PUBLIC SCHOOL FINANCE ACT OF  
2 1994", ARTICLE 54 OF THIS TITLE, PUBLIC EDUCATION IN COLORADO HAS  
3 UNDERGONE A SUBSTANTIAL TRANSFORMATION THROUGH  
4 IMPLEMENTATION OF SIGNIFICANT EDUCATION POLICY ADVANCEMENTS,  
5 INCLUDING ADOPTION OF CONTENT STANDARDS AND ASSESSMENTS THAT  
6 ARE ALIGNED FROM PRESCHOOL THROUGH HIGH SCHOOL GRADUATION AND  
7 POSTSECONDARY EXPECTATIONS; ADVANCEMENTS IN MEASURING  
8 DISTRICT AND PUBLIC SCHOOL PERFORMANCE IN THE AREAS OF STUDENT  
9 ACHIEVEMENT AND ACADEMIC GROWTH; AND INCREASED USE OF  
10 TECHNOLOGY IN DELIVERING EDUCATION;

11           (II) DURING THIS SAME PERIOD, VARIOUS CONSTITUTIONAL  
12 PROVISIONS AND STATUTORY FORMULAS HAVE LIMITED THE AMOUNT OF  
13 STATE AND LOCAL FUNDING AVAILABLE FOR PUBLIC EDUCATION,  
14 INCREASED THE BURDEN ON STATE REVENUES RELATIVE TO LOCAL  
15 REVENUES FOR FUNDING PUBLIC SCHOOLS, AND CREATED SIGNIFICANT  
16 INEQUITIES IN THE TAX BURDEN BORNE BY COMMUNITIES THROUGHOUT  
17 THE STATE;

18           (III) SECTION 2 OF ARTICLE IX OF THE STATE CONSTITUTION  
19 REQUIRES THE GENERAL ASSEMBLY TO ESTABLISH AND MAINTAIN A  
20 THOROUGH AND UNIFORM SYSTEM OF PUBLIC SCHOOLS THROUGHOUT THE  
21 STATE. ESTABLISHING A THOROUGH AND UNIFORM SYSTEM INVOLVES  
22 SETTING THE ACADEMIC STANDARDS FOR ALL STUDENTS TO MEET, MAKING  
23 PRIORITY INVESTMENTS THAT ARE RATIONALLY RELATED TO ENABLING  
24 STUDENTS TO MEET THOSE STANDARDS, AND ESTABLISHING AND FUNDING  
25 A SCHOOL FINANCE SYSTEM THAT DIRECTS RESOURCES INTO THOSE  
26 PRIORITY INVESTMENTS.

27           (IV) A THOROUGH AND UNIFORM SYSTEM REQUIRES THAT ALL

1 SCHOOL DISTRICTS AND INSTITUTE CHARTER SCHOOLS OPERATE UNDER  
2 THE SAME FINANCE FORMULA, AND EQUITY CONSIDERATIONS DICTATE  
3 THAT ALL DISTRICTS AND INSTITUTE CHARTER SCHOOLS ARE SUBJECT TO  
4 THE EXPENDITURE AND MAXIMUM LEVY PROVISIONS OF THIS ARTICLE. A  
5 THOROUGH AND UNIFORM SYSTEM ALSO REQUIRES THE APPLICATION OF  
6 INCREASED REVENUES TO ENABLE THE PUBLIC SCHOOLS TO PROVIDE ALL  
7 STUDENTS WITH THE NECESSARY AND APPROPRIATE INSTRUCTION,  
8 SUPPORTS, AND EDUCATIONAL OPPORTUNITIES THAT THEY NEED TO  
9 CONTRIBUTE ECONOMICALLY AND CIVICALLY AS ADULTS IN SOCIETY.

10 (V) LEGISLATION IN RECENT YEARS HAS CLEARLY ESTABLISHED  
11 THE GOAL THAT ALL DISTRICTS AND PUBLIC SCHOOLS ENSURE THAT ALL  
12 COLORADO STUDENTS ARE ON TRACK TO ACHIEVE POSTSECONDARY AND  
13 WORKFORCE READINESS BY HIGH SCHOOL GRADUATION. DEFICITS IN  
14 DISTRICT AND PUBLIC SCHOOL PERFORMANCE LEVELS INDICATE THE  
15 INABILITY TO ADEQUATELY SERVE KEY STUDENT GROUPS, INCLUDING  
16 CHILDREN WITH DISABILITIES, GIFTED AND TALENTED STUDENTS, AT-RISK  
17 STUDENTS, AND ENGLISH LANGUAGE LEARNERS, AS WELL AS THE  
18 INABILITY TO ADEQUATELY ADDRESS AREAS OF EARLY CHILDHOOD  
19 EDUCATION, INCLUDING SCHOOL READINESS AND FULL-DAY  
20 KINDERGARTEN. RECOGNIZING THESE INABILITIES, THIS ARTICLE MAKES  
21 THE ADDITIONAL INVESTMENTS THAT ARE REQUIRED TO GENERATE  
22 SIGNIFICANT IMPROVEMENTS IN SERVING THESE STUDENTS AND  
23 ADDRESSING THESE AREAS.

24 (VI) TO ENSURE THAT THE STATE CONTINUES TO MAINTAIN A  
25 THOROUGH AND UNIFORM SYSTEM OF PUBLIC EDUCATION REQUIRES NOT  
26 MERELY PICKING A STATIC NUMBER FOR THE LEVEL OF FINANCIAL  
27 INVESTMENT BUT MAKING STRATEGIC AND TARGETED INVESTMENTS IN

1 KEY AREAS AND CONTINUOUSLY EVALUATING THE EFFICACY OF THAT  
2 SPENDING IN GENERATING THE ACADEMIC OUTCOMES THAT ARE THE  
3 ULTIMATE MEASURE OF THE SUCCESS OF THE PUBLIC EDUCATION SYSTEM.  
4 AN ONGOING ANALYSIS OF ANY ACADEMIC PERFORMANCE DEFICITS AND  
5 OF THE TARGETED FUNDING THAT MAY BE NEEDED TO REMEDIATE THESE  
6 DEFICITS WILL ENSURE THAT THE SYSTEM FOR FINANCING PUBLIC  
7 EDUCATION IN COLORADO IS AND REMAINS RATIONALLY RELATED TO  
8 ESTABLISHING AND MAINTAINING THE THOROUGH AND UNIFORM SYSTEM  
9 OF FREE PUBLIC SCHOOLS IN THE STATE.

10 (b) THE GENERAL ASSEMBLY CONCLUDES THAT ENACTING THIS  
11 ARTICLE, IN CONJUNCTION WITH THE PASSAGE OF A STATEWIDE MEASURE  
12 TO INCREASE STATE TAX REVENUES FOR THE PURPOSE OF FUNDING PUBLIC  
13 EDUCATION, ARE NECESSARY AND CRITICAL FIRST STEPS TOWARD  
14 ACHIEVING THE ONGOING MAINTENANCE OF A THOROUGH AND UNIFORM  
15 SYSTEM OF FREE PUBLIC SCHOOLS. ACCORDINGLY, THE PROVISIONS OF  
16 THIS ARTICLE CONCERNING THE FINANCING OF PUBLIC SCHOOLS FOR  
17 BUDGET YEARS BEGINNING ON AND AFTER JULY 1, 2015, APPLY TO ALL  
18 SCHOOL DISTRICTS AND INSTITUTE CHARTER SCHOOLS ORGANIZED UNDER  
19 THE LAWS OF THIS STATE.

20 (2) FOLLOWING THE PASSAGE OF A STATEWIDE BALLOT MEASURE  
21 TO INCREASE STATE TAX REVENUES FOR THE PURPOSE OF FUNDING PUBLIC  
22 EDUCATION, AND DEPENDING ON THE AMOUNT OF THE INCREASE IN STATE  
23 TAX REVENUES, IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT ALL OR  
24 A PORTION OF THE INCREASE IN STATE TAX REVENUES BE APPROPRIATED  
25 AS FOLLOWS:

26 (a) ONE HUNDRED MILLION DOLLARS ANNUALLY TO THE  
27 EDUCATION INNOVATION GRANT FUND CREATED IN SECTION 22-54.5-311

1 (9);

2 (b) EIGHTY MILLION DOLLARS ANNUALLY FOR DISTRIBUTION AS  
3 SPECIAL EDUCATION FUNDING PURSUANT TO SECTION 22-20-114 == (1)

4 (c);

5 (c) SIX MILLION DOLLARS ANNUALLY TO A STATEWIDE PROGRAM  
6 TO PROVIDE ADDITIONAL CAREER OPPORTUNITIES FOR HIGHLY EFFECTIVE  
7 EDUCATORS;

8 (d) FIVE MILLION DOLLARS ANNUALLY FOR FUNDING FOR  
9 PROGRAMS FOR GIFTED AND TALENTED STUDENTS PURSUANT TO PART 2 OF  
10 ARTICLE 20 OF THIS TITLE;

11 (e) FIVE MILLION DOLLARS ANNUALLY TO THE DEPARTMENT TO  
12 OFFSET THE COSTS INCURRED IN IMPLEMENTING A DATA SYSTEM TO  
13 IMPLEMENT THE AVERAGE DAILY MEMBERSHIP COUNT AND THE FINANCIAL  
14 AND HUMAN RESOURCE REPORTING SYSTEM DESCRIBED IN SECTION  
15 22-44-105 (4);

16 (f) ONE MILLION THREE HUNDRED THOUSAND DOLLARS ANNUALLY  
17 FOR DISTRIBUTION TO THE BOARDS OF COOPERATIVE SERVICES PURSUANT  
18 TO SECTION 22-5-122; AND

19 (g) ONE MILLION DOLLARS FOR MILL LEVY ELECTION  
20 ADMINISTRATIVE COSTS PURSUANT TO SECTION 22-54.5-305.

21 (3) THE GENERAL ASSEMBLY FURTHER FINDS THAT, IN ENACTING  
22 THIS ARTICLE, IT HAS ADOPTED A FORMULA FOR THE SUPPORT OF SCHOOLS  
23 FOR THE 2015-16 BUDGET YEAR AND BUDGET YEARS THEREAFTER;  
24 HOWEVER, THE ADOPTION OF THE FORMULA DOES NOT REPRESENT A  
25 COMMITMENT ON THE PART OF THE GENERAL ASSEMBLY CONCERNING THE  
26 LEVEL OF TOTAL FUNDING FOR SCHOOLS FOR THE 2015-16 BUDGET YEAR  
27 OR ANY BUDGET YEAR THEREAFTER.

1           (4) (a) THIS ARTICLE DOES NOT PROHIBIT LOCAL GOVERNMENTS  
2 FROM COOPERATING WITH SCHOOL DISTRICTS THROUGH  
3 INTERGOVERNMENTAL AGREEMENTS TO FUND, CONSTRUCT, MAINTAIN, OR  
4 MANAGE CAPITAL CONSTRUCTION PROJECTS OR OTHER FACILITIES AS SET  
5 FORTH IN SECTION 22-45-103 (1) (c) (I) (A) OR (1) (c) (I) (D), INCLUDING  
6 BUT NOT LIMITED TO SWIMMING POOLS, PLAYGROUNDS, OR SPORTS FIELDS,  
7 AS LONG AS FUNDING FOR THESE PROJECTS IS PROVIDED SOLELY FROM A  
8 SOURCE OF LOCAL GOVERNMENT REVENUE THAT IS OTHERWISE  
9 AUTHORIZED BY LAW EXCEPT IMPACT FEES OR OTHER SIMILAR  
10 DEVELOPMENT CHARGES OR FEES.

11           (b) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF THIS  
12 SUBSECTION (4) TO THE CONTRARY, THIS SUBSECTION (4) DOES NOT LIMIT  
13 OR RESTRICT A COUNTY'S POWER TO REQUIRE THE RESERVATION OR  
14 DEDICATION OF SITES AND LAND AREAS FOR SCHOOLS OR THE PAYMENT OF  
15 MONEYS IN LIEU THEREOF PURSUANT TO SECTION 30-28-133 (4) (a), C.R.S.

16           **22-54.5-103. Definitions - repeal.** AS USED IN THIS ARTICLE,  
17 UNLESS THE CONTEXT OTHERWISE REQUIRES:

18           (1) "ACCOUNTING DISTRICT" MEANS THE DISTRICT WITHIN WHOSE  
19 GEOGRAPHIC BOUNDARIES AN INSTITUTE CHARTER SCHOOL IS PHYSICALLY  
20 LOCATED.

21           (2) "ADJUSTED AVERAGE DAILY MEMBERSHIP" MEANS THE  
22 KINDERGARTEN THROUGH TWELFTH-GRADE AVERAGE DAILY MEMBERSHIP  
23 PLUS THE ON-LINE AVERAGE DAILY MEMBERSHIP OF A LOCAL EDUCATION  
24 PROVIDER.

25           (3) "ASCENT PROGRAM" MEANS THE ACCELERATING STUDENTS  
26 THROUGH CONCURRENT ENROLLMENT PROGRAM CREATED IN SECTION  
27 22-35-108.



1           (4) (a) "ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP" MEANS  
2 THE NUMBER OF PUPILS WHO ARE ENROLLED EACH SCHOOL DAY IN A  
3 LOCAL EDUCATION PROVIDER AND ARE PARTICIPANTS IN THE ASCENT  
4 PROGRAM, TOALED FOR THE AVERAGING PERIOD AND DIVIDED BY THE  
5 NUMBER OF SCHOOL DAYS IN THE AVERAGING PERIOD. THE ASCENT  
6 PROGRAM AVERAGE DAILY MEMBERSHIP OF A DISTRICT INCLUDES THE  
7 ASCENT PROGRAM PARTICIPANTS ENROLLED IN EACH DISTRICT CHARTER  
8 SCHOOL OF THE DISTRICT. AN ASCENT PROGRAM PARTICIPANT WHO IS  
9 ENROLLED IN AT LEAST TWELVE CREDIT HOURS OF POSTSECONDARY  
10 COURSES, INCLUDING ACADEMIC COURSES AND CAREER AND TECHNICAL  
11 EDUCATION COURSES, IS INCLUDED IN THE ASCENT PROGRAM AVERAGE  
12 DAILY MEMBERSHIP AS A FULL-TIME PUPIL. AN ASCENT PROGRAM  
13 PARTICIPANT WHO IS ENROLLED IN LESS THAN TWELVE CREDIT HOURS OF  
14 POSTSECONDARY COURSES, INCLUDING ACADEMIC COURSES AND CAREER  
15 AND TECHNICAL EDUCATION COURSES, IS INCLUDED IN THE ASCENT  
16 PROGRAM AVERAGE DAILY MEMBERSHIP AS A PART-TIME PUPIL.

17           (b) (I) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF  
18 THIS SUBSECTION (4) TO THE CONTRARY, FOR PURPOSES OF CALCULATING  
19 FUNDING PURSUANT TO THIS ARTICLE FOR THE 2015-16 AND 2016-17  
20 BUDGET YEARS, "ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP"  
21 MEANS THE NUMBER OF PUPILS ENROLLED IN A LOCAL EDUCATION  
22 PROVIDER AND PARTICIPATING IN THE ASCENT PROGRAM ON OCTOBER  
23 1 OF THE BUDGET YEAR FOR WHICH FUNDING IS CALCULATED.

24           (II) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JULY 1, 2017.

25           (5) "AT-RISK" MEANS A PUPIL IS ENROLLED IN ONE OF GRADES  
26 KINDERGARTEN THROUGH TWELVE AND IS ELIGIBLE FOR FREE OR  
27 REDUCED-PRICE MEALS PURSUANT TO THE PROVISIONS OF THE FEDERAL

1 "NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ., OR THE  
2 FEDERAL "CHILD NUTRITION ACT OF 1966", 42 U.S.C. SEC. 1771 ET SEQ.

3 (6) (a) "AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP" MEANS THE  
4 GREATER OF:

5 (I) THE NUMBER OF AT-RISK PUPILS ENROLLED IN A LOCAL  
6 EDUCATION PROVIDER EACH SCHOOL DAY, TOTALED FOR THE AVERAGING  
7 PERIOD AND DIVIDED BY THE NUMBER OF SCHOOL DAYS IN THE AVERAGING  
8 PERIOD; OR

9 (II) THE LOCAL EDUCATION PROVIDER'S AT-RISK PUPIL  
10 PERCENTAGE MULTIPLIED BY THE LOCAL EDUCATION PROVIDER'S  
11 ADJUSTED AVERAGE DAILY MEMBERSHIP.

12 (b) THE AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP OF A  
13 DISTRICT INCLUDES THE AT-RISK PUPILS ENROLLED IN EACH DISTRICT  
14 CHARTER SCHOOL OF THE DISTRICT.

15 (c) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (c) OF  
16 SUBSECTION (26) OF THIS SECTION, THE AT-RISK PUPIL AVERAGE DAILY  
17 MEMBERSHIP OF A LOCAL EDUCATION PROVIDER INCLUDES THE AT-RISK  
18 PUPILS ENROLLED IN A MULTI-DISTRICT ON-LINE SCHOOL OF THE LOCAL  
19 EDUCATION PROVIDER.

20 (d) (I) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF  
21 THIS SUBSECTION (6) TO THE CONTRARY, FOR PURPOSES OF CALCULATING  
22 FUNDING PURSUANT TO THIS ARTICLE FOR THE 2015-16 AND 2016-17  
23 BUDGET YEARS, "AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP" MEANS THE  
24 GREATER OF:

25 (A) THE NUMBER OF AT-RISK PUPILS INCLUDED IN THE LOCAL  
26 EDUCATION PROVIDER'S MEMBERSHIP ON OCTOBER 1 OF THE BUDGET YEAR  
27 FOR WHICH FUNDING IS CALCULATED; OR

1           (B) THE LOCAL EDUCATION PROVIDER'S AT-RISK PUPIL  
2 PERCENTAGE MULTIPLIED BY THE LOCAL EDUCATION PROVIDER'S  
3 ADJUSTED AVERAGE DAILY MEMBERSHIP.

4           (II) THIS PARAGRAPH (d) IS REPEALED, EFFECTIVE JULY 1, 2017.

5           (7) (a) "AT-RISK PUPIL PERCENTAGE" MEANS THE NUMBER OF  
6 AT-RISK PUPILS ENROLLED IN GRADES ONE THROUGH EIGHT IN A LOCAL  
7 EDUCATION PROVIDER EACH SCHOOL DAY, TOTALED FOR THE AVERAGING  
8 PERIOD AND DIVIDED BY THE NUMBER OF SCHOOL DAYS IN THE AVERAGING  
9 PERIOD, THEN DIVIDED BY THE LOCAL EDUCATION PROVIDER'S AVERAGE  
10 DAILY MEMBERSHIP FOR THE SAME AVERAGING PERIOD FOR GRADES ONE  
11 THROUGH EIGHT.

12           (b) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (a) OF  
13 THIS SUBSECTION (7), FOR AN INSTITUTE CHARTER SCHOOL THAT DOES NOT  
14 ENROLL STUDENTS IN GRADES ONE THROUGH EIGHT, "AT-RISK PUPIL  
15 PERCENTAGE" MEANS THE NUMBER OF AT-RISK PUPILS ENROLLED IN THE  
16 INSTITUTE CHARTER SCHOOL EACH SCHOOL DAY, TOTALED FOR THE  
17 AVERAGING PERIOD AND DIVIDED BY THE NUMBER OF SCHOOL DAYS IN THE  
18 AVERAGING PERIOD, THEN DIVIDED BY THE INSTITUTE CHARTER SCHOOL'S  
19 AVERAGE DAILY MEMBERSHIP FOR THE SAME AVERAGING PERIOD.

20           (c) THE AT-RISK PUPIL PERCENTAGE OF A DISTRICT INCLUDES THE  
21 AT-RISK PUPILS ENROLLED IN EACH DISTRICT CHARTER SCHOOL OF THE  
22 DISTRICT.

23           (d) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (c) OF  
24 SUBSECTION (26) OF THIS SECTION, THE AT-RISK PUPIL PERCENTAGE OF A  
25 LOCAL EDUCATION PROVIDER INCLUDES THE AT-RISK PUPILS ENROLLED IN  
26 A MULTI-DISTRICT ON-LINE SCHOOL OF THE LOCAL EDUCATION PROVIDER.

27           (e) (I) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF

1 THIS SUBSECTION (7) TO THE CONTRARY, FOR PURPOSES OF CALCULATING  
2 FUNDING PURSUANT TO THIS ARTICLE FOR THE 2015-16 AND 2016-17  
3 BUDGET YEARS, "AT-RISK PUPIL PERCENTAGE" MEANS THE NUMBER OF  
4 AT-RISK PUPILS INCLUDED IN THE LOCAL EDUCATION PROVIDER'S  
5 MEMBERSHIP IN GRADES ONE THROUGH EIGHT ON OCTOBER 1 OF THE  
6 BUDGET YEAR FOR WHICH FUNDING IS CALCULATED.

7 (II) THIS PARAGRAPH (d) IS REPEALED, EFFECTIVE JULY 1, 2017.

8 (8) (a) "AVERAGE DAILY MEMBERSHIP" MEANS THE MEMBERSHIP  
9 OF A LOCAL EDUCATION PROVIDER FOR EACH SCHOOL DAY, TOTALED FOR  
10 THE AVERAGING PERIOD AND DIVIDED BY THE NUMBER OF SCHOOL DAYS  
11 IN THE AVERAGING PERIOD. THE AVERAGE DAILY MEMBERSHIP OF A  
12 DISTRICT INCLUDES THE PUPILS ENROLLED IN EACH DISTRICT CHARTER  
13 SCHOOL OF THE DISTRICT.

14 (b) (I) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF  
15 THIS SUBSECTION (8) TO THE CONTRARY, FOR PURPOSES OF CALCULATING  
16 FUNDING PURSUANT TO THIS ARTICLE FOR THE 2015-16 AND 2016-17  
17 BUDGET YEARS, "AVERAGE DAILY MEMBERSHIP" MEANS THE MEMBERSHIP  
18 OF A LOCAL EDUCATION PROVIDER ON OCTOBER 1 OF THE BUDGET YEAR  
19 FOR WHICH FUNDING IS CALCULATED.

20 (II) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JULY 1, 2017.

21 (9) "AVERAGING PERIOD" MEANS A QUARTER OF A SCHOOL YEAR,  
22 A HALF OF A SCHOOL YEAR, OR THE FULL SCHOOL YEAR, WHICHEVER IS  
23 APPLICABLE.

24 (10) "BOARD OF EDUCATION" MEANS THE BOARD OF EDUCATION  
25 OF A DISTRICT.

26 (11) "BUDGET YEAR" MEANS THE PERIOD BEGINNING ON JULY 1 OF  
27 EACH YEAR AND ENDING ON THE FOLLOWING JUNE 30 FOR WHICH A

1 BUDGET FOR A DISTRICT IS ADOPTED.

2 (12) "CONSTITUTIONAL PROPERTY TAX REVENUE LIMITATION"  
3 MEANS THE PROPERTY TAX REVENUE LIMITATION IMPOSED ON A DISTRICT  
4 BY SECTION 20 (7) (c) OF ARTICLE X OF THE STATE CONSTITUTION.

5 (13) "DEPARTMENT" MEANS THE DEPARTMENT OF EDUCATION  
6 CREATED IN SECTION 24-1-115, C.R.S.

7 (14) "DISTRICT" MEANS A PUBLIC SCHOOL DISTRICT ORGANIZED  
8 UNDER THE LAWS OF COLORADO BUT DOES NOT INCLUDE A JUNIOR  
9 COLLEGE DISTRICT.

10 (15) "DISTRICT CHARTER SCHOOL" MEANS A CHARTER SCHOOL  
11 AUTHORIZED BY A DISTRICT PURSUANT TO PART 1 OF ARTICLE 30.5 OF THIS  
12 TITLE.

13 (16) "ENGLISH LANGUAGE LEARNER" MEANS A PUPIL:

14 (a) WHO IS ENROLLED IN AN ELEMENTARY SCHOOL OR SECONDARY  
15 SCHOOL;

16 (b) WHO IS IDENTIFIED AS AN ENGLISH LANGUAGE LEARNER BASED  
17 ON AN ASSESSMENT ADMINISTERED BY A LOCAL EDUCATION PROVIDER  
18 PURSUANT TO ARTICLE 24 OF THIS TITLE; AND

19 (c) WHO IS RECEIVING EDUCATIONAL SERVICES THROUGH AN  
20 ENGLISH LANGUAGE PROFICIENCY PROGRAM PURSUANT TO ARTICLE 24 OF  
21 THIS TITLE.

22 (17) (a) "ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
23 MEMBERSHIP" MEANS THE NUMBER OF ENGLISH LANGUAGE LEARNER  
24 PUPILS WHO ARE ENROLLED IN A LOCAL EDUCATION PROVIDER EACH  
25 SCHOOL DAY, TOTALED FOR THE AVERAGING PERIOD AND DIVIDED BY THE  
26 NUMBER OF SCHOOL DAYS IN THE AVERAGING PERIOD.

27 (b) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO THE

1 CONTRARY, THE DEPARTMENT SHALL NOT INCLUDE AN ENGLISH  
2 LANGUAGE LEARNER PUPIL IN THE ENGLISH LANGUAGE LEARNER AVERAGE  
3 DAILY MEMBERSHIP OF ONE OR MORE LOCAL EDUCATION PROVIDERS FOR  
4 MORE THAN FIVE BUDGET YEARS.

5 (c) THE ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
6 MEMBERSHIP OF A DISTRICT INCLUDES THE ENGLISH LANGUAGE LEARNER  
7 PUPILS ENROLLED IN EACH DISTRICT CHARTER SCHOOL OF THE DISTRICT.

8 (d) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (c) OF  
9 SUBSECTION (26) OF THIS SECTION, THE ENGLISH LANGUAGE LEARNER  
10 AVERAGE DAILY MEMBERSHIP OF A LOCAL EDUCATION PROVIDER  
11 INCLUDES THE ENGLISH LANGUAGE LEARNER PUPILS ENROLLED IN A  
12 MULTI-DISTRICT ON-LINE SCHOOL OF THE LOCAL EDUCATION PROVIDER.

13 (e) (I) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF  
14 THIS SUBSECTION (17) TO THE CONTRARY, FOR PURPOSES OF CALCULATING  
15 FUNDING PURSUANT TO THIS ARTICLE FOR THE 2015-16 AND 2016-17  
16 BUDGET YEARS, "ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
17 MEMBERSHIP" MEANS THE NUMBER OF ENGLISH LANGUAGE LEARNERS  
18 INCLUDED IN THE LOCAL EDUCATION PROVIDER'S MEMBERSHIP ON  
19 OCTOBER 1 OF THE BUDGET YEAR FOR WHICH FUNDING IS CALCULATED.

20 (II) THIS PARAGRAPH (e) IS REPEALED, EFFECTIVE JULY 1, 2017.

21 (18) "ENGLISH LANGUAGE LEARNER PERCENTAGE" MEANS A LOCAL  
22 EDUCATION PROVIDER'S ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
23 MEMBERSHIP DIVIDED BY THE LOCAL EDUCATION PROVIDER'S ADJUSTED  
24 AVERAGE DAILY MEMBERSHIP.

25 (19) "FUNDED MEMBERSHIP" MEANS:

26 (a) THE TOTAL OF A DISTRICT'S OR AN INSTITUTE CHARTER  
27 SCHOOL'S PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP FOR THE

1 FUNDING AVERAGING PERIOD, ON-LINE AVERAGE DAILY MEMBERSHIP FOR  
2 THE FUNDING AVERAGING PERIOD, AND ASCENT PROGRAM AVERAGE  
3 DAILY MEMBERSHIP FOR THE FUNDING AVERAGING PERIOD, AND THE  
4 GREATER OF:

5 (I) THE DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S AVERAGE  
6 DAILY MEMBERSHIP FOR THE FUNDING AVERAGING PERIOD; OR

7 (II) THE AVERAGE OF THE DISTRICT'S OR INSTITUTE CHARTER  
8 SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR THE FUNDING AVERAGING  
9 PERIOD AND THE AVERAGE DAILY MEMBERSHIP FOR THE PRECEDING  
10 FUNDING AVERAGING PERIOD; OR

11 (III) THE AVERAGE OF THE DISTRICT'S OR INSTITUTE CHARTER  
12 SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR THE FUNDING AVERAGING  
13 PERIOD AND THE AVERAGE DAILY MEMBERSHIP FOR THE TWO PRECEDING  
14 FUNDING AVERAGING PERIODS; OR

15 (IV) THE AVERAGE OF THE DISTRICT'S OR INSTITUTE CHARTER  
16 SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR THE FUNDING AVERAGING  
17 PERIOD AND THE AVERAGE DAILY MEMBERSHIP FOR THE THREE PRECEDING  
18 FUNDING AVERAGING PERIODS; OR

19 (V) THE AVERAGE OF THE DISTRICT'S OR INSTITUTE CHARTER  
20 SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR THE FUNDING AVERAGING  
21 PERIOD AND THE AVERAGE DAILY MEMBERSHIP FOR THE FOUR PRECEDING  
22 FUNDING AVERAGING PERIODS.

23 (b) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF THIS  
24 SUBSECTION (19) TO THE CONTRARY, FOR A BUDGET YEAR IN WHICH  
25 AVERAGE DAILY MEMBERSHIP FOR THE FUNDING AVERAGING PERIOD IS  
26 NOT AVAILABLE, THE DEPARTMENT SHALL USE THE DISTRICT'S OR THE  
27 INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT, AS DEFINED IN SECTION

1 22-54-103 (10) AS IT EXISTED PRIOR TO REPEAL, FOR THAT BUDGET YEAR  
2 FOR PURPOSES OF CALCULATING FUNDED MEMBERSHIP.

3 (c) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO THE  
4 CONTRARY, FOR PURPOSES OF CALCULATING A DISTRICT'S FUNDED  
5 MEMBERSHIP PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (19)  
6 ONLY, PUPILS WHO ARE ENROLLED IN THE COLORADO PRESCHOOL  
7 PROGRAM ARE INCLUDED IN THE DISTRICT'S PRESCHOOL PROGRAM  
8 AVERAGE DAILY MEMBERSHIP AND ARE NOT INCLUDED IN THE DISTRICT'S  
9 AVERAGE DAILY MEMBERSHIP.

10 (d) NOTWITHSTANDING ANY PROVISION OF LAW TO THE  
11 CONTRARY, FOR PURPOSES OF PARAGRAPH (a) OF THIS SUBSECTION (19),  
12 A DISTRICT'S FUNDED MEMBERSHIP DOES NOT INCLUDE A PUPIL WHO IS OR  
13 WAS ENROLLED IN A CHARTER SCHOOL THAT THE DISTRICT ORIGINALLY  
14 AUTHORIZED AND THAT WAS SUBSEQUENTLY CONVERTED ON OR AFTER  
15 JULY 1, 2010, TO AN INSTITUTE CHARTER SCHOOL OR TO A CHARTER  
16 SCHOOL OF A DISTRICT THAT IS CONTIGUOUS TO THE ORIGINAL  
17 AUTHORIZING DISTRICT.

18 (20) "FUNDING AVERAGING PERIOD" MEANS THE PERIOD THAT  
19 BEGINS ON THE FIRST DAY OF THE THIRD QUARTER OF THE BUDGET YEAR  
20 BEFORE THE PRECEDING BUDGET YEAR AND CONTINUES THROUGH THE  
21 LAST DAY OF THE SECOND QUARTER OF THE PRECEDING BUDGET YEAR;  
22 EXCEPT THAT, FOR PURPOSES OF CALCULATING TOTAL PROGRAM FOR THE  
23 2017-18 BUDGET YEAR, "FUNDING AVERAGING PERIOD" MEANS THE  
24 PERIOD THAT BEGINS ON THE FIRST DAY OF THE FIRST QUARTER OF THE  
25 PRECEDING BUDGET YEAR AND CONTINUES THROUGH THE LAST DAY OF  
26 THE SECOND QUARTER OF THE PRECEDING BUDGET YEAR.

27 (21) "INFLATION" MEANS PERCENTAGE CHANGE IN THE CONSUMER



1 PRICE INDEX FOR THE DENVER-BOULDER-GREELEY CONSOLIDATED  
2 METROPOLITAN STATISTICAL AREA FOR ALL URBAN CONSUMERS, ALL  
3 GOODS, AS PUBLISHED BY THE UNITED STATES DEPARTMENT OF LABOR,  
4 BUREAU OF LABOR STATISTICS, OR ITS SUCCESSOR INDEX.

5 (22) "INSTITUTE CHARTER SCHOOL" MEANS A CHARTER SCHOOL  
6 THAT ENTERS INTO A CHARTER CONTRACT WITH THE STATE CHARTER  
7 SCHOOL INSTITUTE PURSUANT TO THE PROVISIONS OF PART 5 OF ARTICLE  
8 30.5 OF THIS TITLE.

9 (23) "INVESTMENT MONEYS" MEANS THE TEACHING AND  
10 LEADERSHIP INVESTMENT MONEYS ALLOCATED TO DISTRICTS AND TO  
11 INSTITUTE CHARTER SCHOOLS PURSUANT TO SECTION 22-54.5-301.

12 (24) "JOINT DISTRICT" MEANS A DISTRICT THAT IS LOCATED IN  
13 MORE THAN ONE COUNTY.

14 (25) "LOCAL EDUCATION PROVIDER" MEANS A DISTRICT, A  
15 DISTRICT CHARTER SCHOOL, OR AN INSTITUTE CHARTER SCHOOL.

16 (26) (a) "MEMBERSHIP" MEANS THE PUPILS WHO ARE ENROLLED IN  
17 A LOCAL EDUCATION PROVIDER IN PRESCHOOL PURSUANT TO ARTICLE 28  
18 OF THIS TITLE, THE PUPILS WHO ARE ENROLLED IN KINDERGARTEN, WHO  
19 ARE ALL COUNTED AS FULL-TIME PUPILS, THE PUPILS WHO ARE ENROLLED  
20 IN GRADES ONE THROUGH EIGHT, WHO ARE COUNTED AS EITHER FULL-TIME  
21 OR PART-TIME PUPILS, AND THE PUPILS WHO ARE ENROLLED IN GRADES  
22 NINE THROUGH TWELVE, WHO ARE ALL COUNTED AS FULL-TIME PUPILS;  
23 EXCEPT THAT A PUPIL WHO IS PARTICIPATING IN A NONPUBLIC  
24 HOME-BASED EDUCATIONAL PROGRAM PURSUANT TO SECTION 22-33-104.5  
25 BUT ALSO ATTENDING A PUBLIC SCHOOL FOR A PORTION OF THE SCHOOL  
26 DAY IS COUNTED AS EITHER FULL-TIME OR PART-TIME, WHICHEVER IS  
27 APPLICABLE BASED ON RULES OF THE STATE BOARD. THE STATE BOARD, BY

1 RULE, SHALL SPECIFY THE POINT AT WHICH A PUPIL IS ENROLLED IN A  
2 LOCAL EDUCATION PROVIDER AND THE CIRCUMSTANCES UNDER WHICH A  
3 PUPIL CEASES TO BE ENROLLED IN A LOCAL EDUCATION PROVIDER.

4 (b) FOR PURPOSES OF THIS ARTICLE, THE MEMBERSHIP OF A LOCAL  
5 EDUCATION PROVIDER INCLUDES:

6 (I) A PUPIL WHO IS ENROLLED IN A PRESCHOOL PROGRAM  
7 PURSUANT TO ARTICLE 28 OF THIS TITLE, BUT ONLY IF THE PUPIL IS AT  
8 LEAST THREE YEARS OF AGE AS OF OCTOBER 1 OF THE APPLICABLE  
9 AVERAGING PERIOD. A PUPIL ENROLLED IN A PRESCHOOL PROGRAM IS  
10 COUNTED AS A HALF-TIME PUPIL.

11 (II) A PUPIL WHO IS ENROLLED IN A KINDERGARTEN EDUCATIONAL  
12 PROGRAM BUT ONLY IF THE PUPIL IS:

13 (A) FIVE YEARS OF AGE AS OF OCTOBER 1 OF THE APPLICABLE  
14 AVERAGING PERIOD; OR

15 (B) FOUR YEARS OF AGE AS OF OCTOBER 1 OF THE APPLICABLE  
16 AVERAGING PERIOD, AND THE LOCAL EDUCATION PROVIDER OR AN  
17 ADMINISTRATIVE UNIT HAS IDENTIFIED THE PUPIL AS A HIGHLY ADVANCED  
18 GIFTED CHILD FOR WHOM EARLY ACCESS TO KINDERGARTEN IS  
19 APPROPRIATE, AS PROVIDED IN SECTION 22-20-204;

20 (III) A PUPIL WHO IS ENROLLED IN FIRST GRADE, BUT ONLY IF THE  
21 PUPIL IS:

22 (A) AT LEAST SIX YEARS OF AGE ON OR BEFORE OCTOBER 1 OF THE  
23 APPLICABLE AVERAGING PERIOD;

24 (B) AT LEAST FIVE YEARS OF AGE ON OR BEFORE OCTOBER 1 OF  
25 THE APPLICABLE AVERAGING PERIOD AND THE PUPIL ATTENDED AT LEAST  
26 ONE HUNDRED TWENTY DAYS OF KINDERGARTEN IN A STATE OTHER THAN  
27 COLORADO; OR

1 (C) AT LEAST FIVE YEARS OF AGE ON OR BEFORE OCTOBER 1 OF  
2 THE APPLICABLE AVERAGING PERIOD, AND THE LOCAL EDUCATION  
3 PROVIDER OR AN ADMINISTRATIVE UNIT HAS IDENTIFIED THE PUPIL AS A  
4 HIGHLY ADVANCED GIFTED CHILD FOR WHOM EARLY ACCESS TO FIRST  
5 GRADE IS APPROPRIATE, AS PROVIDED IN SECTION 22-20-204;

6 (IV) A PUPIL WHO IS THREE YEARS OF AGE AND RECEIVES  
7 EDUCATIONAL SERVICES UNDER THE "EXCEPTIONAL CHILDREN'S  
8 EDUCATIONAL ACT", ARTICLE 20 OF THIS TITLE, WHICH PUPIL IS COUNTED  
9 AS A HALF-TIME PUPIL;

10 (V) A PUPIL WHO RESIDES WITHIN THE BOUNDARIES OF THE  
11 DISTRICT AND IS RECEIVING EDUCATIONAL SERVICES UNDER THE  
12 "EXCEPTIONAL CHILDREN'S EDUCATIONAL ACT", ARTICLE 20 OF THIS  
13 TITLE, OUTSIDE OF THE DISTRICT, FOR WHICH SERVICES THE DISTRICT OF  
14 RESIDENCE PAYS TUITION;

15 (VI) A PUPIL WHO IS ENROLLED IN AN ON-LINE PROGRAM, AS  
16 DEFINED IN SECTION 22-30.7-102 (9), OR AN ON-LINE SCHOOL, AS DEFINED  
17 IN SECTION 22-30.7-102 (9.5), OPERATED PURSUANT TO ARTICLE 30.7 OF  
18 THIS TITLE BY A LOCAL EDUCATION PROVIDER;

19 (VII) A PUPIL WHO IS EXPELLED WITHIN THE APPLICABLE BUDGET  
20 YEAR AND TO WHOM THE LOCAL EDUCATION PROVIDER PROVIDES  
21 EDUCATIONAL SERVICES PURSUANT TO SECTION 22-33-203; AND

22 (VIII) A JUVENILE WHO IS HELD IN AN ADULT JAIL AND TO WHOM  
23 THE DISTRICT PROVIDES EDUCATIONAL SERVICES PURSUANT TO SECTION  
24 22-32-141.

25 (c) FOR PURPOSES OF THIS ARTICLE, MEMBERSHIP OF A LOCAL  
26 EDUCATION PROVIDER DOES NOT INCLUDE:

27 (I) A PUPIL WHO IS PLACED IN A FACILITY, AS DEFINED IN SECTION

1 22-2-402 (3), AND WHO IS RECEIVING SERVICES THROUGH AN APPROVED  
2 FACILITY SCHOOL, AS DEFINED IN SECTION 22-2-402 (1);

3 (II) A PUPIL WHO IS ENROLLED IN A MULTI-DISTRICT ON-LINE  
4 SCHOOL; OR

5 (III) A PUPIL WHO IS PARTICIPATING IN THE ASCENT PROGRAM.

6 (27) "MULTI-DISTRICT ON-LINE SCHOOL" HAS THE SAME MEANING  
7 AS PROVIDED IN SECTION 22-30.7-102 (6).

8 (28) (a) "ON-LINE AVERAGE DAILY MEMBERSHIP" MEANS THE  
9 NUMBER OF ON-LINE PUPILS ENROLLED EACH SCHOOL DAY IN A  
10 MULTI-DISTRICT ON-LINE SCHOOL OPERATED BY A LOCAL EDUCATION  
11 PROVIDER, TOTALED FOR THE AVERAGING PERIOD AND DIVIDED BY THE  
12 NUMBER OF SCHOOL DAYS IN THE AVERAGING PERIOD. THE STATE BOARD  
13 BY RULE SHALL DEFINE "ENROLLMENT" FOR PURPOSES OF MULTI-DISTRICT  
14 ON-LINE SCHOOLS. THE ON-LINE AVERAGE DAILY MEMBERSHIP OF A  
15 DISTRICT INCLUDES THE PUPILS ENROLLED IN A DISTRICT CHARTER SCHOOL  
16 OF THE DISTRICT THAT IS A MULTI-DISTRICT ON-LINE SCHOOL.

17 (b) (I) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF  
18 THIS SUBSECTION (28) TO THE CONTRARY, FOR PURPOSES OF CALCULATING  
19 FUNDING PURSUANT TO THIS ARTICLE FOR THE 2015-16 AND 2016-17  
20 BUDGET YEARS, "ON-LINE AVERAGE DAILY MEMBERSHIP" MEANS THE  
21 NUMBER OF PUPILS ENROLLED ON OCTOBER 1 OF THE BUDGET YEAR FOR  
22 WHICH FUNDING IS CALCULATED IN A MULTI-DISTRICT ON-LINE SCHOOL  
23 OPERATED BY A LOCAL EDUCATION PROVIDER.

24 (II) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JULY 1, 2017.

25 (29) "PRECEDING BUDGET YEAR" MEANS THE BUDGET YEAR THAT  
26 IMMEDIATELY PRECEDES THE BUDGET YEAR FOR WHICH FUNDING IS  
27 CALCULATED.

1           (30) (a) "PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP"  
2 MEANS THE NUMBER OF PUPILS, COUNTED AS HALF-DAY PUPILS, ENROLLED  
3 EACH SCHOOL DAY PURSUANT TO ARTICLE 28 OF THIS TITLE IN A DISTRICT  
4 PRESCHOOL PROGRAM OR AN INSTITUTE CHARTER SCHOOL PRESCHOOL  
5 PROGRAM, TOTALED FOR THE AVERAGING PERIOD AND DIVIDED BY THE  
6 NUMBER OF SCHOOL DAYS IN THE AVERAGING PERIOD.

7           (b) (I) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF  
8 THIS SUBSECTION (30) TO THE CONTRARY, FOR PURPOSES OF CALCULATING  
9 FUNDING PURSUANT TO THIS ARTICLE FOR THE 2015-16 AND 2016-17  
10 BUDGET YEARS, "PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP"  
11 MEANS THE NUMBER OF PUPILS ENROLLED PURSUANT TO ARTICLE 28 OF  
12 THIS TITLE IN A DISTRICT PRESCHOOL PROGRAM OR IN AN INSTITUTE  
13 CHARTER SCHOOL PRESCHOOL PROGRAM AND INCLUDED IN THE DISTRICT'S  
14 OR INSTITUTE CHARTER SCHOOL'S MEMBERSHIP ON OCTOBER 1 OF THE  
15 BUDGET YEAR FOR WHICH FUNDING IS CALCULATED.

16           (II) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JULY 1, 2017.

17           (31) "SCHOOL DAY" MEANS:

18           (a) FOR A DISTRICT, A DAY ON WHICH AT LEAST ONE SCHOOL OF  
19 THE DISTRICT IS PROVIDING EDUCATIONAL SERVICES TO PUPILS ENROLLED  
20 IN THE DISTRICT, INCLUDING PUPILS ENROLLED IN A DISTRICT CHARTER  
21 SCHOOL OF THE DISTRICT; OR

22           (b) FOR AN INSTITUTE CHARTER SCHOOL, A DAY ON WHICH THE  
23 INSTITUTE CHARTER SCHOOL IS PROVIDING EDUCATIONAL SERVICES TO  
24 PUPILS ENROLLED IN THE INSTITUTE CHARTER SCHOOL.

25           (32) "SCHOOL YEAR" MEANS JULY 1 THROUGH THE FOLLOWING  
26 JUNE 30.

27           (33) "SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE DISTRICT"

1 MEANS THE AMOUNT OF SPECIFIC OWNERSHIP TAX REVENUE THAT A  
2 DISTRICT RECEIVES PURSUANT TO SECTION 42-3-107 (24), C.R.S., FOR THE  
3 PRECEDING BUDGET YEAR THAT IS ATTRIBUTABLE TO ALL PROPERTY TAX  
4 LEVIES MADE BY THE DISTRICT EXCEPT THOSE PROPERTY TAX LEVIES MADE  
5 FOR THE PURPOSE OF SATISFYING BONDED INDEBTEDNESS OBLIGATIONS,  
6 BOTH PRINCIPAL AND INTEREST, AND THOSE PROPERTY TAX LEVIES  
7 AUTHORIZED AT ELECTIONS HELD UNDER THE PROVISIONS OF FORMER  
8 SECTION 22-53-117, OR SECTION 22-54-108 OR 22-54-108.5 AS THEY  
9 EXISTED BEFORE REPEAL, OR SECTION 22-54.5-205, 22-54.5-206,  
10 22-54.5-207, OR 22-54.5-208.

11 (34) "STATE AVERAGE PER PUPIL REVENUE" MEANS THE TOTAL  
12 PROGRAM OF ALL DISTRICTS AND ALL INSTITUTE CHARTER SCHOOLS FOR  
13 A BUDGET YEAR DIVIDED BY THE TOTAL FUNDED MEMBERSHIP OF ALL  
14 DISTRICTS AND ALL INSTITUTE CHARTER SCHOOLS FOR THE BUDGET YEAR.

15 (35) "STATE BOARD" MEANS THE STATE BOARD OF EDUCATION  
16 CREATED IN SECTION 1 OF ARTICLE IX OF THE STATE CONSTITUTION.

17 (36) "STATE SHARE" MEANS THE AMOUNT CALCULATED PURSUANT  
18 TO SECTION 22-54.5-203 THAT A DISTRICT RECEIVES AS THE STATE SHARE  
19 OF TOTAL PROGRAM.

20 (37) "STATEWIDE AVERAGE AT-RISK PUPIL PERCENTAGE" MEANS  
21 THE TOTAL AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP OF ALL DISTRICTS  
22 AND ALL INSTITUTE CHARTER SCHOOLS DIVIDED BY THE TOTAL ADJUSTED  
23 AVERAGE DAILY MEMBERSHIP OF ALL DISTRICTS AND ALL INSTITUTE  
24 CHARTER SCHOOLS.

25 (38) (a) "STATEWIDE AVERAGE DAILY MEMBERSHIP" MEANS THE  
26 TOTAL MEMBERSHIP OF ALL DISTRICTS AND ALL INSTITUTE CHARTER  
27 SCHOOLS IN THE STATE EACH SCHOOL DAY AND THE TOTAL NUMBER OF

1 PUPILS ENROLLED IN THE MULTI-DISTRICT ON-LINE SCHOOLS OF THE STATE  
2 EACH SCHOOL DAY, TOTALED FOR THE AVERAGING PERIOD AND DIVIDED  
3 BY THE NUMBER OF SCHOOL DAYS IN THE AVERAGING PERIOD.

4 (b) (I) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF  
5 THIS SUBSECTION (38) TO THE CONTRARY, FOR PURPOSES OF CALCULATING  
6 FUNDING PURSUANT TO THIS ARTICLE FOR THE 2015-16 AND 2016-17  
7 BUDGET YEARS, "STATEWIDE AVERAGE DAILY MEMBERSHIP" MEANS THE  
8 TOTAL MEMBERSHIP OF ALL DISTRICTS AND ALL INSTITUTE CHARTER  
9 SCHOOLS IN THE STATE ON OCTOBER 1 OF THE BUDGET YEAR FOR WHICH  
10 FUNDING IS CALCULATED.

11 (II) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JULY 1, 2017.

12 (39) "STATEWIDE AVERAGE ENGLISH LANGUAGE LEARNER  
13 PERCENTAGE" MEANS THE TOTAL ENGLISH LANGUAGE LEARNER AVERAGE  
14 DAILY MEMBERSHIP OF ALL DISTRICTS AND ALL INSTITUTE CHARTER  
15 SCHOOLS DIVIDED BY THE TOTAL ADJUSTED AVERAGE DAILY MEMBERSHIP  
16 OF ALL DISTRICTS AND ALL INSTITUTE CHARTER SCHOOLS.

17 (40) (a) "STATEWIDE AVERAGE ENROLLMENT GROWTH" MEANS  
18 THE PERCENTAGE INCREASE IN THE STATEWIDE AVERAGE DAILY  
19 MEMBERSHIP OF A FUNDING AVERAGING PERIOD OVER THE PREVIOUS  
20 FUNDING AVERAGING PERIOD.

21 (b) (I) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF  
22 THIS SUBSECTION (40) TO THE CONTRARY, FOR PURPOSES OF CALCULATING  
23 FUNDING PURSUANT TO THIS ARTICLE FOR BUDGET YEARS 2015-16  
24 THROUGH 2017-18, "STATEWIDE AVERAGE ENROLLMENT GROWTH" MEANS  
25 THE PERCENTAGE INCREASE IN THE STATEWIDE AVERAGE DAILY  
26 MEMBERSHIP OF A BUDGET YEAR OVER THE PREVIOUS BUDGET YEAR.

27 (II) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JULY 1, 2017.

1 (41) "STATEWIDE TOTAL MILL LEVY OVERRIDE" MEANS THE TOTAL  
2 AMOUNT OF LOCAL PROPERTY TAX REVENUES THAT THE DISTRICTS IN THE  
3 STATE ARE AUTHORIZED TO COLLECT IN ADDITION TO THE DISTRICTS'  
4 TOTAL PROGRAM MILL LEVIES; EXCEPT THAT "STATEWIDE TOTAL MILL  
5 LEVY OVERRIDE" DOES NOT INCLUDE AMOUNTS AUTHORIZED PURSUANT  
6 TO SECTION 22-40-110 OR ARTICLE 42 OR ARTICLE 43 OF THIS TITLE FOR  
7 CAPITAL IMPROVEMENTS IN GROWTH DISTRICTS OR FOR THE PURPOSE OF  
8 REPAYING BONDED INDEBTEDNESS OR REFUNDING BONDS.

9 (42) "TOTAL PROGRAM" MEANS:

10 (a) THE FUNDING FOR A DISTRICT, AS DETERMINED PURSUANT TO  
11 SECTION 22-54.5-201, WHICH REPRESENTS THE FINANCIAL BASE OF  
12 SUPPORT FOR PUBLIC EDUCATION IN THAT DISTRICT; OR

13 (b) THE FUNDING FOR AN INSTITUTE CHARTER SCHOOL, AS  
14 DETERMINED PURSUANT TO SECTION 22-54.5-202, WHICH REPRESENTS THE  
15 FINANCIAL BASE OF SUPPORT FOR THE INSTITUTE CHARTER SCHOOL.

16 (43) "TOTAL PROGRAM MILL LEVY" MEANS THE NUMBER OF MILLS  
17 SPECIFIED IN SECTION 22-54.5-203 (3) THAT A DISTRICT IS EXPECTED TO  
18 LEVY FOR PURPOSES OF THE DISTRICT'S LOCAL SHARE OF TOTAL PROGRAM.

19 **22-54.5-104. Rules - general provisions.** (1) THE STATE BOARD,  
20 PURSUANT TO THE "STATE ADMINISTRATIVE PROCEDURE ACT", ARTICLE  
21 4 OF TITLE 24, C.R.S., SHALL PROMULGATE RULES AS NECESSARY FOR THE  
22 ADMINISTRATION AND ENFORCEMENT OF THIS ARTICLE.

23 (2) THIS ARTICLE DOES NOT AFFECT OR LIMIT THE AUTHORITY OF  
24 A DISTRICT TO IMPOSE SUCH OTHER TAX LEVIES AS ARE PROVIDED BY LAW.

25 (3) THIS ARTICLE DOES NOT AFFECT THE RIGHT OF A DISTRICT TO  
26 OBTAIN OR RECEIVE MONEYS THAT ARE ALLOWABLE OR PAYABLE TO THE  
27 DISTRICT UNDER THE PROVISIONS OF OTHER LAWS.



1           **22-54.5-105. Report - return on investment - cost study -**

2   **legislative declaration.** (1) THE GENERAL ASSEMBLY FINDS THAT THE  
3 PURPOSE OF INVESTING IN PUBLIC EDUCATION IS TO GENERATE SPECIFIC  
4 EDUCATIONAL OUTCOMES; AS SUCH, THE TWO MUST BE EVALUATED  
5 TOGETHER. IT IS NOT ENOUGH TO KNOW HOW MUCH IS INVESTED IN THE  
6 PRESCHOOL, ELEMENTARY, AND SECONDARY EDUCATION SYSTEM; IT IS  
7 MORE IMPORTANT TO KNOW HOW EFFECTIVE THE INVESTMENT IS IN  
8 ACHIEVING THE STANDARDS-BASED EDUCATION GOALS THE GENERAL  
9 ASSEMBLY HAS ESTABLISHED. THE GENERAL ASSEMBLY FURTHER FINDS  
10 THAT THE PRELIMINARY INVESTMENTS MADE BY THIS ARTICLE, SUPPORTED  
11 BY THE INCREASE IN STATE TAX REVENUES APPROVED BY A STATEWIDE  
12 BALLOT MEASURE, ADDRESS THE MOST SIGNIFICANT DEFICIENCIES  
13 EXISTING AS OF THE EFFECTIVE DATE OF THIS ARTICLE. BUT THE  
14 CONTINUED APPLICATION OF THESE INVESTMENTS MUST BE MONITORED ON  
15 A REGULAR BASIS TO ENSURE THAT THEY GENERATE THE DESIRED RESULTS  
16 AND THAT THE INVESTMENTS ARE SUFFICIENT TO MEET THE STATUTORY  
17 EDUCATION-REFORM REQUIREMENTS. BECAUSE THE ULTIMATE GOAL OF  
18 THE STANDARDS-BASED EDUCATION SYSTEM IS MEETING THE  
19 EDUCATIONAL STANDARDS SET FOR EACH LEVEL, FUTURE COST STUDIES  
20 MUST EVALUATE WHERE FAILURE TO MEET THOSE STANDARDS INDICATES  
21 A LACK OF RESOURCES AND TARGET FUTURE RESOURCES TO DIRECTLY  
22 ADDRESS THOSE PROGRAMS, STUDENT GROUPS, OR SCHOOLS THAT  
23 CONTINUE TO UNDERPERFORM.

24           (2) THE DEPARTMENT SHALL PREPARE A REPORT ANALYZING THE  
25 RETURN ON THE INVESTMENT PROVIDED TO DISTRICTS AND INSTITUTE  
26 CHARTER SCHOOLS PURSUANT TO THIS ARTICLE, AS DESCRIBED IN  
27 SUBSECTION (3) OF THIS SECTION, AND A COST STUDY AS DESCRIBED IN

1 SUBSECTION (4) OF THIS SECTION, TO IDENTIFY ANY FUNDING DEFICITS  
2 WITH REGARD TO SPECIFIC PROGRAMS, STUDENT GROUPS, OR OTHER AREAS  
3 THAT ARE CRITICAL TO DISTRICTS AND INSTITUTE CHARTER SCHOOLS. THE  
4 DEPARTMENT SHALL SUBMIT THE REPORT AND THE COST STUDY TO THE  
5 STATE BOARD, THE GOVERNOR, AND THE EDUCATION COMMITTEES OF THE  
6 SENATE AND THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR  
7 COMMITTEES. THE DEPARTMENT SHALL SUBMIT THE FIRST COST STUDY NO  
8 LATER THAN JANUARY 31, 2016. THE DEPARTMENT SHALL SUBMIT THE  
9 REPORT AND SUBSEQUENT COST STUDIES NO LATER THAN JANUARY 31,  
10 2020, AND NO LATER THAN JANUARY 31 EVERY FOUR YEARS THEREAFTER.  
11 THE DEPARTMENT SHALL MAKE THE REPORT AND THE COST STUDY  
12 AVAILABLE TO THE PUBLIC ON THE DEPARTMENT WEB SITE.

13 (3) (a) THE DEPARTMENT MAY PREPARE THE REPORT OF THE  
14 EFFECTIVENESS OF THE FUNDING PROVIDED BY THIS SECTION EITHER  
15 DIRECTLY OR BY CONTRACT WITH ONE OR MORE PROVIDERS. THE REPORT  
16 MUST ANALYZE THE RELATIONSHIP BETWEEN THE FUNDING INVESTMENTS  
17 MADE THROUGH THIS ARTICLE AND THE SUBSEQUENT LEVELS OF STUDENT  
18 ACADEMIC GROWTH AND ACHIEVEMENT AS MEASURED BY, AT A MINIMUM,  
19 THE STATEWIDE ASSESSMENTS, SCHOOL ATTENDANCE RATES, HIGH  
20 SCHOOL GRADUATION RATES, AND COLLEGE REMEDIATION RATES.  
21 SPECIFICALLY, THE REPORT, AT A MINIMUM, MUST ANALYZE THE  
22 FOLLOWING:

23 (I) DISTRICT SIZE, SCHOOL SIZE, DISTRICT AND SCHOOL LOCATION,  
24 DISTRICT AND SCHOOL STUDENT DEMOGRAPHICS, AND OTHER DISTRICT  
25 AND SCHOOL ATTRIBUTES, INCLUDING BUT NOT LIMITED TO DISTRICT AND  
26 SCHOOL CALENDARS, STANDARD CLASS SIZES, AND SPECIALIZATION IN  
27 SCHOOLS AND CURRICULA;

1           (II) THE AMOUNT OF FUNDING RECEIVED BY EACH DISTRICT, EACH  
2 DISTRICT CHARTER SCHOOL, EACH NON-CHARTER PUBLIC SCHOOL, AND  
3 EACH INSTITUTE CHARTER SCHOOL PURSUANT TO THIS ARTICLE AND  
4 THROUGH CATEGORICAL PROGRAM FUNDING;

5           (III) STUDENT LEARNING CONDITIONS WITHIN EACH DISTRICT,  
6 EACH SCHOOL THAT IS NOT A CHARTER SCHOOL, EACH DISTRICT CHARTER  
7 SCHOOL, AND EACH INSTITUTE CHARTER SCHOOL USING DATA FROM THE  
8 BIENNIAL TEACHING AND LEARNING CONDITIONS SURVEY ADMINISTERED  
9 BY THE DEPARTMENT PURSUANT TO SECTION 22-2-503, OTHER VALID AND  
10 RELIABLE DATA REGARDING STAFF, PARENT, AND STUDENT PERCEPTIONS,  
11 AND OTHER VALID AND RELIABLE DATA THAT DISTRICTS AND PUBLIC  
12 SCHOOLS MAY PROVIDE;

13           (IV) THE LEVELS OF ACHIEVEMENT ON THE PERFORMANCE  
14 INDICATORS DESCRIBED IN SECTION 22-11-204, INCLUDING EACH OF THE  
15 SPECIFIC MEASURES, BY EACH DISTRICT, EACH DISTRICT CHARTER SCHOOL,  
16 EACH NON-CHARTER PUBLIC SCHOOL, AND EACH INSTITUTE CHARTER  
17 SCHOOL;

18           (V) THE LEVEL OF INVESTMENTS IN EXPANDED LEARNING TIME  
19 INITIATIVES AND THE TYPES OF INITIATIVES IMPLEMENTED;

20           (VI) INVESTMENTS IN TARGETED PROGRAMS, INCLUDING  
21 PROGRAMS TO SERVE AT-RISK PUPILS, ENGLISH LANGUAGE LEARNERS,  
22 STUDENT WITH DISABILITIES, AND GIFTED AND TALENTED STUDENTS, AND  
23 THE ACADEMIC GROWTH AND ACHIEVEMENT LEVELS OF STUDENTS WITHIN  
24 THESE GROUPS;

25           (VII) CONCURRENT ENROLLMENT PURSUANT TO ARTICLE 35 OF  
26 THIS TITLE, INCLUDING PARTICIPATION IN THE ASCENT PROGRAM,  
27 POSTSECONDARY ENROLLMENT BY STUDENTS GRADUATING FROM

1 COLORADO HIGH SCHOOLS, INCLUDING THE TYPES OF POSTSECONDARY  
2 CERTIFICATE AND DEGREE PROGRAMS, AND THE REMEDIATION RATES FOR  
3 THOSE STUDENTS; AND

4 (VIII) THE POSTSECONDARY PERSISTENCE RATES AND THE  
5 NUMBER OF YEARS TO OBTAIN POSTSECONDARY CREDENTIALS FOR  
6 STUDENTS WHO GRADUATE FROM COLORADO HIGH SCHOOLS.

7 (b) IN ADDITION, THE REPORT MUST CONFIRM THE LEVEL TO WHICH  
8 EACH DISTRICT, EACH DISTRICT CHARTER SCHOOL, AND EACH INSTITUTE  
9 CHARTER SCHOOL IMPLEMENTS THE FOLLOWING STATUTORY  
10 REQUIREMENTS WITH INTEGRITY:

11 (I) THE STATEWIDE EDUCATOR EFFECTIVENESS EVALUATION  
12 SYSTEM DESCRIBED IN ARTICLE 9 OF THIS TITLE;

13 (II) THE "PRESCHOOL TO POSTSECONDARY EDUCATION  
14 ALIGNMENT ACT", PART 10 OF ARTICLE 7 OF THIS TITLE;

15 (III) THE "COLORADO READ ACT", PART 12 OF ARTICLE 7 OF THIS  
16 TITLE; AND

17 (IV) THE "EDUCATION ACCOUNTABILITY ACT OF 2009", ARTICLE  
18 11 OF THIS TITLE.

19 (4) (a) THE DEPARTMENT SHALL CONTRACT FOR STUDIES OF THE  
20 AMOUNT OF FUNDING REQUIRED FOR DISTRICTS, DISTRICT CHARTER  
21 SCHOOLS, AND INSTITUTE CHARTER SCHOOLS TO SUCCESSFULLY  
22 IMPLEMENT THE "PRESCHOOL TO POSTSECONDARY EDUCATION  
23 ALIGNMENT ACT", PART 10 OF ARTICLE 7 OF THIS TITLE, THE "COLORADO  
24 READ ACT", PART 12 OF ARTICLE 7 OF THIS TITLE, THE "LICENSED  
25 PERSONNEL PERFORMANCE EVALUATION ACT", ARTICLE 9 OF THIS TITLE,  
26 AND THE "EDUCATION ACCOUNTABILITY ACT OF 2009", ARTICLE 11 OF  
27 THIS TITLE. THE COST STUDY MUST INCLUDE IDENTIFICATION OF SPECIFIC

1 AREAS OF FUNDING DEFICIT AND THE AMOUNT NEEDED TO REMEDY THE  
2 DEFICIT.

3 (b) IN CONTRACTING FOR THE COST STUDIES, THE DEPARTMENT  
4 SHALL ENSURE THAT THE STUDIES IMPLEMENT MULTIPLE METHODS,  
5 INCLUDING BUT NOT LIMITED TO:

6 (I) THE PROFESSIONAL JUDGEMENT METHOD, WHICH IDENTIFIES  
7 AND MEASURES THE RESOURCES NEEDED TO PROVIDE SERVICES,  
8 ESTIMATES THE PRICES OF RESOURCES ACROSS DISTRICTS, AND TABULATES  
9 THE COSTS FOR ALL DISTRICTS AND INSTITUTE CHARTER SCHOOLS;

10 (II) THE SUCCESSFUL SCHOOL DISTRICT METHOD, WHICH  
11 IDENTIFIES REPRESENTATIVE SCHOOL DISTRICTS AND SCHOOLS THAT MEET  
12 A CHOSEN STANDARD OF SUCCESS AND ASSUMES THAT THE EXPENDITURES  
13 IN THOSE SCHOOL DISTRICTS AND SCHOOLS ARE ADEQUATE; AND

14 (III) THE COST FUNCTION METHOD, WHICH USES A STATISTICAL  
15 METHOD TO MEASURE THE SYSTEMATIC RELATIONSHIP BETWEEN ACTUAL  
16 EXPENDITURES AND EDUCATIONAL OUTCOMES AND PREDICTS THE COST OF  
17 ACHIEVING A DESIRED LEVEL OF OUTCOME IN EACH DISTRICT.

18 (c) IN PREPARING THE COST STUDIES, THE PROVIDER MUST  
19 ATTEMPT TO CORRELATE DEFICITS IN PERFORMANCE WITH DEFICITS IN  
20 FUNDING TO ENABLE THE GENERAL ASSEMBLY TO IDENTIFY SPECIFIC  
21 PROGRAMS, STUDENT GROUPS, OR AREAS OF THE STATE THAT SHOULD  
22 RECEIVE STRATEGIC, TARGETED INCREASES IN FUNDING TO IMPROVE  
23 PERFORMANCE.

24 **22-54.5-106. Effectiveness of article - applicability - rules.**

25 (1) THIS ARTICLE TAKES EFFECT UPON THE PROCLAMATION BY THE  
26 GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION AT WHICH A  
27 MAJORITY OF THOSE VOTING APPROVE AN INCREASE IN STATE TAX

1 REVENUES FOR THE PURPOSE OF FUNDING PUBLIC EDUCATION.

2 (2) THE PROVISIONS OF THIS ARTICLE APPLY IN THE SECOND  
3 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
4 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE  
5 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
6 THEREAFTER; EXCEPT THAT, IN THE FIRST BUDGET YEAR COMMENCING  
7 AFTER THE STATEWIDE ELECTION:

8

9 (a) THE DEPARTMENT SHALL RECALCULATE THE STATE AND LOCAL  
10 SHARES OF TOTAL PROGRAM PURSUANT TO SECTION 22-54.5-203; AND

11 (b) THE STATE BOARD MAY PROMULGATE SUCH RULES AS MAY BE  
12 NECESSARY TO IMPLEMENT THE PROVISIONS OF THIS ARTICLE.

13

## PART 2

14

### TOTAL PROGRAM

15

### AND LOCAL REVENUES

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**22-54.5-201. District total program.** (1) THE DEPARTMENT SHALL APPLY THE PROVISIONS OF THIS SECTION TO CALCULATE FOR EACH DISTRICT AN AMOUNT THAT REPRESENTS THE FINANCIAL BASE OF SUPPORT FOR PUBLIC EDUCATION IN THAT DISTRICT, WHICH AMOUNT IS KNOWN AS THE DISTRICT'S TOTAL PROGRAM. EACH DISTRICT'S TOTAL PROGRAM IS AVAILABLE TO THE DISTRICT TO FUND THE COSTS OF PROVIDING PUBLIC EDUCATION, AND, EXCEPT AS OTHERWISE PROVIDED IN SECTION 22-54.5-410, THE DISTRICT HAS DISCRETION CONCERNING THE AMOUNTS AND PURPOSES FOR WHICH THE MONEYS ARE BUDGETED AND EXPENDED.

(2) **Total program funding.** A DISTRICT'S TOTAL PROGRAM IS CALCULATED AS:

(DISTRICT'S PER PUPIL FUNDING X (DISTRICT'S FUNDED

1 MEMBERSHIP - DISTRICT'S ON-LINE AVERAGE DAILY  
2 MEMBERSHIP - DISTRICT'S ASCENT PROGRAM AVERAGE  
3 DAILY MEMBERSHIP)) + DISTRICT'S AT-RISK FUNDING +  
4 DISTRICT'S ENGLISH LANGUAGE LEARNER FUNDING +  
5 DISTRICT'S ON-LINE FUNDING + DISTRICT'S ASCENT  
6 PROGRAM FUNDING.

7 (3) **District per pupil funding.** (a) THE DEPARTMENT SHALL  
8 CALCULATE A DISTRICT'S PER PUPIL FUNDING USING THE FOLLOWING  
9 FORMULA:

10 STATEWIDE BASE PER PUPIL FUNDING X DISTRICT SIZE  
11 FACTOR.

12 (b) **Statewide base per pupil funding.** (I) FOR THE 2014-15  
13 BUDGET YEAR, THE STATEWIDE BASE PER PUPIL FUNDING IS THE AMOUNT  
14 SPECIFIED IN SECTION 22-54-104 (5).

15 (II) FOR THE 2015-16 BUDGET YEAR AND EACH BUDGET YEAR  
16 THEREAFTER, STATEWIDE BASE PER PUPIL FUNDING MUST ANNUALLY  
17 INCREASE OVER THE AMOUNT ESTABLISHED FOR THE PRECEDING BUDGET  
18 YEAR BY THE RATE OF INFLATION, AS DEFINED IN SECTION 20 (2) (f) OF  
19 ARTICLE X OF THE STATE CONSTITUTION, FOR THE PRECEDING BUDGET  
20 YEAR.

21 (c) **District size factor.** (I) THE DEPARTMENT SHALL CALCULATE  
22 EACH DISTRICT'S SIZE FACTOR USING THE FOLLOWING FORMULA:

23 <b>If the district's funded</b>	<b>The district's</b>
24 <b>membership count is:</b>	<b>size factor shall be:</b>
25 LESS THAN 276	1.5457 + (0.00376159 X THE
26	DIFFERENCE BETWEEN THE FUNDED
27	MEMBERSHIP AND 276).

1	276 OR MORE	
2	BUT LESS THAN 459	1.2385 + (0.00167869 X THE
3		DIFFERENCE BETWEEN THE FUNDED
4		MEMBERSHIP AND 459).
5	459 OR MORE	
6	BUT LESS THAN 1,027	1.1215 + (0.00020599 X THE
7		DIFFERENCE BETWEEN THE FUNDED
8		MEMBERSHIP AND 1,027).
9	1,027 OR MORE	
10	BUT LESS THAN 2,293	1.0533 + (0.00005387 X THE
11		DIFFERENCE BETWEEN THE FUNDED
12		MEMBERSHIP AND 2,293).
13	2,293 OR MORE	
14	BUT LESS THAN 4,023	1.0297 + (0.00001364 X THE
15		DIFFERENCE BETWEEN THE FUNDED
16		MEMBERSHIP AND 4,023).
17	4,023 OR MORE	
18	BUT LESS THAN 4,300	1.0 + (0.00010722 X THE DIFFERENCE
19		BETWEEN THE FUNDED MEMBERSHIP
20		AND 4,300).
21	4,300 OR MORE	1.0.

22           (II) IF THE REORGANIZATION OF A DISTRICT OR DISTRICTS RESULTS  
23 IN ONE OR MORE OF THE DISTRICTS INVOLVED IN THE REORGANIZATION  
24 HAVING A HIGHER SIZE FACTOR THAN THE ORIGINAL DISTRICT OR  
25 DISTRICTS HAD FOR THE BUDGET YEAR IMMEDIATELY PRECEDING  
26 REORGANIZATION, THE SIZE FACTOR FOR EACH SUBSEQUENT BUDGET YEAR  
27 FOR THE DISTRICTS INVOLVED IN THE REORGANIZATION IS THE SIZE



1 FACTOR THAT THE ORIGINAL DISTRICT OR DISTRICTS HAD FOR THE BUDGET  
2 YEAR PRECEDING THE REORGANIZATION OR, IF TWO OR MORE DISTRICTS  
3 REORGANIZE INTO A SINGLE DISTRICT, THE SIZE FACTOR OF THE ORIGINAL  
4 DISTRICT WITH THE LOWEST SIZE FACTOR FOR THE BUDGET YEAR  
5 IMMEDIATELY PRECEDING THE REORGANIZATION. A DISTRICT INVOLVED  
6 IN THE REORGANIZATION SHALL NOT, FOR ANY BUDGET YEAR, BE  
7 ALLOWED THE SIZE FACTOR THAT WOULD OTHERWISE BE PROVIDED BY  
8 THIS PARAGRAPH (c).

9 (III) IF THE REORGANIZATION OF A DISTRICT OR DISTRICTS RESULTS  
10 IN ONE OR MORE OF THE DISTRICTS INVOLVED IN THE REORGANIZATION  
11 HAVING A LOWER SIZE FACTOR THAN THE ORIGINAL DISTRICT OR DISTRICTS  
12 HAD FOR THE BUDGET YEAR IMMEDIATELY PRECEDING REORGANIZATION,  
13 THE SIZE FACTOR FOR THE NEW DISTRICT OR DISTRICTS IS DETERMINED AS  
14 FOLLOWS:

15 (A) FOR THE FIRST BUDGET YEAR FOLLOWING REORGANIZATION,  
16 THE SIZE FACTOR OF THE ORIGINAL DISTRICT FOR THE BUDGET YEAR  
17 IMMEDIATELY PRECEDING REORGANIZATION OR, IF TWO OR MORE  
18 DISTRICTS ARE INVOLVED IN THE REORGANIZATION, THE WEIGHTED  
19 AVERAGE SIZE FACTOR OF THE ORIGINAL DISTRICTS FOR THE BUDGET YEAR  
20 IMMEDIATELY PRECEDING REORGANIZATION. FOR PURPOSES OF THIS  
21 SUB-SUBPARAGRAPH (A), THE WEIGHTED AVERAGE SIZE FACTOR IS THE  
22 SUM OF THE AMOUNTS CALCULATED BY MULTIPLYING THE FUNDED  
23 MEMBERSHIP OF THE ORIGINAL DISTRICTS BY THE SIZE FACTOR OF THE  
24 ORIGINAL DISTRICTS AND DIVIDING THAT SUM BY THE TOTAL FUNDED  
25 MEMBERSHIP OF THE ORIGINAL DISTRICTS.

26 (B) FOR THE SECOND BUDGET YEAR FOLLOWING REORGANIZATION,  
27 THE SIZE FACTOR FOR THE PRIOR BUDGET YEAR MINUS AN AMOUNT EQUAL

1 TO ONE-FIFTH OF THE DIFFERENCE BETWEEN THE SIZE FACTOR FOR THE  
2 PRIOR BUDGET YEAR AND THE SIZE FACTOR DETERMINED PURSUANT TO  
3 SUBPARAGRAPH (I) OF THIS PARAGRAPH (c);

4 (C) FOR THE THIRD BUDGET YEAR FOLLOWING REORGANIZATION,  
5 THE SIZE FACTOR FOR THE PRIOR BUDGET YEAR MINUS AN AMOUNT EQUAL  
6 TO ONE-FOURTH OF THE DIFFERENCE BETWEEN THE SIZE FACTOR FOR THE  
7 PRIOR BUDGET YEAR AND THE SIZE FACTOR DETERMINED PURSUANT TO  
8 SUBPARAGRAPH (I) OF THIS PARAGRAPH (c);

9 (D) FOR THE FOURTH BUDGET YEAR FOLLOWING REORGANIZATION,  
10 THE SIZE FACTOR FOR THE PRIOR BUDGET YEAR MINUS AN AMOUNT EQUAL  
11 TO ONE-THIRD OF THE DIFFERENCE BETWEEN THE SIZE FACTOR FOR THE  
12 PRIOR BUDGET YEAR AND THE SIZE FACTOR DETERMINED PURSUANT TO  
13 SUBPARAGRAPH (I) OF THIS PARAGRAPH (c);

14 (E) FOR THE FIFTH BUDGET YEAR FOLLOWING REORGANIZATION,  
15 THE SIZE FACTOR FOR THE PRIOR BUDGET YEAR MINUS AN AMOUNT EQUAL  
16 TO ONE-HALF OF THE DIFFERENCE BETWEEN THE SIZE FACTOR FOR THE  
17 PRIOR BUDGET YEAR AND THE SIZE FACTOR DETERMINED PURSUANT TO  
18 SUBPARAGRAPH (I) OF THIS PARAGRAPH (c);

19 (F) FOR THE SIXTH BUDGET YEAR FOLLOWING REORGANIZATION  
20 AND BUDGET YEARS THEREAFTER, THE SIZE FACTOR DETERMINED  
21 PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (c).

22 (IV) THE FUNDED MEMBERSHIP USED TO CALCULATE A DISTRICT'S  
23 SIZE FACTOR PURSUANT TO THIS PARAGRAPH (c) IS THE FUNDED  
24 MEMBERSHIP OF THE DISTRICT REDUCED BY SIXTY-FIVE PERCENT OF THE  
25 NUMBER OF PUPILS INCLUDED IN THE FUNDED MEMBERSHIP WHO ARE  
26 ENROLLED IN CHARTER SCHOOLS OF THE DISTRICT; EXCEPT THAT THE  
27 PROVISIONS OF THIS SUBPARAGRAPH (IV) APPLY ONLY TO THOSE

1 DISTRICTS WITH A FUNDED MEMBERSHIP OF FIVE HUNDRED OR LESS.

2 (4) **District at-risk funding.** (a) **Formulas.** THE DEPARTMENT  
3 SHALL CALCULATE A DISTRICT'S AT-RISK FUNDING USING ONE OF THE  
4 FOLLOWING FORMULAS:

5 (I) IF THE DISTRICT'S AT-RISK PUPIL PERCENTAGE IS EQUAL TO OR  
6 LESS THAN THE STATEWIDE AVERAGE AT-RISK PUPIL PERCENTAGE, THE  
7 DEPARTMENT SHALL USE THE FOLLOWING FORMULA:

8 (STATEWIDE BASE PER PUPIL FUNDING X 20%) X DISTRICT'S  
9 AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP.

10 (II) IF THE DISTRICT'S AT-RISK PUPIL PERCENTAGE IS GREATER  
11 THAN THE STATEWIDE AVERAGE AT-RISK PERCENTAGE, THE DEPARTMENT  
12 SHALL USE THE FOLLOWING FORMULA:

13 ((STATEWIDE BASE PER PUPIL FUNDING X 20%) X  
14 (STATEWIDE AVERAGE AT-RISK PUPIL PERCENTAGE X  
15 DISTRICT'S ADJUSTED AVERAGE DAILY MEMBERSHIP)) +  
16 ((STATEWIDE BASE PER PUPIL FUNDING X DISTRICT'S  
17 AT-RISK FACTOR) X (DISTRICT'S AT-RISK PUPIL AVERAGE  
18 DAILY MEMBERSHIP - (STATEWIDE AVERAGE AT-RISK PUPIL  
19 PERCENTAGE X DISTRICT'S ADJUSTED AVERAGE DAILY  
20 MEMBERSHIP))).

21 (b) **At-risk factor.** IF THE DISTRICT'S AT-RISK PUPIL PERCENTAGE  
22 IS GREATER THAN THE STATEWIDE AVERAGE AT-RISK PUPIL PERCENTAGE,  
23 THE DISTRICT'S AT-RISK FACTOR IS TWENTY PERCENT PLUS A 0.40  
24 PERCENTAGE POINT FOR EACH PERCENTAGE POINT THAT THE DISTRICT'S  
25 AT-RISK PUPIL PERCENTAGE EXCEEDS THE STATEWIDE AVERAGE AT-RISK  
26 PUPIL PERCENTAGE; EXCEPT THAT A DISTRICT'S AT-RISK FACTOR SHALL  
27 NOT EXCEED FORTY PERCENT.

1           **(5) District English language learner funding. (a) Formulas.**

2           THE DEPARTMENT SHALL CALCULATE A DISTRICT'S ENGLISH LANGUAGE  
3           LEARNER FUNDING USING ONE OF THE FOLLOWING FORMULAS:

4           **(I) IF THE DISTRICT'S ENGLISH LANGUAGE LEARNER PERCENTAGE**  
5           **IS EQUAL TO OR LESS THAN THE STATEWIDE AVERAGE ENGLISH LANGUAGE**  
6           **LEARNER PERCENTAGE, THE DEPARTMENT SHALL USE THE FOLLOWING**  
7           **FORMULA:**

8           (STATEWIDE BASE PER PUPIL FUNDING X 20%) X DISTRICT'S  
9           ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
10          MEMBERSHIP.

11          **(II) IF THE DISTRICT'S ENGLISH LANGUAGE LEARNER PERCENTAGE**  
12          **IS GREATER THAN THE STATEWIDE AVERAGE ENGLISH LANGUAGE LEARNER**  
13          **PERCENTAGE, THE DEPARTMENT SHALL USE THE FOLLOWING FORMULA:**

14          (((STATEWIDE BASE PER PUPIL FUNDING X 20%) X  
15          (STATEWIDE AVERAGE ENGLISH LANGUAGE LEARNER  
16          PERCENTAGE X DISTRICT'S ADJUSTED AVERAGE DAILY  
17          MEMBERSHIP)) + ((STATEWIDE BASE PER PUPIL FUNDING X  
18          DISTRICT'S ENGLISH LANGUAGE LEARNER FACTOR) X  
19          (DISTRICT'S ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
20          MEMBERSHIP - (STATEWIDE AVERAGE ENGLISH LANGUAGE  
21          LEARNER PERCENTAGE X DISTRICT'S ADJUSTED AVERAGE  
22          DAILY MEMBERSHIP))).

23          **(b) English language learner factor.** IF THE DISTRICT'S ENGLISH  
24          LANGUAGE LEARNER PERCENTAGE IS GREATER THAN THE STATEWIDE  
25          AVERAGE ENGLISH LANGUAGE LEARNER PERCENTAGE, THE DISTRICT'S  
26          ENGLISH LANGUAGE LEARNER FACTOR IS TWENTY PERCENT PLUS A 0.80  
27          PERCENTAGE POINT FOR EACH PERCENTAGE POINT THAT THE DISTRICT'S

1 ENGLISH LANGUAGE LEARNER PERCENTAGE EXCEEDS THE STATEWIDE  
2 AVERAGE ENGLISH LANGUAGE LEARNER PERCENTAGE; EXCEPT THAT A  
3 DISTRICT'S ENGLISH LANGUAGE LEARNER FACTOR SHALL NOT EXCEED  
4 FORTY PERCENT.

5 (6) **District on-line funding.** A DISTRICT'S ON-LINE FUNDING IS AN  
6 AMOUNT EQUAL TO THE DISTRICT'S ON-LINE AVERAGE DAILY MEMBERSHIP  
7 MULTIPLIED BY THE STATEWIDE BASE PER PUPIL FUNDING SPECIFIED IN  
8 PARAGRAPH (b) OF SUBSECTION (3) OF THIS SECTION FOR THE APPLICABLE  
9 BUDGET YEAR.

10 (7) **District ASCENT program funding.** A DISTRICT'S ASCENT  
11 PROGRAM FUNDING IS AN AMOUNT EQUAL TO THE DISTRICT'S ASCENT  
12 PROGRAM AVERAGE DAILY MEMBERSHIP MULTIPLIED BY THE STATEWIDE  
13 BASE PER PUPIL FUNDING SPECIFIED IN PARAGRAPH (b) OF SUBSECTION (3)  
14 OF THIS SECTION FOR THE APPLICABLE BUDGET YEAR.

15 **22-54.5-202. Total program - institute charter schools.** (1) THE  
16 CALCULATION OF TOTAL PROGRAM PURSUANT TO THE PROVISIONS OF THIS  
17 SECTION REPRESENTS THE FINANCIAL BASE OF SUPPORT FOR EACH  
18 INSTITUTE CHARTER SCHOOL, WHICH AMOUNT IS KNOWN AS THE INSTITUTE  
19 CHARTER SCHOOL'S TOTAL PROGRAM. EACH INSTITUTE CHARTER SCHOOL'S  
20 TOTAL PROGRAM IS AVAILABLE TO THE INSTITUTE CHARTER SCHOOL TO  
21 FUND THE COSTS OF PROVIDING PUBLIC EDUCATION TO PUPILS ENROLLED  
22 IN THE INSTITUTE CHARTER SCHOOL. THE INSTITUTE CHARTER SCHOOL HAS  
23 DISCRETION CONCERNING THE AMOUNTS AND PURPOSES FOR WHICH THE  
24 MONEYS ARE BUDGETED AND EXPENDED.

25 (2) **Total program funding.** AN INSTITUTE CHARTER SCHOOL'S  
26 TOTAL PROGRAM IS CALCULATED USING THE PER PUPIL FUNDING OF THE  
27 INSTITUTE CHARTER SCHOOL'S ACCOUNTING DISTRICT AS CALCULATED

1 PURSUANT TO SECTION 22-54.5-201 (3). THE FORMULA FOR AN INSTITUTE  
2 CHARTER SCHOOL'S TOTAL PROGRAM IS:

3 (ACCOUNTING DISTRICT'S PER PUPIL FUNDING X (INSTITUTE  
4 CHARTER SCHOOL'S FUNDED MEMBERSHIP - INSTITUTE  
5 CHARTER SCHOOL'S ON-LINE AVERAGE DAILY MEMBERSHIP  
6 - INSTITUTE CHARTER SCHOOL'S ASCENT PROGRAM  
7 AVERAGE DAILY MEMBERSHIP)) + INSTITUTE CHARTER  
8 SCHOOL'S MILL LEVY EQUALIZATION FUNDING + INSTITUTE  
9 CHARTER SCHOOL'S AT-RISK FUNDING + INSTITUTE CHARTER  
10 SCHOOL'S ENGLISH LANGUAGE LEARNER FUNDING +  
11 INSTITUTE CHARTER SCHOOL'S ON-LINE FUNDING +  
12 INSTITUTE CHARTER SCHOOL'S ASCENT PROGRAM  
13 FUNDING.

14 (3) **Institute charter school mill levy equalization funding.** (a)

15 **Formula.** THE DEPARTMENT SHALL CALCULATE AN INSTITUTE CHARTER  
16 SCHOOL'S MILL LEVY EQUALIZATION FUNDING USING THE FOLLOWING  
17 FORMULA:

18 (ACCOUNTING DISTRICT'S PER PUPIL FUNDING X INSTITUTE  
19 CHARTER SCHOOL'S MILL LEVY EQUALIZATION FACTOR) X  
20 (INSTITUTE CHARTER SCHOOL'S FUNDED MEMBERSHIP -  
21 INSTITUTE CHARTER SCHOOL'S ASCENT PROGRAM  
22 AVERAGE DAILY MEMBERSHIP).

23 (b) **Mill levy equalization factor.** (I) THE DEPARTMENT SHALL  
24 ANNUALLY CALCULATE THE MILL LEVY EQUALIZATION FACTOR FOR EACH  
25 INSTITUTE CHARTER SCHOOL USING THE FOLLOWING FORMULA:

26 PER PUPIL MILL LEVY EQUALIZATION ÷ ACCOUNTING  
27 DISTRICT'S PER PUPIL FUNDING

1 (II) THE DEPARTMENT SHALL ANNUALLY CALCULATE THE PER  
2 PUPIL MILL LEVY EQUALIZATION AS AN AMOUNT EQUAL TO THE STATEWIDE  
3 TOTAL MILL LEVY OVERRIDE FOR THE PRECEDING BUDGET YEAR DIVIDED  
4 BY THE TOTAL FUNDED MEMBERSHIP, MINUS ASCENT PROGRAM AVERAGE  
5 DAILY MEMBERSHIP, FOR ALL DISTRICTS FOR THE FUNDING AVERAGING  
6 PERIOD FOR THE PRECEDING BUDGET YEAR.

7 (4) **Institute charter school at-risk funding.** (a) **Formulas.** THE  
8 DEPARTMENT SHALL CALCULATE AN INSTITUTE CHARTER SCHOOL'S  
9 AT-RISK FUNDING USING ONE OF THE FOLLOWING FORMULAS:

10 (I) IF THE INSTITUTE CHARTER SCHOOL'S AT-RISK PUPIL  
11 PERCENTAGE IS EQUAL TO OR LESS THAN THE STATEWIDE AVERAGE  
12 AT-RISK PUPIL PERCENTAGE, THE DEPARTMENT SHALL USE THE FOLLOWING  
13 FORMULA:

14 (STATEWIDE BASE PER PUPIL FUNDING X 20%) X INSTITUTE  
15 CHARTER SCHOOL'S AT-RISK PUPIL AVERAGE DAILY  
16 MEMBERSHIP.

17 (II) IF THE INSTITUTE CHARTER SCHOOL'S AT-RISK PUPIL  
18 PERCENTAGE IS GREATER THAN THE STATEWIDE AVERAGE AT-RISK  
19 PERCENTAGE, THE DEPARTMENT SHALL USE THE FOLLOWING FORMULA:

20 ((STATEWIDE BASE PER PUPIL FUNDING X 20%) X  
21 (STATEWIDE AVERAGE AT-RISK PUPIL PERCENTAGE X  
22 INSTITUTE CHARTER SCHOOL'S ADJUSTED AVERAGE DAILY  
23 MEMBERSHIP)) + ((STATEWIDE BASE PER PUPIL FUNDING X  
24 INSTITUTE CHARTER SCHOOL'S AT-RISK FACTOR) X  
25 (INSTITUTE CHARTER SCHOOL'S AT-RISK PUPIL AVERAGE  
26 DAILY MEMBERSHIP - (STATEWIDE AVERAGE AT-RISK PUPIL  
27 PERCENTAGE X INSTITUTE CHARTER SCHOOL'S ADJUSTED

1 AVERAGE DAILY MEMBERSHIP))).

2 (b) **At-risk factor.** IF THE INSTITUTE CHARTER SCHOOL'S AT-RISK  
3 PUPIL PERCENTAGE IS GREATER THAN THE STATEWIDE AVERAGE AT-RISK  
4 PUPIL PERCENTAGE, THE INSTITUTE CHARTER SCHOOL'S AT-RISK FACTOR  
5 IS TWENTY PERCENT PLUS A 0.40 PERCENTAGE POINT FOR EACH  
6 PERCENTAGE POINT THAT THE INSTITUTE CHARTER SCHOOL'S AT-RISK  
7 PUPIL PERCENTAGE EXCEEDS THE STATEWIDE AVERAGE AT-RISK PUPIL  
8 PERCENTAGE; EXCEPT THAT AN INSTITUTE CHARTER SCHOOL'S AT-RISK  
9 FACTOR SHALL NOT EXCEED FORTY PERCENT.

10 (5) **Institute charter school English language learner funding.**

11 (a) **Formulas.** THE DEPARTMENT SHALL CALCULATE AN INSTITUTE  
12 CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER FUNDING USING ONE OF  
13 THE FOLLOWING FORMULAS:

14 (I) IF THE INSTITUTE CHARTER SCHOOL'S ENGLISH LANGUAGE  
15 LEARNER PERCENTAGE IS EQUAL TO OR LESS THAN THE STATEWIDE  
16 AVERAGE ENGLISH LANGUAGE LEARNER PERCENTAGE, THE DEPARTMENT  
17 SHALL USE THE FOLLOWING FORMULA:

18 (STATEWIDE BASE PER PUPIL FUNDING X 20%) X INSTITUTE  
19 CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER AVERAGE  
20 DAILY MEMBERSHIP.

21 (II) IF THE INSTITUTE CHARTER SCHOOL'S ENGLISH LANGUAGE  
22 LEARNER PERCENTAGE IS GREATER THAN THE STATEWIDE AVERAGE  
23 ENGLISH LANGUAGE LEARNER PERCENTAGE, THE DEPARTMENT SHALL USE  
24 THE FOLLOWING FORMULA:

25 ((STATEWIDE BASE PER PUPIL FUNDING X 20%) X  
26 (STATEWIDE AVERAGE ENGLISH LANGUAGE LEARNER  
27 PERCENTAGE X INSTITUTE CHARTER SCHOOL'S ADJUSTED



1           AVERAGE DAILY MEMBERSHIP)) + ((STATEWIDE BASE PER  
2           PUPIL FUNDING X INSTITUTE CHARTER SCHOOL'S ENGLISH  
3           LANGUAGE LEARNER FACTOR) X (INSTITUTE CHARTER  
4           SCHOOL'S ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
5           MEMBERSHIP - (STATEWIDE AVERAGE ENGLISH LANGUAGE  
6           LEARNER PERCENTAGE X INSTITUTE CHARTER SCHOOL'S  
7           ADJUSTED AVERAGE DAILY MEMBERSHIP))).

8           **(b) English language learner factor.** IF THE INSTITUTE CHARTER  
9           SCHOOL'S ENGLISH LANGUAGE LEARNER PERCENTAGE IS GREATER THAN  
10          THE STATEWIDE AVERAGE ENGLISH LANGUAGE LEARNER PERCENTAGE,  
11          THE INSTITUTE CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER FACTOR  
12          IS TWENTY PERCENT PLUS A 0.80 PERCENTAGE POINT FOR EACH  
13          PERCENTAGE POINT THAT THE INSTITUTE CHARTER SCHOOL'S ENGLISH  
14          LANGUAGE LEARNER PERCENTAGE EXCEEDS THE STATEWIDE AVERAGE  
15          ENGLISH LANGUAGE LEARNER PERCENTAGE; EXCEPT THAT AN INSTITUTE  
16          CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER FACTOR SHALL NOT  
17          EXCEED FORTY PERCENT.

18          **(6) Institute charter school on-line funding.** AN INSTITUTE  
19          CHARTER SCHOOL'S ON-LINE FUNDING IS AN AMOUNT EQUAL TO THE  
20          INSTITUTE CHARTER SCHOOL'S ON-LINE AVERAGE DAILY MEMBERSHIP  
21          MULTIPLIED BY THE STATEWIDE BASE PER PUPIL FUNDING SPECIFIED IN  
22          SECTION 22-54.5-201 (3) (b) FOR THE APPLICABLE BUDGET YEAR.

23          **(7) Institute charter school ASCENT program funding.** AN  
24          INSTITUTE CHARTER SCHOOL'S ASCENT PROGRAM FUNDING IS AN  
25          AMOUNT EQUAL TO THE INSTITUTE CHARTER SCHOOL'S ASCENT  
26          PROGRAM AVERAGE DAILY MEMBERSHIP MULTIPLIED BY THE STATEWIDE  
27          BASE PER PUPIL FUNDING SPECIFIED IN SECTION 22-54.5-201 (3) (b) FOR

1 THE APPLICABLE BUDGET YEAR.

2 **22-54.5-203. Local and state shares of district total program**  
3 **- total program mill levy - calculation.** (1) (a) NO LATER THAN JULY 1,  
4 2015, NO LATER THAN JULY 1, 2020, AND NO LATER THAN JULY 1 EVERY  
5 SIX YEARS THEREAFTER, THE DEPARTMENT SHALL CALCULATE THE LOCAL  
6 SHARE AND STATE SHARE FOR EACH DISTRICT AS PROVIDED IN SUBSECTION  
7 (2) OF THIS SECTION. THE DEPARTMENT SHALL PERFORM THE  
8 CALCULATION USING THE MOST RECENT ASSESSED VALUATIONS OF  
9 PROPERTY, THE MEDIAN FAMILY INCOME LEVELS BASED ON THE MOST  
10 RECENT AMERICAN COMMUNITY SURVEY CONDUCTED BY THE UNITED  
11 STATES CENSUS BUREAU, AND THE MEMBERSHIP CALCULATIONS FOR THE  
12 MOST RECENT FUNDING AVERAGING PERIOD.

13 (b) BASED ON EACH DISTRICT'S LOCAL SHARE OF TOTAL PROGRAM  
14 CALCULATED PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (1), THE  
15 DEPARTMENT, AS PROVIDED IN SUBSECTION (3) OF THIS SECTION, SHALL  
16 CALCULATE THE NUMBER OF MILLS THAT EACH DISTRICT IS EXPECTED TO  
17 LEVY BEGINNING IN THE FIRST BUDGET YEAR FOLLOWING RECALCULATION  
18 OF THE LOCAL SHARE AND STATE SHARE AND FOR EACH BUDGET YEAR  
19 THEREAFTER UNTIL THE DEPARTMENT AGAIN RECALCULATES THE LOCAL  
20 SHARE AND STATE SHARE OF TOTAL PROGRAM PURSUANT TO PARAGRAPH  
21 (a) OF THIS SUBSECTION (1).

22 (2) **Calculation of local and state shares.** (a) **Statewide**  
23 **percentage of state and local shares.** FOR THE 2015-16 BUDGET YEAR  
24 AND FOR EACH BUDGET YEAR THEREAFTER THROUGH THE 2019-20  
25 BUDGET YEAR, THE STATEWIDE LOCAL SHARE OF TOTAL PROGRAM IS  
26 FORTY PERCENT, AND THE STATEWIDE STATE SHARE OF TOTAL PROGRAM  
27 IS SIXTY PERCENT FOR PURPOSES OF CALCULATING THE LOCAL SHARE

1 PURSUANT TO PARAGRAPH (c) OF THIS SUBSECTION (2).

2 (b) **Calculation of state share for each district.** EACH DISTRICT'S  
3 STATE SHARE OF TOTAL PROGRAM IS THE DIFFERENCE BETWEEN THE  
4 DISTRICT'S TOTAL PROGRAM AND AN AMOUNT EQUAL TO THE AMOUNT OF  
5 SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE DISTRICT FOR THE  
6 APPLICABLE BUDGET YEAR PLUS THE AMOUNT OF PROPERTY TAX REVENUE  
7 THAT THE DISTRICT IS ENTITLED TO RECEIVE FROM LEVYING THE NUMBER  
8 OF MILLS IDENTIFIED AS THE DISTRICT'S TOTAL PROGRAM MILL LEVY  
9 PURSUANT TO SUBSECTION (3) OF THIS SECTION, ASSUMING ONE HUNDRED  
10 PERCENT COLLECTION, FOR THE APPLICABLE BUDGET YEAR.

11 (c) **Calculation of local share for each district.** (I) FOR  
12 PURPOSES OF CALCULATING EACH DISTRICT'S TOTAL PROGRAM MILL LEVY,  
13 EACH DISTRICT'S LOCAL SHARE OF TOTAL PROGRAM IS AN AMOUNT EQUAL  
14 TO THE DISTRICT'S TOTAL PROGRAM FOR THE BUDGET YEAR IN WHICH THE  
15 DEPARTMENT CALCULATES THE LOCAL SHARE MULTIPLIED BY THE  
16 DISTRICT'S LOCAL SHARE RATIO. A DISTRICT'S LOCAL SHARE RATIO IS AN  
17 AMOUNT EQUAL TO ONE MINUS THE SQUARE ROOT OF:

18 (DISTRICT'S EQUALIZATION RATIO SQUARED + (DISTRICT'S  
19 AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP ÷ DISTRICT'S  
20 ADJUSTED AVERAGE DAILY MEMBERSHIP) SQUARED) ÷ 2.

21 (II) EACH DISTRICT'S EQUALIZATION RATIO IS EQUAL TO:  
22 1 - (0.4 X ((DISTRICT'S NORMALIZED ADJUSTED ASSESSED  
23 VALUATION ÷ DISTRICT'S AVERAGE DAILY MEMBERSHIP) ÷  
24 (STATEWIDE ASSESSED VALUATION ÷ STATEWIDE AVERAGE  
25 DAILY MEMBERSHIP))).

26 (III) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (II)  
27 OF THIS PARAGRAPH (c), IF THE CALCULATION OF A DISTRICT'S

1 EQUALIZATION RATIO RESULTS IN A NEGATIVE NUMBER, THE DISTRICT'S  
2 EQUALIZATION RATIO IS ZERO.

3 (IV) THE ADJUSTED ASSESSED VALUATION IS AN AMOUNT EQUAL  
4 TO THE ASSESSED VALUATION FOR A DISTRICT MULTIPLIED BY THE RATIO  
5 THAT THE MEDIAN FAMILY INCOME OF THE DISTRICT BEARS TO THE  
6 STATEWIDE MEDIAN FAMILY INCOME. TO ENSURE THAT THE TOTAL  
7 STATEWIDE ADJUSTED ASSESSED VALUATION EQUALS THE TOTAL  
8 STATEWIDE ASSESSED VALUATION, A DISTRICT'S NORMALIZED ADJUSTED  
9 ASSESSED VALUATION IS AN AMOUNT EQUAL TO:

10 
$$\frac{\text{STATEWIDE ASSESSED VALUATION} \times (\text{DISTRICT'S ADJUSTED}$$

11 
$$\text{ASSESSED VALUATION} \div \text{STATEWIDE ADJUSTED ASSESSED}$$

12 
$$\text{VALUATION})}{\text{STATEWIDE ASSESSED VALUATION}}$$

13 (3) **Total program mill levy.** (a) USING EACH DISTRICT'S LOCAL  
14 SHARE CALCULATED PURSUANT TO SUBSECTION (2) OF THIS SECTION, THE  
15 DEPARTMENT SHALL CALCULATE FOR EACH DISTRICT THE NUMBER OF  
16 MILLS NECESSARY TO PRODUCE PROPERTY TAX REVENUES IN AN AMOUNT  
17 EQUAL TO THE DISTRICT'S CALCULATED LOCAL SHARE OF TOTAL PROGRAM  
18 MINUS THE AMOUNT OF SPECIFIC OWNERSHIP TAX PAID TO THE DISTRICT  
19 FOR THE PROPERTY TAX YEAR IN WHICH THE DEPARTMENT CALCULATED  
20 THE DISTRICT'S LOCAL SHARE. THE DEPARTMENT SHALL CALCULATE THE  
21 NUMBER OF MILLS USING THE DISTRICT'S ASSESSED VALUATION OF  
22 PROPERTY FOR THE PROPERTY TAX YEAR IN WHICH THE DEPARTMENT  
23 CALCULATED THE DISTRICT'S LOCAL SHARE.

24 (b) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPHS (c) AND (d)  
25 OF THIS SUBSECTION (3), BEGINNING WITH THE FIRST BUDGET YEAR  
26 FOLLOWING THE CALCULATION OF STATE AND LOCAL SHARES PURSUANT  
27 TO THIS SECTION AND IN EACH OF THE FOLLOWING BUDGET YEARS UNTIL

1 THE DEPARTMENT RECALCULATES THE STATE AND LOCAL SHARES, EACH  
2 DISTRICT SHALL LEVY THE GREATER OF:

3 (I) THE NUMBER OF MILLS CALCULATED FOR THE DISTRICT  
4 PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (3), BUT NOT MORE  
5 THAN TWENTY-FIVE MILLS; OR

6 (II) THE NUMBER OF MILLS THAT THE DISTRICT LEVIED IN THE  
7 PRECEDING BUDGET YEAR.

8 (c) IF THE TOTAL PROGRAM MILL LEVY UNDER PARAGRAPH (b) OF  
9 THIS SUBSECTION (3) FOR A DISTRICT THAT HAS NOT OBTAINED VOTER  
10 APPROVAL TO RETAIN AND SPEND REVENUES IN EXCESS OF THE  
11 CONSTITUTIONAL PROPERTY TAX REVENUE LIMITATION IS GREATER THAN  
12 THE NUMBER OF MILLS ALLOWABLE UNDER THE CONSTITUTIONAL  
13 PROPERTY TAX REVENUE LIMITATION, THE DISTRICT'S TOTAL PROGRAM  
14 MILL LEVY IS THE MAXIMUM NUMBER OF MILLS ALLOWABLE UNDER THE  
15 CONSTITUTIONAL PROPERTY TAX REVENUE LIMITATION. IN CALCULATING  
16 LOCAL GROWTH FOR PURPOSES OF DETERMINING THE CONSTITUTIONAL  
17 PROPERTY TAX REVENUE LIMITATION IMPOSED ON A DISTRICT UNDER THIS  
18 PARAGRAPH (c), A DISTRICT'S STUDENT ENROLLMENT IS THE DISTRICT'S  
19 FUNDED MEMBERSHIP.

20 (d) IF A DISTRICT'S TOTAL PROGRAM AS CALCULATED BEFORE  
21 APPLICATION OF THE NEGATIVE FACTOR PURSUANT TO SECTION 22-54-104  
22 (5) (g), AS IT EXISTED PRIOR TO REPEAL, FOR THE 2014-15 BUDGET YEAR  
23 IS GREATER THAN THE DISTRICT'S TOTAL PROGRAM CALCULATED  
24 PURSUANT TO SECTION 22-54.5-201 FOR THE 2015-16 BUDGET YEAR, AND  
25 THE AMOUNT OF PROPERTY TAX REVENUE GENERATED BY THE DISTRICT'S  
26 TOTAL PROGRAM MILL LEVY IS GREATER THAN THE DISTRICT'S TOTAL  
27 PROGRAM AS CALCULATED PURSUANT TO SECTION 22-54.5-201 FOR THE

1 2015-16 BUDGET YEAR, THEN THE DISTRICT'S TOTAL PROGRAM MILL LEVY  
2 IS REDUCED BY THE NUMBER OF MILLS REQUIRED TO GENERATE PROPERTY  
3 TAX REVENUE IN AN AMOUNT EQUAL TO THE DIFFERENCE BETWEEN THE  
4 DISTRICT'S TOTAL PROGRAM AS CALCULATED BEFORE APPLICATION OF THE  
5 NEGATIVE FACTOR PURSUANT TO SECTION 22-54-104 (5) (g), AS IT  
6 EXISTED PRIOR TO REPEAL, FOR THE 2014-15 BUDGET YEAR AND THE  
7 DISTRICT'S TOTAL PROGRAM CALCULATED PURSUANT TO SECTION  
8 22-54.5-201 FOR THE 2015-16 BUDGET YEAR. THE AMOUNT BY WHICH  
9 PROPERTY TAX REVENUE IS REDUCED PURSUANT TO THIS PARAGRAPH (d)  
10 IS COUNTED TOWARD THE LIMITATION ON ADDITIONAL LOCAL REVENUES  
11 FOR COST OF LIVING EXPENSES AS PROVIDED IN SECTION 22-54.5-208 (3).

12 (e) IF A DISTRICT'S TOTAL PROGRAM MILL LEVY, AS REDUCED  
13 PURSUANT TO PARAGRAPH (d) OF THIS SUBSECTION (3), IF APPLICABLE,  
14 PRODUCES AN AMOUNT OF PROPERTY TAX REVENUE THAT EXCEEDS THE  
15 DISTRICT'S TOTAL PROGRAM IN A BUDGET YEAR, THE DISTRICT SHALL USE  
16 THE EXCESS REVENUES TO REPLACE CATEGORICAL PROGRAM SUPPORT  
17 FUNDS AS PROVIDED IN SECTION 22-54.5-204.

18 (f) THE DEPARTMENT SHALL ROUND THE MILL LEVIES ASSIGNED BY  
19 THIS SECTION TO THE NEAREST THOUSANDTH OF ONE MILL.

20 (4) (a) IF A DISTRICT'S TOTAL PROGRAM MILL LEVY, AS  
21 CALCULATED PURSUANT TO SUBSECTION (3) OF THIS SECTION, IS GREATER  
22 THAN THE MILL LEVY REQUIRED FOR THE PRECEDING BUDGET YEAR, AND  
23 THE DISTRICT IS ELIGIBLE FOR HOLD-HARMLESS FUNDING PURSUANT TO  
24 SECTION 22-54.5-302, THE DISTRICT SHALL SEEK VOTER APPROVAL FOR A  
25 MILL LEVY INCREASE AT LEAST ONCE DURING THE PERIOD FOR WHICH THE  
26 TOTAL PROGRAM MILL LEVY APPLIES.

27 (b) IF FOR ANY REASON, INCLUDING THE OUTCOME OF AN

1 ELECTION, A DISTRICT DOES NOT CERTIFY THE FULL TOTAL PROGRAM MILL  
2 LEVY, THE DEPARTMENT SHALL ANNUALLY CALCULATE THE AMOUNT OF  
3 THE DISTRICT'S STATE SHARE OF TOTAL PROGRAM AS IF THE DISTRICT  
4 RECEIVES LOCAL REVENUES IN THE AMOUNT THAT WOULD BE RAISED BY  
5 THE DISTRICT'S TOTAL PROGRAM MILL LEVY, ASSUMING  
6 ONE-HUNDRED-PERCENT COLLECTION, PLUS THE AMOUNT OF SPECIFIC  
7 OWNERSHIP TAX REVENUES PAID TO THE DISTRICT.

8 (c) IF A DISTRICT THAT HAS OBTAINED VOTER APPROVAL TO  
9 RETAIN AND SPEND REVENUES IN EXCESS OF THE CONSTITUTIONAL  
10 PROPERTY TAX REVENUE LIMITATION OBTAINS VOTER APPROVAL AFTER  
11 MARCH 16, 2009, TO AGAIN BECOME SUBJECT TO THE CONSTITUTIONAL  
12 PROPERTY TAX REVENUE LIMITATION, THE DEPARTMENT SHALL  
13 CALCULATE THE DISTRICT'S STATE SHARE OF TOTAL PROGRAM AS IF THE  
14 DISTRICT LEVIED THE NUMBER OF MILLS THAT IT WOULD HAVE LEVIED IN  
15 THE APPLICABLE BUDGET YEAR IF THE DISTRICT HAD MAINTAINED ITS  
16 AUTHORITY TO RETAIN AND SPEND REVENUES IN EXCESS OF THE PROPERTY  
17 TAX REVENUE LIMITATION.

18 (d) IF A DISTRICT BEFORE, ON, OR AFTER THE EFFECTIVE DATE OF  
19 THIS SECTION REDUCES OR ENDS BUSINESS PERSONAL PROPERTY TAXES  
20 THROUGH ACTION TAKEN PURSUANT TO SECTION 20 (8) (b) OF ARTICLE X  
21 OF THE STATE CONSTITUTION, THE STATE SHARE OF THE DISTRICT'S TOTAL  
22 PROGRAM FOR THE BUDGET YEAR IN WHICH THE ACTION IS TAKEN AND  
23 ANY BUDGET YEAR THEREAFTER IS THE AMOUNT BY WHICH THE DISTRICT'S  
24 TOTAL PROGRAM EXCEEDS THE AMOUNT OF SPECIFIC OWNERSHIP TAX  
25 REVENUE PAID TO THE DISTRICT AND THE AMOUNT OF PROPERTY TAX  
26 REVENUE THAT THE DISTRICT WOULD HAVE BEEN ENTITLED TO RECEIVE IF  
27 THE DISTRICT HAD NOT TAKEN THE ACTION.

1           (5) (a) EXCEPT AS OTHERWISE PROVIDED IN SECTIONS 22-54.5-205  
2 TO 22-54.5-208, A DISTRICT SHALL NOT CERTIFY A LEVY FOR ITS GENERAL  
3 FUND IN EXCESS OF THAT AUTHORIZED BY THIS SECTION; EXCEPT THAT, IF  
4 A DISTRICT'S CERTIFIED LEVY BEFORE THE EFFECTIVE DATE OF THIS  
5 SECTION INCLUDED A LEVY AUTHORIZED BY SECTION 22-53-117,  
6 22-54-106 (2) (b), 22-54-107, 22-54-107.5, 22-54-108, OR 22-54-108.5,  
7 AS THESE SECTIONS EXISTED PRIOR TO REPEAL, THE DISTRICT MAY  
8 CONTINUE TO CERTIFY A LEVY THAT INCLUDES THOSE LEVIES.

9           (b) A DISTRICT SHALL NOT SEEK VOTER APPROVAL TO IMPOSE  
10 ADDITIONAL MILL LEVIES FOR ITS GENERAL FUND IN EXCESS OF THAT  
11 AUTHORIZED BY THIS SECTION AND SECTIONS 22-54.5-205 TO 22-54.5-208.  
12 VOTER APPROVAL OBTAINED BY A DISTRICT UNDER SECTION 20 OF  
13 ARTICLE X OF THE STATE CONSTITUTION TO BE CAPABLE OF RECEIVING  
14 ADDITIONAL REVENUES WITHIN THE LIMITATIONS ON THE DISTRICT'S  
15 FISCAL YEAR SPENDING FOR ANY BUDGET YEAR DOES NOT CONSTITUTE  
16 VOTER APPROVAL FOR THE DISTRICT TO CERTIFY A LEVY FOR ITS GENERAL  
17 FUND IN EXCESS OF THAT AUTHORIZED BY THIS SECTION AND SECTIONS  
18 22-54.5-205 TO 22-54.5-208.

19           (6) EACH DISTRICT SHALL USE THE PROPERTY TAX REVENUE THAT  
20 IT IS ENTITLED TO RECEIVE FROM THE TOTAL PROGRAM MILL LEVY TO  
21 FUND THE DISTRICT'S LOCAL SHARE OF TOTAL PROGRAM FOR THE BUDGET  
22 YEAR BEGINNING ON JULY 1 OF THE PROPERTY TAX YEAR. THE TOTAL  
23 AMOUNT OF THE REVENUE IS CONSIDERED TO BE COLLECTED DURING THE  
24 BUDGET YEAR FOR PURPOSES OF DETERMINING THE STATE SHARE OF THE  
25 DISTRICT'S TOTAL PROGRAM.

26           (7) (a) IF A NEW DISTRICT IS CREATED THROUGH A  
27 DECONSOLIDATION AS DESCRIBED IN SECTION 22-30-102 (2) (a), THE



1 SPECIFIC OWNERSHIP TAX REVENUE PAYABLE TO THE NEW DISTRICT IN THE  
2 FIRST YEAR OF OPERATION IS AN AMOUNT EQUAL TO THE RATIO OF THE  
3 TOTAL VALUATION FOR ASSESSMENT OF TAXABLE PROPERTY LOCATED IN  
4 THE NEW DISTRICT TO THE TOTAL VALUATION FOR ASSESSMENT OF  
5 TAXABLE PROPERTY LOCATED IN THE OLD DISTRICT MULTIPLIED BY THE  
6 SPECIFIC OWNERSHIP TAX REVENUE PAYABLE TO THE OLD DISTRICT.

7 (b) BEGINNING WITH THE FIRST JULY SPECIFIC OWNERSHIP TAX  
8 PAYMENT DUE AFTER THE NEW DISTRICT IS ESTABLISHED AND CONTINUING  
9 UNTIL THE NEW DISTRICT RECEIVES ITS FIRST PAYMENT OF SPECIFIC  
10 OWNERSHIP TAX REVENUES FROM THE COUNTY TREASURER, THE  
11 DEPARTMENT SHALL:

12 (I) INCREASE THE STATE'S SHARE OF THE NEW DISTRICT'S TOTAL  
13 PROGRAM BY AN AMOUNT EQUAL TO THE RATIO OF THE TOTAL VALUATION  
14 FOR ASSESSMENT OF TAXABLE PROPERTY LOCATED IN THE NEW DISTRICT  
15 TO THE TOTAL VALUATION FOR ASSESSMENT OF TAXABLE PROPERTY  
16 LOCATED IN THE OLD DISTRICT MULTIPLIED BY THE SPECIFIC OWNERSHIP  
17 TAX REVENUE PAYABLE TO THE OLD DISTRICT; AND

18 (II) REDUCE THE STATE'S SHARE OF THE OLD DISTRICT'S TOTAL  
19 PROGRAM BY THE SAME AMOUNT.

20 **22-54.5-204. Buy-out of categorical programs.** (1) IF A  
21 DISTRICT'S TOTAL PROGRAM MILL LEVY, AS REDUCED PURSUANT TO  
22 SECTION 22-54.5-203 (3) (e), IF APPLICABLE, RESULTS IN AN AMOUNT OF  
23 PROPERTY TAX REVENUE THAT EXCEEDS THE DISTRICT'S TOTAL PROGRAM,  
24 THE DISTRICT SHALL USE THE EXCESS REVENUE TO REPLACE, ON A PRO  
25 RATA BASIS, ANY CATEGORICAL PROGRAM SUPPORT MONEYS THAT THE  
26 DISTRICT WOULD OTHERWISE BE ELIGIBLE TO RECEIVE FROM THE STATE.  
27 THE DEPARTMENT SHALL USE THE AMOUNT OF CATEGORICAL PROGRAM

1 SUPPORT MONEYS REPLACED BY LOCAL PROPERTY TAX REVENUE  
2 PURSUANT TO THE PROVISIONS OF THIS SUBSECTION (1) TO MAKE  
3 PAYMENTS OF CATEGORICAL PROGRAM SUPPORT MONEYS TO ELIGIBLE  
4 DISTRICTS. IF THE APPROPRIATIONS FOR CATEGORICAL PROGRAMS ARE  
5 LESS THAN THE TOTAL CATEGORICAL PROGRAM SUPPORT MONEYS TO  
6 WHICH DISTRICTS ARE ENTITLED UNDER APPLICABLE PROVISIONS OF LAW,  
7 THE DEPARTMENT SHALL APPLY THE MONEYS THAT ARE REPLACED BY  
8 LOCAL PROPERTY TAX REVENUE TO CATEGORICAL PROGRAMS IN THE  
9 FOLLOWING ORDER:

10 (a) FIRST, TRANSPORTATION AID PURSUANT TO ARTICLE 51 OF THIS  
11 TITLE;

12 (b) SECOND, SMALL ATTENDANCE CENTER AID PURSUANT TO  
13 SECTION 22-54.5-306; AND

14 (c) THIRD, MONEYS PURSUANT TO THE "EXCEPTIONAL CHILDREN'S  
15 EDUCATIONAL ACT", ARTICLE 20 OF THIS TITLE.

16 (2) FOR PURPOSES OF THIS SECTION, "CATEGORICAL PROGRAM  
17 SUPPORT MONEYS THAT THE DISTRICT WOULD OTHERWISE BE ELIGIBLE TO  
18 RECEIVE FROM THE STATE" MEANS AMOUNTS THAT THE DISTRICT WOULD  
19 HAVE RECEIVED FROM THE STATE BUT THAT WILL BE RECEIVED INSTEAD  
20 FROM PROPERTY TAX REVENUES BY REASON OF THIS SECTION AND  
21 INCLUDES MONEYS PURSUANT TO THE "EXCEPTIONAL CHILDREN'S  
22 EDUCATIONAL ACT", ARTICLE 20 OF THIS TITLE, TRANSPORTATION AID  
23 PURSUANT TO ARTICLE 51 OF THIS TITLE, SMALL ATTENDANCE CENTER AID  
24 PURSUANT TO SECTION 22-54.5-306, AND VOCATIONAL EDUCATION AID  
25 PURSUANT TO ARTICLE 8 OF TITLE 23, C.R.S. MONEYS RECEIVED BY AN  
26 ADMINISTRATIVE UNIT UNDER THE "EXCEPTIONAL CHILDREN'S  
27 EDUCATIONAL ACT", ARTICLE 20 OF THIS TITLE, AS REIMBURSEMENT FOR

1 SERVICES PROVIDED TO CHILDREN COUNTED IN THE AVERAGE DAILY  
2 MEMBERSHIP OF A DISTRICT ARE CONSIDERED TO BE CATEGORICAL  
3 PROGRAM SUPPORT MONEYS THAT THE DISTRICT WOULD OTHERWISE BE  
4 ELIGIBLE TO RECEIVE FROM THE STATE FOR PURPOSES OF THIS SUBSECTION  
5 (2).

6 (3) A DISTRICT THAT LEVIED ADDITIONAL MILLS PURSUANT TO  
7 SECTION 22-54-107, AS IT EXISTED PRIOR TO REPEAL, TO GENERATE  
8 PROPERTY TAX REVENUES IN AN AMOUNT EQUAL TO THE AMOUNT OF  
9 CATEGORICAL PROGRAM SUPPORT MONEYS THAT THE DISTRICT WOULD  
10 OTHERWISE BE ELIGIBLE TO RECEIVE FROM THE STATE SHALL CONTINUE  
11 COLLECTING THOSE PROPERTY TAX REVENUES AND USING THE REVENUES  
12 TO REPLACE CATEGORICAL SUPPORT MONEYS AS PROVIDED IN THIS  
13 SECTION.

14 **22-54.5-205. Authorization of additional local revenues -**  
15 **operating moneys.** (1) THE BOARD OF EDUCATION OF A DISTRICT THAT  
16 LEVIES ITS FULL TOTAL PROGRAM MILL LEVY MAY SEEK TO RAISE AND  
17 EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE DISTRICT'S  
18 TOTAL PROGRAM BY SUBMITTING TO THE ELIGIBLE ELECTORS OF THE  
19 DISTRICT THE QUESTION OF WHETHER THE DISTRICT SHOULD BE  
20 AUTHORIZED TO RAISE AND EXPEND ADDITIONAL LOCAL PROPERTY TAX  
21 REVENUES, SUBJECT TO THE LIMITATIONS OF SUBSECTION (3) OF THIS  
22 SECTION. IN ADDITION, IF A DISTRICT THAT LEVIES ITS FULL TOTAL  
23 PROGRAM MILL LEVY RECEIVES BY PROPER SUBMITTAL A VALID INITIATIVE  
24 PETITION TO RAISE AND EXPEND LOCAL PROPERTY TAX REVENUES IN  
25 EXCESS OF THE DISTRICT'S TOTAL PROGRAM, SUBJECT TO THE LIMITATIONS  
26 OF SUBSECTION (3) OF THIS SECTION, THE BOARD OF EDUCATION OF THE  
27 DISTRICT MUST SUBMIT THE QUESTION TO THE ELIGIBLE ELECTORS OF THE

1 DISTRICT. AN INITIATIVE PETITION SUBMITTED PURSUANT TO THIS  
2 SUBSECTION (1) MUST BE SIGNED BY AT LEAST FIVE PERCENT OF THE  
3 ELIGIBLE ELECTORS IN THE DISTRICT AT THE TIME THE PETITION IS FILED.

4 (2) A DISTRICT MUST SUBMIT THE QUESTION TO RAISE AND EXPEND  
5 ADDITIONAL LOCAL PROPERTY TAXES PURSUANT TO THIS SECTION TO THE  
6 ELIGIBLE ELECTORS AT AN ELECTION HELD IN ACCORDANCE WITH SECTION  
7 20 OF ARTICLE X OF THE STATE CONSTITUTION AND TITLE 1, C.R.S. IF THE  
8 QUESTION IS APPROVED BY A MAJORITY OF THE ELIGIBLE ELECTORS  
9 VOTING IN THE ELECTION, THE DISTRICT IS AUTHORIZED TO COLLECT THE  
10 ADDITIONAL LEVY IN EXCESS OF THE DISTRICT'S TOTAL PROGRAM MILL  
11 LEVY FOR THE DISTRICT'S GENERAL FUND FOR THE THEN-CURRENT BUDGET  
12 YEAR AND EACH BUDGET YEAR THEREAFTER.

13 (3) (a) NOTWITHSTANDING THE PROVISIONS OF SECTION 20 OF  
14 ARTICLE X OF THE STATE CONSTITUTION THAT ALLOW DISTRICTS TO SEEK  
15 VOTER APPROVAL FOR SPENDING AND REVENUE INCREASES, THE  
16 PROVISIONS OF THIS SUBSECTION (3) LIMIT A DISTRICT'S AUTHORITY TO  
17 RAISE AND EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE  
18 DISTRICT'S TOTAL PROGRAM.

19 (b) THE TOTAL ADDITIONAL LOCAL PROPERTY TAX REVENUES THAT  
20 A DISTRICT MAY RECEIVE PURSUANT TO ELECTIONS HELD PURSUANT TO  
21 THIS SECTION SHALL NOT EXCEED UNDER ANY CIRCUMSTANCES THE  
22 GREATER OF:

23 (I) TWENTY-FIVE PERCENT OF THE DISTRICT'S TOTAL PROGRAM,  
24 PLUS THE AMOUNT OF INVESTMENT MONEYS THE DISTRICT RECEIVES, FOR  
25 THE BUDGET YEAR IN WHICH THE DISTRICT SEEKS THE MILL LEVY  
26 INCREASE;

27 (II) TWENTY-FIVE PERCENT OF THE DISTRICT'S TOTAL PROGRAM AS

1 CALCULATED FOR THE 2014-15 BUDGET YEAR PURSUANT TO SECTION  
2 22-54-104, AS IT EXISTED PRIOR TO REPEAL, BEFORE APPLICATION OF THE  
3 NEGATIVE FACTOR PURSUANT TO SECTION 22-54-104 (5) (g) AS IT EXISTED  
4 PRIOR TO REPEAL; PLUS THE AMOUNT OF INVESTMENT MONEYS THE  
5 DISTRICT RECEIVES; PLUS THE AMOUNT, IF ANY, OF EXCESS REVENUE THE  
6 DISTRICT EXPENDS PURSUANT TO SECTION 22-54.5-204 TO REPLACE  
7 CATEGORICAL PROGRAM SUPPORT MONEYS AND THE AMOUNT, IF ANY, THE  
8 DISTRICT RECEIVES FROM THE STATE IN CATEGORICAL PROGRAM SUPPORT  
9 MONEYS FOR THE BUDGET YEAR IN WHICH THE DISTRICT SEEKS THE MILL  
10 LEVY INCREASE; OR

11 (III) TWO HUNDRED THOUSAND DOLLARS.

12 (c) THE FOLLOWING REVENUES APPLY TO CALCULATING THE  
13 LIMITATION IN THIS SUBSECTION (3):

14 (I) ANY ADDITIONAL LOCAL PROPERTY TAX REVENUES  
15 AUTHORIZED FOR A DISTRICT AT ELECTIONS HELD PURSUANT TO SECTION  
16 22-53-117, 22-54-107, 22-54-107.5, OR 22-54-108, AS EACH SECTION  
17 EXISTED PRIOR TO REPEAL;

18 (II) THE DIFFERENCE BETWEEN THE DISTRICT'S TOTAL PROGRAM  
19 FOR THE 1994-95 BUDGET YEAR, AS CALCULATED PURSUANT TO SECTION  
20 22-54-104.3 (3), AS IT EXISTED PRIOR TO REPEAL, AND THE DISTRICT'S  
21 TOTAL PROGRAM FOR THE 1994-95 BUDGET YEAR, AS CALCULATED  
22 PURSUANT TO SECTION 22-54-104 (2), AS IT EXISTED PRIOR TO REPEAL;  
23 AND

24 (III) THE AMOUNT OF PROPERTY TAX GENERATED PURSUANT TO  
25 SECTION 22-54-106 (2) (b) (III), AS IT EXISTED PRIOR TO REPEAL.

26 (d) THE FOLLOWING AUTHORIZATIONS FOR ADDITIONAL LOCAL  
27 PROPERTY TAX REVENUES DO NOT APPLY IN CALCULATING THE DISTRICT'S

1       LIMITATION UNDER THIS SUBSECTION (3):

2               (I)     ANY ADDITIONAL LOCAL PROPERTY TAX REVENUES  
3       AUTHORIZED TO REPLACE CATEGORICAL SUPPORT FUNDS WITH LOCAL  
4       PROPERTY TAX REVENUES AS PROVIDED IN SECTION 22-54-107, AS IT  
5       EXISTED PRIOR TO REPEAL;

6               (II)    ANY ADDITIONAL LOCAL PROPERTY TAX REVENUES  
7       AUTHORIZED FOR A DISTRICT FOR PURPOSES OF FULL-DAY KINDERGARTEN  
8       AS PROVIDED IN SECTION 22-54-108.5, AS IT EXISTED PRIOR TO REPEAL;

9               (III)   ANY ADDITIONAL LOCAL PROPERTY TAX REVENUES  
10      AUTHORIZED FOR EARLY CHILDHOOD EDUCATION PROGRAMS AS PROVIDED  
11      IN SECTION 22-54.5-206;

12              (IV)    ANY ADDITIONAL LOCAL PROPERTY TAX REVENUES  
13      AUTHORIZED FOR BUILDING MAINTENANCE AND OPERATION AS PROVIDED  
14      IN SECTION 22-54.5-207; OR

15              (V)     ANY ADDITIONAL LOCAL PROPERTY TAX REVENUES  
16      AUTHORIZED FOR COST OF LIVING EXPENSES AS PROVIDED IN SECTION  
17      22-54.5-208.

18              (e)     ANY PORTION OF THE SPECIFIC OWNERSHIP TAX PAID TO THE  
19      DISTRICT DOES NOT APPLY IN CALCULATING THE LIMITATION UNDER THIS  
20      SUBSECTION (3).

21              (f)     IF THE ADDITIONAL LOCAL PROPERTY TAX REVENUES ALREADY  
22      AUTHORIZED AND THE SPECIFIC OWNERSHIP TAX REVENUE, IF ANY,  
23      EXCEEDS THE LIMITATION, THE DISTRICT SHALL NOT HOLD AN ELECTION  
24      PURSUANT TO THE PROVISIONS OF THIS SECTION UNTIL THE LIMITATION IS  
25      GREATER THAN THE ADDITIONAL LOCAL PROPERTY TAX REVENUES  
26      ALREADY AUTHORIZED AND THE SPECIFIC OWNERSHIP TAX REVENUE, IF  
27      ANY.

1 (4) IF A DISTRICT RECEIVED VOTER APPROVAL FOR ADDITIONAL  
2 LOCAL PROPERTY TAX REVENUES PURSUANT TO SECTION 22-53-117,  
3 22-54-107.5, 22-54-108, OR 22-54-108.5, AS THESE SECTIONS EXISTED  
4 PRIOR TO REPEAL, THE DISTRICT MAY CONTINUE COLLECTING THE  
5 APPROVED ADDITIONAL LOCAL PROPERTY TAX REVENUES AND USING THE  
6 REVENUES FOR THE APPROVED PURPOSES FOR THE ORIGINAL PERIOD FOR  
7 WHICH COLLECTION OF THE ADDITIONAL REVENUES WAS APPROVED.

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9 **22-54.5-206. Authorization of additional local revenues - early**  
10 **childhood education.** (1) (a) THE BOARD OF EDUCATION OF A DISTRICT  
11 THAT LEVIES ITS FULL TOTAL PROGRAM MILL LEVY MAY SEEK TO RAISE  
12 AND EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE  
13 DISTRICT'S TOTAL PROGRAM TO PROVIDE FUNDING FOR EARLY CHILDHOOD  
14 EDUCATION PROGRAMS IN THE DISTRICT BY SUBMITTING TO THE ELIGIBLE  
15 ELECTORS OF THE DISTRICT THE QUESTION OF WHETHER THE DISTRICT  
16 SHOULD BE AUTHORIZED TO RAISE AND EXPEND ADDITIONAL LOCAL  
17 PROPERTY TAX REVENUES FOR THAT PURPOSE. THE QUESTION MAY ALSO  
18 INCLUDE A QUESTION OF WHETHER TO IMPOSE AN ADDITIONAL MILL LEVY  
19 OF A STATED AMOUNT AND LIMITED DURATION TO MEET THE INITIAL  
20 CAPITAL CONSTRUCTION NEEDS OF THE DISTRICT ASSOCIATED WITH THE  
21 ESTABLISHMENT OF AN EARLY CHILDHOOD EDUCATION PROGRAM.

22 (b) IN ADDITION, IF A DISTRICT THAT LEVIES ITS FULL TOTAL  
23 PROGRAM MILL LEVY RECEIVES BY PROPER SUBMITTAL A VALID INITIATIVE  
24 PETITION TO RAISE AND EXPEND LOCAL PROPERTY TAX REVENUES IN  
25 EXCESS OF THE DISTRICT'S TOTAL PROGRAM TO PROVIDE FUNDING FOR  
26 EARLY CHILDHOOD EDUCATION PROGRAMS, WHICH INITIATIVE PETITION  
27 MAY INCLUDE FUNDING OF A STATED AMOUNT AND LIMITED DURATION TO

1 MEET THE INITIAL CAPITAL CONSTRUCTION NEEDS ASSOCIATED WITH AN  
2 EARLY CHILDHOOD EDUCATION PROGRAM, THE BOARD OF EDUCATION OF  
3 THE DISTRICT MUST SUBMIT THE QUESTION TO THE ELIGIBLE ELECTORS OF  
4 THE DISTRICT. AN INITIATIVE PETITION SUBMITTED PURSUANT TO THIS  
5 PARAGRAPH (b) MUST BE SIGNED BY AT LEAST FIVE PERCENT OF THE  
6 ELIGIBLE ELECTORS IN THE DISTRICT AT THE TIME THE PETITION IS FILED.

7 (c) IF A MILL LEVY QUESTION SUBMITTED TO THE ELIGIBLE  
8 ELECTORS OF A DISTRICT PURSUANT TO PARAGRAPH (a) OR (b) OF THIS  
9 SUBSECTION (1) FOR CAPITAL CONSTRUCTION NEEDS ASSOCIATED WITH  
10 THE DISTRICT'S EARLY CHILDHOOD EDUCATION PROGRAM IS APPROVED  
11 FOR MORE THAN ONE YEAR, THE BOARD OF EDUCATION OF THE DISTRICT  
12 MAY, WITHOUT CALLING AN ELECTION, DECREASE THE AMOUNT OR  
13 DURATION OF THE MILL LEVY IN SUBSEQUENT YEARS.

14 (2) A DISTRICT MUST SUBMIT THE QUESTION TO RAISE AND EXPEND  
15 ADDITIONAL LOCAL PROPERTY TAXES PURSUANT TO THIS SECTION TO THE  
16 ELIGIBLE ELECTORS AT AN ELECTION HELD IN ACCORDANCE WITH SECTION  
17 20 OF ARTICLE X OF THE STATE CONSTITUTION AND TITLE 1, C.R.S. IF THE  
18 QUESTION IS APPROVED BY A MAJORITY OF THE ELIGIBLE ELECTORS  
19 VOTING IN THE ELECTION, THE DISTRICT IS AUTHORIZED TO COLLECT THE  
20 ADDITIONAL LEVY FOR THE THEN-CURRENT BUDGET YEAR AND EACH  
21 BUDGET YEAR THEREAFTER FOR THE PURPOSES SPECIFIED IN SUBSECTION  
22 (1) OF THIS SECTION, WHICH ADDITIONAL LEVY IS IN EXCESS OF THE  
23 DISTRICT'S TOTAL PROGRAM MILL LEVY AND IN EXCESS OF ANY OTHER  
24 AUTHORIZED ADDITIONAL LOCAL PROPERTY TAX LEVIES.

25 (3) IF A MAJORITY OF THE VOTES CAST IN AN ELECTION HELD  
26 PURSUANT TO SUBSECTION (2) OF THIS SECTION ARE IN FAVOR OF THE  
27 QUESTION, THE DISTRICT SHALL LEVY THE ADDITIONAL MILL LEVY EACH



1 YEAR AND DEPOSIT THE REVENUES RECEIVED FROM THE ADDITIONAL MILL  
2 LEVY IN THE EARLY CHILDHOOD EDUCATION FUND OF THE DISTRICT  
3 CREATED IN SECTION 22-45-103 (1) (h). IF THE DISTRICT OBTAINS VOTER  
4 APPROVAL FOR AN ADDITIONAL MILL LEVY TO MEET THE CAPITAL  
5 CONSTRUCTION NEEDS ASSOCIATED WITH THE DISTRICT'S EARLY  
6 CHILDHOOD EDUCATION PROGRAM, THE DISTRICT SHALL DEPOSIT THE  
7 REVENUES GENERATED FROM THAT MILL LEVY IN THE CAPITAL  
8 CONSTRUCTION ACCOUNT OF THE DISTRICT'S EARLY CHILDHOOD  
9 EDUCATION FUND.

10 (4) NOTWITHSTANDING THE PROVISIONS OF SECTION 20 OF  
11 ARTICLE X OF THE STATE CONSTITUTION THAT ALLOW DISTRICTS TO SEEK  
12 VOTER APPROVAL FOR SPENDING AND REVENUE INCREASES, THE  
13 PROVISIONS OF THIS SECTION LIMIT A DISTRICT'S AUTHORITY TO RAISE AND  
14 EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE DISTRICT'S  
15 TOTAL PROGRAM.

16 (5) A DISTRICT THAT OBTAINS VOTER APPROVAL PURSUANT TO  
17 THIS SECTION TO IMPOSE AN ADDITIONAL MILL LEVY TO FUND EARLY  
18 CHILDHOOD EDUCATION PROGRAMS IN THE DISTRICT MUST ESTABLISH ITS  
19 EARLY CHILDHOOD EDUCATION PROGRAM USING EVIDENCE-BASED  
20 RESEARCH DEMONSTRATING THE TYPES OF PROGRAMS AND METHODS  
21 APPROPRIATE FOR AN EARLY CHILDHOOD EDUCATION PROGRAM.

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23 **22-54.5-207. Authorization of additional local revenues -**  
24 **technology and building maintenance and operation.** (1) THE BOARD  
25 OF EDUCATION OF A DISTRICT THAT LEVIES ITS FULL TOTAL PROGRAM MILL  
26 LEVY MAY SEEK TO RAISE AND EXPEND LOCAL PROPERTY TAX REVENUES  
27 IN EXCESS OF THE DISTRICT'S TOTAL PROGRAM TO PROVIDE FUNDING FOR

1 TECHNOLOGY AND BUILDING MAINTENANCE AND OPERATION BY  
2 SUBMITTING TO THE ELIGIBLE ELECTORS OF THE DISTRICT THE QUESTION  
3 OF WHETHER THE DISTRICT SHOULD BE AUTHORIZED TO RAISE AND EXPEND  
4 ADDITIONAL LOCAL PROPERTY TAX REVENUES FOR THAT PURPOSE. IN  
5 ADDITION, IF A DISTRICT THAT LEVIES ITS FULL TOTAL PROGRAM MILL  
6 LEVY RECEIVES BY PROPER SUBMITTAL A VALID INITIATIVE PETITION TO  
7 RAISE AND EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE  
8 DISTRICT'S TOTAL PROGRAM TO PROVIDE FUNDING FOR TECHNOLOGY AND  
9 BUILDING MAINTENANCE AND OPERATION, THE BOARD OF EDUCATION OF  
10 THE DISTRICT MUST SUBMIT THE QUESTION TO THE ELIGIBLE ELECTORS OF  
11 THE DISTRICT. AN INITIATIVE PETITION SUBMITTED PURSUANT TO THIS  
12 SUBSECTION (1) MUST BE SIGNED BY AT LEAST FIVE PERCENT OF THE  
13 ELIGIBLE ELECTORS IN THE DISTRICT AT THE TIME THE PETITION IS FILED.

14 (2) A DISTRICT MUST SUBMIT THE QUESTION TO RAISE AND EXPEND  
15 ADDITIONAL LOCAL PROPERTY TAXES PURSUANT TO THIS SECTION TO THE  
16 ELIGIBLE ELECTORS AT AN ELECTION HELD IN ACCORDANCE WITH SECTION  
17 20 OF ARTICLE X OF THE STATE CONSTITUTION AND TITLE 1, C.R.S. IF THE  
18 QUESTION IS APPROVED BY A MAJORITY OF THE ELIGIBLE ELECTORS  
19 VOTING IN THE ELECTION, THE DISTRICT IS AUTHORIZED TO COLLECT THE  
20 ADDITIONAL LEVY FOR THE THEN-CURRENT BUDGET YEAR AND EACH  
21 BUDGET YEAR THEREAFTER FOR THE PURPOSES SPECIFIED IN SUBSECTION  
22 (1) OF THIS SECTION, WHICH ADDITIONAL LEVY IS IN EXCESS OF THE  
23 DISTRICT'S TOTAL PROGRAM MILL LEVY AND IN EXCESS OF ANY OTHER  
24 AUTHORIZED ADDITIONAL LOCAL PROPERTY TAX LEVIES.

25 (3) IF A MAJORITY OF THE VOTES CAST IN AN ELECTION HELD  
26 PURSUANT TO SUBSECTION (2) OF THIS SECTION ARE IN FAVOR OF THE  
27 QUESTION, THE DISTRICT SHALL LEVY THE ADDITIONAL MILL LEVY EACH

1 YEAR AND DEPOSIT THE REVENUES RECEIVED FROM THE ADDITIONAL MILL  
2 LEVY IN THE TECHNOLOGY AND BUILDING MAINTENANCE AND OPERATION  
3 FUND OF THE DISTRICT CREATED IN SECTION 22-45-103 (1) (i).

4 (4) NOTWITHSTANDING THE PROVISIONS OF SECTION 20 OF  
5 ARTICLE X OF THE STATE CONSTITUTION THAT ALLOW DISTRICTS TO SEEK  
6 VOTER APPROVAL FOR SPENDING AND REVENUE INCREASES, THE  
7 PROVISIONS OF THIS SECTION LIMIT A DISTRICT'S AUTHORITY TO RAISE AND  
8 EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE DISTRICT'S  
9 TOTAL PROGRAM.

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11 **22-54.5-208. Authorization of additional local revenues - cost**  
12 **of living expenses.** (1) THE BOARD OF EDUCATION OF A DISTRICT THAT  
13 LEVIES ITS FULL TOTAL PROGRAM MILL LEVY MAY SEEK TO RAISE AND  
14 EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE DISTRICT'S  
15 TOTAL PROGRAM, SUBJECT TO THE LIMITATIONS SPECIFIED IN SUBSECTION  
16 (4) OF THIS SECTION, TO PROVIDE FUNDING FOR COST OF LIVING EXPENSES  
17 FOR DISTRICT EMPLOYEES BY SUBMITTING TO THE ELIGIBLE ELECTORS OF  
18 THE DISTRICT THE QUESTION OF WHETHER THE DISTRICT SHOULD BE  
19 AUTHORIZED TO RAISE AND EXPEND ADDITIONAL LOCAL PROPERTY TAX  
20 REVENUES FOR THAT PURPOSE. IN ADDITION, IF A DISTRICT THAT LEVIES  
21 ITS FULL TOTAL PROGRAM MILL LEVY RECEIVES BY PROPER SUBMITTAL A  
22 VALID INITIATIVE PETITION TO RAISE AND EXPEND LOCAL PROPERTY TAX  
23 REVENUES IN EXCESS OF THE DISTRICT'S TOTAL PROGRAM, SUBJECT TO THE  
24 LIMITATIONS SPECIFIED IN SUBSECTION (4) OF THIS SECTION, TO PROVIDE  
25 FUNDING FOR COST OF LIVING EXPENSES FOR DISTRICT EMPLOYEES, THE  
26 BOARD OF EDUCATION OF THE DISTRICT MUST SUBMIT THE QUESTION TO  
27 THE ELIGIBLE ELECTORS OF THE DISTRICT. AN INITIATIVE PETITION

1 SUBMITTED PURSUANT TO THIS SUBSECTION (1) MUST BE SIGNED BY AT  
2 LEAST FIVE PERCENT OF THE ELIGIBLE ELECTORS IN THE DISTRICT AT THE  
3 TIME THE PETITION IS FILED.

4 (2) A DISTRICT MUST SUBMIT THE QUESTION TO RAISE AND EXPEND  
5 ADDITIONAL LOCAL PROPERTY TAXES PURSUANT TO THIS SECTION TO THE  
6 ELIGIBLE ELECTORS AT AN ELECTION HELD IN ACCORDANCE WITH SECTION  
7 20 OF ARTICLE X OF THE STATE CONSTITUTION AND TITLE 1, C.R.S. IF THE  
8 QUESTION IS APPROVED BY A MAJORITY OF THE ELIGIBLE ELECTORS  
9 VOTING IN THE ELECTION, THE DISTRICT IS AUTHORIZED TO COLLECT THE  
10 ADDITIONAL LEVY FOR THE THEN-CURRENT BUDGET YEAR AND EACH  
11 BUDGET YEAR THEREAFTER FOR THE PURPOSES SPECIFIED IN SUBSECTION  
12 (1) OF THIS SECTION, WHICH ADDITIONAL LEVY IS IN EXCESS OF THE  
13 DISTRICT'S TOTAL PROGRAM MILL LEVY AND IN EXCESS OF ANY OTHER  
14 AUTHORIZED ADDITIONAL LOCAL PROPERTY TAX LEVIES.

15 (3) IF A MAJORITY OF THE VOTES CAST IN AN ELECTION HELD  
16 PURSUANT TO SUBSECTION (2) OF THIS SECTION ARE IN FAVOR OF THE  
17 QUESTION, THE DISTRICT SHALL LEVY THE ADDITIONAL MILL LEVY EACH  
18 YEAR AND USE THE REVENUES RECEIVED FROM THE ADDITIONAL MILL  
19 LEVY TO OFFSET THE COST OF LIVING EXPENSES INCURRED BY THE  
20 EMPLOYEES OF THE DISTRICT.

21 (4) (a) NOTWITHSTANDING THE PROVISIONS OF SECTION 20 OF  
22 ARTICLE X OF THE STATE CONSTITUTION THAT ALLOW DISTRICTS TO SEEK  
23 VOTER APPROVAL FOR SPENDING AND REVENUE INCREASES, THE  
24 PROVISIONS OF THIS SECTION LIMIT A DISTRICT'S AUTHORITY TO RAISE AND  
25 EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE DISTRICT'S  
26 TOTAL PROGRAM.

27 (b) (I) THE TOTAL ADDITIONAL LOCAL PROPERTY TAX REVENUES

1 THAT A DISTRICT MAY RECEIVE PURSUANT TO ELECTIONS HELD PURSUANT  
2 TO THIS SECTION SHALL NOT EXCEED UNDER ANY CIRCUMSTANCES AN  
3 AMOUNT EQUAL TO THE PORTION OF THE DISTRICT'S TOTAL PROGRAM  
4 GENERATED BY APPLICATION OF THE DISTRICT'S COST OF LIVING FACTOR,  
5 CALCULATED FOR THE 2014-15 BUDGET YEAR PURSUANT TO SECTION  
6 22-54-104 (5) (c), AS IT EXISTED PRIOR TO REPEAL, BEFORE APPLICATION  
7 OF THE NEGATIVE FACTOR REQUIRED IN SECTION 22-54-104 (5) (g), AS IT  
8 EXISTED PRIOR TO REPEAL.

9 (II) NOTWITHSTANDING ANY PROVISION OF SUBPARAGRAPH (I) OF  
10 THIS PARAGRAPH (b) TO THE CONTRARY, BEGINNING WITH THE 2016-17  
11 BUDGET YEAR, THE LIMITATION ON THE AMOUNT OF ADDITIONAL  
12 PROPERTY TAX REVENUE THAT A DISTRICT MAY RAISE PURSUANT TO THIS  
13 SECTION INCREASES ANNUALLY BY THE RATE OF INFLATION.

14 (c) THE DIFFERENCE BETWEEN THE DISTRICT'S TOTAL PROGRAM AS  
15 CALCULATED BEFORE APPLICATION OF THE NEGATIVE FACTOR PURSUANT  
16 TO SECTION 22-54-104 (5) (g), AS IT EXISTED PRIOR TO REPEAL, FOR THE  
17 2014-15 BUDGET YEAR AND THE DISTRICT'S TOTAL PROGRAM CALCULATED  
18 PURSUANT TO SECTION 22-54.5-201 FOR THE 2015-16 BUDGET YEAR  
19 APPLIES TO CALCULATING THE LIMITATION IN THIS SUBSECTION (4).

20 (d) IF THE ADDITIONAL LOCAL PROPERTY TAX REVENUES ALREADY  
21 AUTHORIZED AND THE SPECIFIC OWNERSHIP TAX REVENUE, IF ANY,  
22 EXCEEDS THE LIMITATION SPECIFIED IN THIS SUBSECTION (4), THE DISTRICT  
23 SHALL NOT HOLD AN ELECTION PURSUANT TO THE PROVISIONS OF THIS  
24 SECTION UNTIL THE LIMITATION IS GREATER THAN THE ADDITIONAL LOCAL  
25 PROPERTY TAX REVENUES ALREADY AUTHORIZED AND THE SPECIFIC  
26 OWNERSHIP TAX REVENUE, IF ANY.

27 (5) FOR PURPOSES OF THIS SECTION, "COST OF LIVING EXPENSES"

1 INCLUDES THE COSTS OF FOOD, HOUSING, CLOTHING, AND  
2 TRANSPORTATION THAT MAY BE GREATER WITHIN THE DISTRICT THAN IN  
3 OTHER AREAS OF THE STATE BECAUSE OF THE ECONOMIC CONDITIONS  
4 EXISTING WITHIN THE DISTRICT.

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6 **22-54.5-209. Loans to alleviate cash flow deficits -**  
7 **lease-purchase agreements - definitions.** (1) (a) (I) UPON APPROVAL BY  
8 THE STATE TREASURER OF AN APPLICATION TO PARTICIPATE IN AN  
9 INTEREST-FREE OR LOW-INTEREST LOAN PROGRAM SUBMITTED BY A  
10 DISTRICT PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (1), THE  
11 STATE TREASURER SHALL MAKE AVAILABLE TO THE DISTRICT IN ANY  
12 MONTH OF THE BUDGET YEAR AN INTEREST-FREE OR LOW-INTEREST LOAN  
13 FROM THE STATE GENERAL FUND OR FROM THE PROCEEDS OF THE TAX AND  
14 REVENUE ANTICIPATION NOTES ISSUED PURSUANT TO SECTION 29-15-112,  
15 C.R.S., IN AN AMOUNT FOR THE MONTH AS CERTIFIED BY THE CHIEF  
16 FINANCIAL OFFICER AND THE SUPERINTENDENT OF THE DISTRICT.

17 (II) THE STATE TREASURER SHALL DETERMINE THE METHOD FOR  
18 CALCULATING CASH DEFICITS AND ESTABLISH REPORTING MECHANISMS  
19 NECESSARY TO ENSURE CONSISTENT AND ACCURATE REPORTING OF CASH  
20 DEFICITS. THE TREASURER SHALL NOT MAKE A LOAN IN A MONTH UNLESS  
21 THE DISTRICT DEMONSTRATES, THROUGH THE SUBMISSION OF THE ACTUAL  
22 OR PROJECTED FINANCIAL OR BUDGETARY STATEMENTS REQUIRED BY THE  
23 STATE TREASURER, THAT A GENERAL FUND CASH DEFICIT WILL EXIST FOR  
24 THAT MONTH AND THAT THE DISTRICT HAS THE CAPACITY TO REPAY THE  
25 LOAN BY JUNE 25 OF THE STATE FISCAL YEAR IN WHICH THE LOAN IS MADE.  
26 THIS SUBPARAGRAPH (II) APPLIES TO A LOAN MADE FROM THE STATE  
27 GENERAL FUND OR FROM THE PROCEEDS OF THE TAX AND REVENUE

1 ANTICIPATION NOTES ISSUED PURSUANT TO SECTION 29-15-112, C.R.S.

2 (b) A DISTRICT THAT CHOOSES TO PARTICIPATE IN THE  
3 INTEREST-FREE OR LOW-INTEREST LOAN PROGRAM MUST SUBMIT AN  
4 APPLICATION TO THE STATE TREASURER. A DISTRICT'S INITIAL  
5 APPLICATION TO PARTICIPATE IN THE INTEREST-FREE OR LOW-INTEREST  
6 LOAN PROGRAM IS SUBJECT TO APPROVAL BY A RESOLUTION ADOPTED BY  
7 THE DISTRICT BOARD OF EDUCATION AS FOLLOWS:

8 (I) FOR A MONTH IN WHICH THE DISTRICT SEEKS AN EMERGENCY  
9 LOAN PURSUANT TO PARAGRAPH (e) OF THIS SUBSECTION (1), THE CHIEF  
10 FINANCIAL OFFICER OF THE DISTRICT AND THE DISTRICT SUPERINTENDENT  
11 MUST PRESENT THE EMERGENCY LOAN REQUEST TO THE DISTRICT BOARD  
12 OF EDUCATION, EXPLAINING THE NEED FOR THE EMERGENCY LOAN AND  
13 THE REQUESTED AMOUNT. THE DISTRICT BOARD OF EDUCATION, BY  
14 MAJORITY VOTE, MUST APPROVE OR DISAPPROVE THE EMERGENCY LOAN  
15 REQUEST AND THE AMOUNT. IF THE DISTRICT BOARD OF EDUCATION  
16 APPROVES THE EMERGENCY LOAN REQUEST, THE CHIEF FINANCIAL OFFICER  
17 AND THE DISTRICT SUPERINTENDENT MUST REQUEST THE EMERGENCY  
18 LOAN FROM, AND CERTIFY THE APPROVED AMOUNT OF THE EMERGENCY  
19 LOAN AS APPROVED BY THE DISTRICT BOARD OF EDUCATION TO, THE STATE  
20 TREASURER AS PROVIDED IN PARAGRAPH (a) OF THIS SUBSECTION (1).

21 (II) IF, TO RECEIVE AN INTEREST-FREE LOAN, A DISTRICT SEEKS TO  
22 HAVE TAX AND REVENUE ANTICIPATION NOTES ISSUED ON ITS BEHALF  
23 PURSUANT TO SECTION 29-15-112, C.R.S., THE CHIEF FINANCIAL OFFICER  
24 OF THE DISTRICT AND THE DISTRICT SUPERINTENDENT MUST PRESENT A  
25 REQUEST TO THE DISTRICT BOARD OF EDUCATION TO PARTICIPATE IN THE  
26 INTEREST-FREE LOAN PROGRAM AND TO HAVE TAX AND REVENUE  
27 ANTICIPATION NOTES ISSUED ON ITS BEHALF. THE REQUEST MUST EXPLAIN

1 THE DISTRICT'S ANTICIPATED CASH FLOW DEFICIT FOR THE UPCOMING  
2 CALENDAR YEAR AND THE TOTAL AMOUNT OF TAX AND REVENUE  
3 ANTICIPATION NOTES THAT NEED TO BE ISSUED ON ITS BEHALF TO COVER  
4 THE DEFICIT. THE DISTRICT BOARD OF EDUCATION, BY MAJORITY VOTE,  
5 MUST APPROVE OR DISAPPROVE THE PARTICIPATION IN THE INTEREST-FREE  
6 LOAN PROGRAM AND THE AMOUNT OF TAX ANTICIPATION AND REVENUE  
7 NOTES TO BE ISSUED ON BEHALF OF THE DISTRICT. IF THE DISTRICT BOARD  
8 OF EDUCATION APPROVES THE PARTICIPATION IN THE INTEREST-FREE LOAN  
9 PROGRAM AND THE ISSUANCE OF TAX AND REVENUE ANTICIPATION NOTES,  
10 THE CHIEF FINANCIAL OFFICER AND THE DISTRICT SUPERINTENDENT MUST  
11 CERTIFY TO THE STATE TREASURER THE AMOUNT OF THE TAX AND  
12 REVENUE NOTES, AS APPROVED BY THE DISTRICT BOARD OF EDUCATION,  
13 THAT SHALL BE ISSUED ON BEHALF OF THE DISTRICT. THEREAFTER, A  
14 DISTRICT IS NOT REQUIRED TO RECEIVE APPROVAL FOR AN INTEREST-FREE  
15 LOAN MADE FROM THE PROCEEDS OF THE TAX AND REVENUE ANTICIPATION  
16 NOTES THAT RECEIVED PRIOR APPROVAL BY THE DISTRICT BOARD OF  
17 EDUCATION.

18 (c) THE STATE TREASURER MAY NOT MAKE A LOAN UNDER THIS  
19 SECTION TO PROVIDE ASSISTANCE FOR MATTERS THAT ARE ELIGIBLE FOR  
20 PAYMENT FROM THE CONTINGENCY RESERVE FUND PURSUANT TO SECTION  
21 22-54.5-310 OR TO COVER A FORESEEABLE LEVEL OF UNCOLLECTIBLE  
22 PROPERTY TAXES, NOR MAY A DISTRICT USE A LOAN FOR THE  
23 SIMULTANEOUS PURCHASE AND SALE OF THE SAME SECURITY OR AN  
24 EQUIVALENT SECURITY IN ORDER TO PROFIT FROM PRICE DISPARITY.

25 (d) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (e) OF THIS  
26 SUBSECTION (1), THE STATE TREASURER MUST MAKE ALL LOANS TO A  
27 DISTRICT FROM THE PROCEEDS OF THE TAX AND REVENUE ANTICIPATION



1 NOTES ISSUED PURSUANT TO SECTION 29-15-112, C.R.S.

2 (e) IF THE AMOUNT OF THE TAX AND REVENUE ANTICIPATION  
3 NOTES, IF ANY, ISSUED ON BEHALF OF A DISTRICT AS DETERMINED BY THE  
4 STATE TREASURER PURSUANT TO SECTION 29-15-112 (2) (f), C.R.S., IS NOT  
5 SUFFICIENT TO COVER A DISTRICT'S CASH DEFICIT, THEN THE STATE  
6 TREASURER MAY, IN HIS OR HER DISCRETION, MAKE AVAILABLE TO THE  
7 DISTRICT AN EMERGENCY LOAN FROM THE STATE GENERAL FUND. THE  
8 EMERGENCY LOAN MUST ACCRUE INTEREST AT THE SAME RATE AS THE  
9 RATE OF INTEREST PAID BY THE STATE TREASURER ON NOTES ISSUED BY  
10 THE STATE PURSUANT TO PART 9 OF ARTICLE 75 OF TITLE 24, C.R.S.

11 (2) (a) FOR THE MONTHS OF MARCH, APRIL, AND MAY OF EACH  
12 BUDGET YEAR, A DISTRICT THAT RECEIVES A LOAN UNDER THE PROVISIONS  
13 OF PARAGRAPH (e) OF SUBSECTION (1) OF THIS SECTION SHALL BEGIN TO  
14 REPAY THE LOAN IF THE DISTRICT'S AVAILABLE RESOURCES, AS OF THE  
15 LAST DAY OF THE MONTH, INCREASED BY THE NEXT MONTH'S REVENUES  
16 EXCEED THE NEXT MONTH'S EXPENDITURES PLUS A CASH RESERVE. THE  
17 DISTRICT MUST REMIT THE EXCESS RESOURCES TO THE STATE TREASURER  
18 BY THE CLOSE OF BUSINESS ON THE FIFTEENTH DAY, OR THE FIRST  
19 BUSINESS DAY FOLLOWING THE FIFTEENTH DAY, OF THE FOLLOWING  
20 MONTH. ALL LOANS MUST BE REPAYED BY JUNE 25 OF THE STATE FISCAL  
21 YEAR IN WHICH THE LOAN WAS MADE OR ON A LATER ALTERNATIVE DATE  
22 AS DETERMINED BY THE STATE TREASURER.

23 (b) FOR THE MONTHS OF MARCH, APRIL, AND MAY OF EACH  
24 BUDGET YEAR, A DISTRICT THAT RECEIVES A LOAN UNDER THE PROVISIONS  
25 OF PARAGRAPH (d) OF SUBSECTION (1) OF THIS SECTION SHALL BEGIN TO  
26 REPAY THE LOAN AS ESTABLISHED BY THE DISTRICT'S AGREEMENT WITH  
27 THE STATE TREASURER. ALL LOANS MUST BE REPAYED BY JUNE 25 OF THE

1 STATE FISCAL YEAR IN WHICH THE LOAN WAS MADE OR ON A LATER  
2 ALTERNATIVE DATE AS DETERMINED BY THE STATE TREASURER.

3 (c) IF A DISTRICT DEFAULTS ON A LOAN THAT IS MADE FROM THE  
4 PROCEEDS OF THE TAX AND REVENUE ANTICIPATION NOTES ISSUED  
5 PURSUANT TO SECTION 29-15-112, C.R.S., BY FAILING TO REPAY THE LOAN  
6 ON OR BEFORE THE DATE REQUIRED, INTEREST MUST ACCRUE ON THE  
7 UNPAID BALANCE FROM THE DATE OF DEFAULT UNTIL THE LOAN IS REPAYED  
8 IN AN AMOUNT THAT IS EQUAL TO THE INTEREST PAID BY THE STATE  
9 TREASURER ON NOTES ISSUED BY THE STATE PURSUANT TO PART 9 OF  
10 ARTICLE 75 OF TITLE 24, C.R.S.

11 (d) FOR PURPOSES OF PARAGRAPH (a) OF THIS SUBSECTION (2):

12 (I) "AVAILABLE RESOURCES" MEANS ANY AVAILABLE CASH AND  
13 INVESTMENTS IN DISTRICT FUNDS THAT CAN BE USED TO ALLEVIATE  
14 GENERAL FUND CASH SHORTFALLS, INCLUDING BUT NOT LIMITED TO THE  
15 DISTRICT'S CAPITAL RESERVE FUND AND ANY FUND OR ACCOUNT WITHIN  
16 THE GENERAL FUND ESTABLISHED SOLELY FOR THE MANAGEMENT OF  
17 RISK-RELATED ACTIVITIES. "AVAILABLE RESOURCES" DOES NOT INCLUDE  
18 CASH THAT IS LEGALLY SEGREGATED OR PLEDGED BY CONTRACT OR RULE  
19 OF THE STATE BOARD.

20 (II) "CASH RESERVE" MEANS EIGHT PERCENT OF THE DISTRICT'S  
21 AVERAGE MONTHLY EXPENDITURES OR TWENTY THOUSAND DOLLARS,  
22 WHICHEVER IS GREATER.

23 (e) A LIEN IN THE AMOUNT OF A LOAN MADE FROM THE PROCEEDS  
24 OF THE TAX AND REVENUE ANTICIPATION NOTES ISSUED PURSUANT TO  
25 SECTION 29-15-112, C.R.S., PLUS ANY INTEREST SPECIFIED IN PARAGRAPH  
26 (c) OF THIS SUBSECTION (2), ATTACHES TO DISTRICT PROPERTY TAX  
27 REVENUES, EXCEPT FOR BOND REDEMPTION FUND REVENUES, COLLECTED

1 DURING THE STATE FISCAL YEAR IN WHICH THE LOAN WAS MADE, AND THE  
2 LIEN HAS PRIORITY OVER ALL OTHER EXPENDITURES FROM THE REVENUES  
3 UNTIL THE LOAN IS REPAYED IN FULL. THE COUNTY TREASURER OF THE  
4 COUNTY IN WHICH THE HEADQUARTERS OF THE DISTRICT ARE LOCATED IS  
5 JOINTLY RESPONSIBLE WITH THE DISTRICT FOR REPAYMENT OF A LOAN  
6 MADE PURSUANT TO THIS SECTION, PLUS ANY INTEREST SPECIFIED IN  
7 PARAGRAPH (c) OF THIS SUBSECTION (2). IF A DISTRICT FAILS TO REPAY A  
8 LOAN TO THE STATE TREASURER IN ACCORDANCE WITH THE PROVISIONS OF  
9 THIS SECTION, THE STATE TREASURER MUST NOTIFY THE COUNTY  
10 TREASURER OF THE COUNTY IN WHICH THE HEADQUARTERS OF THE  
11 DISTRICT ARE LOCATED THAT THE DISTRICT IS IN DEFAULT ON THE LOAN  
12 AND THE AMOUNT OF THE DEFAULT, PLUS ANY INTEREST SPECIFIED IN  
13 PARAGRAPH (c) OF THIS SUBSECTION (2). THE COUNTY TREASURER MUST  
14 WITHHOLD ANY MONEYS OF THE DISTRICT IN THE COUNTY TREASURER'S  
15 POSSESSION IN AN AMOUNT EQUAL TO THE AMOUNT OF THE DEFAULT, PLUS  
16 ANY INTEREST SPECIFIED IN PARAGRAPH (c) OF THIS SUBSECTION (2), AND  
17 TRANSMIT THE MONEYS TO THE STATE TREASURER. IF THE AMOUNT OF  
18 MONEYS OF THE DISTRICT IN THE COUNTY TREASURER'S POSSESSION AT  
19 THE TIME NOTICE OF THE DEFAULT IS GIVEN IS LESS THAN THE AMOUNT OF  
20 THE DEFAULT, THE COUNTY TREASURER MUST WITHHOLD ADDITIONAL  
21 MONEYS OF THE DISTRICT UNTIL SUCH TIME AS THE DEFAULT, PLUS ANY  
22 INTEREST SPECIFIED IN PARAGRAPH (c) OF THIS SUBSECTION (2), IS  
23 COMPLETELY PAID TO THE STATE TREASURER.

24 (f) (I) A DISTRICT MAY SELL REAL PROPERTY TO THE STATE  
25 TREASURER PURSUANT TO THE PROVISIONS OF THIS PARAGRAPH (f) IF:

26 (A) THE STATE TREASURER DENIES THE DISTRICT A LOAN  
27 PURSUANT TO THE PROVISIONS OF THIS SECTION, IN WHICH CASE THE FAIR

1 MARKET VALUE OF THE PROPERTY IS EQUAL TO OR GREATER THAN THE  
2 AMOUNT OF THE PURCHASE PRICE; OR

3 (B) THE DISTRICT IS UNABLE TO PAY A LOAN BACK IN THE SAME  
4 STATE FISCAL YEAR IN WHICH THE LOAN WAS MADE, IN WHICH CASE THE  
5 FAIR MARKET VALUE OF THE REAL PROPERTY IS EQUAL TO OR GREATER  
6 THAN THE OUTSTANDING BALANCE OF THE LOAN TO THE STATE  
7 TREASURER.

8 (II) THE SALE PURSUANT TO THIS PARAGRAPH (f) MAY BE MADE  
9 ONLY IF:

10 (A) AT THE SAME TIME OF THE SALE, THE STATE TREASURER  
11 LEASES BACK ALL OF THE PROPERTY TO THE DISTRICT PURSUANT TO A  
12 LEASE-PURCHASE AGREEMENT THAT IS SUBJECT TO ANNUAL  
13 APPROPRIATION BY THE SCHOOL DISTRICT;

14 (B) THE DISTRICT PAYS ANY LEGAL OR OTHER TRANSACTION COSTS  
15 INCURRED BY THE STATE TREASURER RELATED TO THE SALE OF THE  
16 PROPERTY AND THE LEASE-PURCHASE AGREEMENT; AND

17 (C) THE STATE TREASURER AGREES TO THE SALE OF THE PROPERTY  
18 AND THE LEASE-PURCHASE AGREEMENT.

19 (III) THE PROVISIONS OF PARAGRAPH (e) OF THIS SUBSECTION (2)  
20 APPLY TO THE LEASE-PURCHASE AGREEMENT, AND A LIEN SHALL NOT  
21 ATTACH TO ANY DISTRICT TAX REVENUES TO SECURE THE DISTRICT'S  
22 LEASE PAYMENTS. THE LEASE-PURCHASE AGREEMENT DOES NOT  
23 AUTHORIZE THE DISTRICT TO RECEIVE FEE TITLE TO THE PROPERTY THAT  
24 IS THE SUBJECT OF THE LEASE-PURCHASE AGREEMENT BEFORE THE  
25 EXPIRATION OF THE TERMS OF THE LEASE-PURCHASE AGREEMENT.

26 (IV) SECTIONS 24-82-102 (1) (b) AND 24-82-801, C.R.S., DO NOT  
27 APPLY TO THE LEASE-PURCHASE AGREEMENT.

1 (V) IF A DISTRICT DEFAULTS IN THE PAYMENT OF RENT REQUIRED  
2 BY THE LEASE-PURCHASE AGREEMENT, IT HAS THIRTY DAYS TO CURE THE  
3 DEFAULT. IF AFTER THIRTY DAYS THE DISTRICT HAS NOT CURED THE  
4 DEFAULT AND IF THE DISTRICT REMAINS IN POSSESSION OF THE PROPERTY,  
5 THE STATE TREASURER MUST RECOVER POSSESSION OF THE PROPERTY  
6 PURSUANT TO THE PROVISIONS OF ARTICLE 40 OF TITLE 13, C.R.S. IF A  
7 COURT ENTERS A JUDGMENT IN FAVOR OF THE STATE TREASURER AND  
8 ISSUES A WRIT OF RESTITUTION PURSUANT TO SECTION 13-40-115, C.R.S.,  
9 THE STATE TREASURER MUST LIQUIDATE THE PROPERTY TO THE BEST  
10 ADVANTAGE OF THE STATE.

11 (3) THE STATE TREASURER SHALL CONSULT WITH THE  
12 DEPARTMENT CONCERNING THE ADMINISTRATION OF THE LOAN PROGRAM  
13 UNDER THIS SECTION TO ENSURE THAT IT IS IMPLEMENTED IN A MANNER  
14 THAT MINIMIZES THE AMOUNT OF EMERGENCY LOANS NEEDED BY EACH  
15 DISTRICT.

16 (4) A DISTRICT THAT RECEIVES A LOAN PURSUANT TO THIS SECTION  
17 IS SUBJECT TO AN AUDIT THAT THE STATE AUDITOR CONDUCTS OR  
18 CONTRACTS FOR. THE DISTRICT MUST BE PENALIZED THROUGH THE  
19 WITHHOLDING OF STATE SHARE IF AN AUDIT FINDS THE DISTRICT USED THE  
20 LOAN IN A MANNER CONTRARY TO THE PROVISIONS OF THIS SECTION.

21 PART 3

22 ADDITIONAL STATE FUNDING

23 **22-54.5-301. Teaching and leadership investment - definitions.**

24 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
25 REQUIRES:

26 (a) "DISTRICT" MEANS A DISTRICT THAT DOES NOT RECEIVE A  
27 PER-PUPIL SUPPLEMENTAL PAYMENT PURSUANT TO SECTION 22-54.5-303

1 OR A DISTRICT FOR WHICH THE PER PUPIL AMOUNT OF THE PER-PUPIL  
2 SUPPLEMENTAL PAYMENT RECEIVED PURSUANT TO SECTION 22-54.5-303  
3 FOR THE APPLICABLE BUDGET YEAR IS LESS THAN ONE HUNDRED  
4 FIFTY-NINE DOLLARS.

5 (b) "ELIGIBLE INSTITUTE CHARTER SCHOOL" MEANS AN INSTITUTE  
6 CHARTER SCHOOL THAT IS NOT A MULTI-DISTRICT ON-LINE SCHOOL.

7 (c) "GROWTH TAX REVENUES" MEANS THE AMOUNT OF STATE  
8 REVENUES GENERATED IN THE APPLICABLE INCOME TAX YEAR AS A RESULT  
9 OF A STATEWIDE BALLOT QUESTION THAT INCREASES STATE TAX  
10 REVENUES FOR THE PURPOSE OF FUNDING PUBLIC EDUCATION, WHICH  
11 AMOUNT OF STATE REVENUES EXCEEDS THE AMOUNT SPECIFIED IN THE  
12 STATEWIDE BALLOT QUESTION.

13 (d) "SUPPLEMENTAL PAYMENT DISTRICT" MEANS A DISTRICT FOR  
14 WHICH THE PER PUPIL AMOUNT OF THE PER-PUPIL SUPPLEMENTAL  
15 PAYMENT RECEIVED PURSUANT TO SECTION 22-54.5-303 FOR THE  
16 APPLICABLE BUDGET YEAR IS EQUAL TO OR GREATER THAN ONE HUNDRED  
17 FIFTY-NINE DOLLARS.

18 (e) "TOTAL INVESTMENT MONEYS" MEANS AN AMOUNT EQUAL TO  
19 ANY AMOUNT OF THE GROWTH TAX REVENUES REMAINING AFTER THE  
20 APPROPRIATION OF GROWTH TAX REVENUES REQUIRED IN SECTION  
21 22-20-114 (7) FOR THE APPLICABLE BUDGET YEAR.

22 (2) IN ADDITION TO THE STATE SHARE CALCULATED PURSUANT TO  
23 SECTION 22-54.5-203 FOR DISTRICTS AND SUPPLEMENTAL PAYMENT  
24 DISTRICTS AND THE TOTAL PROGRAM FUNDING FOR ELIGIBLE INSTITUTE  
25 CHARTER SCHOOLS, EACH DISTRICT, SUPPLEMENTAL PAYMENT DISTRICT,  
26 AND ELIGIBLE INSTITUTE CHARTER SCHOOL SHALL ANNUALLY RECEIVE THE  
27 PER PUPIL AMOUNT OF TEACHING AND LEADERSHIP INVESTMENT MONEYS

1 DESCRIBED IN SUBSECTION (3) OF THIS SECTION, MULTIPLIED BY THE  
2 DISTRICT'S, THE SUPPLEMENTAL PAYMENT DISTRICT'S, OR THE ELIGIBLE  
3 INSTITUTE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR THE  
4 APPLICABLE FUNDING AVERAGING PERIOD. THE DEPARTMENT SHALL  
5 DISTRIBUTE THE INVESTMENT MONEYS WITH EACH DISTRICT'S OR  
6 SUPPLEMENTAL PAYMENT DISTRICT'S STATE SHARE AND WITH EACH  
7 ELIGIBLE INSTITUTE CHARTER SCHOOL'S FUNDING AS PROVIDED IN SECTION  
8 22-54.5-408. IF A DISTRICT OR SUPPLEMENTAL PAYMENT DISTRICT DOES  
9 NOT RECEIVE STATE SHARE, THE DEPARTMENT SHALL DISTRIBUTE THE  
10 DISTRICT'S OR SUPPLEMENTAL PAYMENT DISTRICT'S INVESTMENT MONEYS  
11 IN ACCORDANCE WITH THE PROVISIONS OF SECTION 22-54.5-408.

12 (3) (a) FOR THE 2015-16 BUDGET YEAR, THE PER PUPIL AMOUNT OF  
13 INVESTMENT MONEYS FOR EACH DISTRICT, EACH SUPPLEMENTAL PAYMENT  
14 DISTRICT, AND EACH ELIGIBLE INSTITUTE CHARTER SCHOOL IS FOUR  
15 HUNDRED FORTY-ONE DOLLARS.

16 (b) (I) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (c) OF THIS  
17 SUBSECTION (3), FOR THE 2016-17 BUDGET YEAR AND EACH BUDGET YEAR  
18 THEREAFTER, THE DEPARTMENT SHALL ANNUALLY CALCULATE THE PER  
19 PUPIL AMOUNT OF INVESTMENT MONEYS FOR EACH DISTRICT AND EACH  
20 ELIGIBLE INSTITUTE CHARTER SCHOOL AS THE GREATER OF FOUR HUNDRED  
21 FORTY-ONE DOLLARS OR AN AMOUNT EQUAL TO:

22 (TOTAL INVESTMENT MONEYS - (\$441 x TOTAL AVERAGE  
23 DAILY MEMBERSHIP OF SUPPLEMENTAL PAYMENT  
24 DISTRICTS)) ÷ (TOTAL AVERAGE DAILY MEMBERSHIP OF  
25 DISTRICTS + TOTAL AVERAGE DAILY MEMBERSHIP OF  
26 ELIGIBLE INSTITUTE CHARTER SCHOOLS).

27 (II) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (c) OF THIS

1 SUBSECTION (3), FOR THE 2016-17 BUDGET YEAR AND EACH BUDGET YEAR  
2 THEREAFTER, THE DEPARTMENT SHALL ANNUALLY CALCULATE THE PER  
3 PUPIL AMOUNT OF INVESTMENT MONEYS FOR EACH SUPPLEMENTAL  
4 PAYMENT DISTRICT AS THE GREATER OF FOUR HUNDRED FORTY-ONE  
5 DOLLARS OR AN AMOUNT EQUAL TO:

6 \$441 + ((TOTAL INVESTMENT MONEYS - (\$600 x (TOTAL  
7 AVERAGE DAILY MEMBERSHIP OF DISTRICTS + TOTAL  
8 AVERAGE DAILY MEMBERSHIP OF ELIGIBLE INSTITUTE  
9 CHARTER SCHOOLS)) ÷ TOTAL AVERAGE DAILY MEMBERSHIP  
10 OF SUPPLEMENTAL PAYMENT DISTRICTS).

11 (III) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPHS (I)  
12 AND (II) OF THIS PARAGRAPH (b), THE PER PUPIL AMOUNT OF INVESTMENT  
13 MONEYS FOR A DISTRICT, A SUPPLEMENTAL PAYMENT DISTRICT, OR AN  
14 ELIGIBLE INSTITUTE CHARTER SCHOOL, SHALL NOT EXCEED SIX HUNDRED  
15 DOLLARS IN A BUDGET YEAR, EXCEPT AS OTHERWISE PROVIDED IN  
16 PARAGRAPH (c) OF THIS SUBSECTION (3).

17 (c) IN A BUDGET YEAR IN WHICH THE PER PUPIL AMOUNT OF  
18 INVESTMENT MONEYS CALCULATED PURSUANT TO PARAGRAPH (b) OF THIS  
19 SUBSECTION (3) FOR EACH DISTRICT, SUPPLEMENTAL PAYMENT DISTRICT,  
20 AND ELIGIBLE INSTITUTE CHARTER SCHOOL EXCEEDS SIX HUNDRED  
21 DOLLARS, THE DEPARTMENT SHALL CALCULATE THE PER PUPIL AMOUNT OF  
22 INVESTMENT MONEYS FOR EACH DISTRICT, SUPPLEMENTAL PAYMENT  
23 DISTRICT, AND ELIGIBLE INSTITUTE CHARTER SCHOOL AS AN AMOUNT  
24 EQUAL TO THE TOTAL INVESTMENT MONEYS DIVIDED BY THE COMBINED  
25 TOTAL AVERAGE DAILY MEMBERSHIP OF ALL DISTRICTS, ALL  
26 SUPPLEMENTAL PAYMENT DISTRICTS, AND ALL ELIGIBLE INSTITUTE  
27 CHARTER SCHOOLS.



1           (4) EACH DISTRICT, DISTRICT CHARTER SCHOOL, AND INSTITUTE  
2 CHARTER SCHOOL SHALL USE THE INVESTMENT MONEYS RECEIVED  
3 PURSUANT TO THIS SECTION TO PAY THE COSTS INCURRED IN PROVIDING  
4 STAFF SUPPORT AND PROFESSIONAL DEVELOPMENT NECESSARY TO  
5 IMPLEMENT:

6           (a) STANDARDS-BASED INSTRUCTION AND ASSESSMENTS AS  
7 PROVIDED IN PARTS 10 AND 12 OF ARTICLE 7 OF THIS TITLE AND THE  
8 FEDERAL "NO CHILD LEFT BEHIND ACT OF 2001", 20 U.S.C. SEC. 6381 ET  
9 SEQ.;

10           (b) EDUCATOR PERFORMANCE EVALUATIONS AS PROVIDED IN  
11 ARTICLE 9 OF THIS TITLE AND SECTIONS 22-63-202 AND 22-63-203; AND

12           (c) ACCREDITATION AS PROVIDED IN ARTICLE 11 OF THIS TITLE.

13           **22-54.5-302. Hold-harmless moneys - state share**  
14 **hold-harmless fund - created - definitions.** (1) FOR PURPOSES OF THIS  
15 SECTION:

16           (a) "DISTRICT'S 2014-15 STATE SHARE" MEANS THE AMOUNT OF  
17 STATE SHARE THAT A DISTRICT RECEIVES FOR THE 2014-15 BUDGET YEAR  
18 PURSUANT TO SECTION 22-54-106, AS IT EXISTED PRIOR TO REPEAL.

19           (b) "FUND" MEANS THE STATE SHARE HOLD-HARMLESS FUND  
20 CREATED IN SUBSECTION (3) OF THIS SECTION.

21           (c) "STATE FUNDING" MEANS THE AMOUNT OF STATE SHARE PLUS  
22 INVESTMENT MONEYS THAT A DISTRICT RECEIVES IN A BUDGET YEAR.

23           (2) (a) IF THE RECALCULATION OF STATE AND LOCAL SHARES OF  
24 TOTAL PROGRAM PURSUANT TO SECTION 22-54.5-203 RESULTS IN A  
25 DISTRICT RECEIVING A LOWER AMOUNT OF STATE FUNDING, THE DISTRICT  
26 IS ELIGIBLE TO RECEIVE HOLD-HARMLESS MONEYS AS PROVIDED IN THIS  
27 SECTION. THE DEPARTMENT SHALL ANNUALLY CALCULATE A DISTRICT'S

1 HOLD-HARMLESS MONEYS USING THE DISTRICT'S STATE FUNDING, TOTAL  
2 PROGRAM, AND INVESTMENT MONEYS FOR THE APPLICABLE BUDGET YEAR  
3 IN THE FOLLOWING FORMULA:

4 (DISTRICT'S 2014-15 STATE SHARE - DISTRICT'S STATE  
5 FUNDING) + (0.02 X (DISTRICT'S TOTAL PROGRAM +  
6 DISTRICT'S INVESTMENT MONEYS)

7 (b) A DISTRICT THAT IS ELIGIBLE TO RECEIVE HOLD-HARMLESS  
8 MONEYS AS THE RESULT OF A RECALCULATION OF STATE AND LOCAL  
9 SHARES CONTINUES TO BE ELIGIBLE TO RECEIVE THE HOLD-HARMLESS  
10 MONEYS IN EACH SUBSEQUENT BUDGET YEAR IN WHICH THE CALCULATION  
11 OF THE HOLD-HARMLESS MONEYS RESULTS IN A POSITIVE NUMBER.

12 (c) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE  
13 CONTRARY, THE DEPARTMENT SHALL REDUCE A DISTRICT'S  
14 HOLD-HARMLESS MONEYS AS NECESSARY TO ENSURE THAT, IN ANY  
15 BUDGET YEAR, THE DISTRICT'S HOLD-HARMLESS MONEYS PLUS THE  
16 DISTRICT'S LOCAL SHARE AND STATE SHARE DO NOT EXCEED THE GREATER  
17 OF THE DISTRICT'S TOTAL PROGRAM FOR THE APPLICABLE BUDGET YEAR OR  
18 THE DISTRICT'S TOTAL PROGRAM FOR THE 2014-15 BUDGET YEAR  
19 CALCULATED PURSUANT TO SECTION 22-54-104, AS IT EXISTED PRIOR TO  
20 REPEAL.

21 (3) (a) THERE IS CREATED IN THE STATE TREASURY THE STATE  
22 SHARE HOLD-HARMLESS FUND CONSISTING OF SUCH MONEYS AS THE  
23 GENERAL ASSEMBLY MAY APPROPRIATE TO THE FUND. THE MONEYS IN THE  
24 FUND ARE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL  
25 ASSEMBLY TO THE DEPARTMENT FOR DISTRIBUTION AS HOLD-HARMLESS  
26 MONEYS TO ELIGIBLE DISTRICTS AS PROVIDED IN THIS SECTION.

27 (b) THE STATE TREASURER MAY INVEST ANY MONEYS IN THE FUND

1 NOT EXPENDED FOR THE PURPOSE OF THIS SECTION AS PROVIDED BY LAW.  
2 THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED  
3 FROM THE INVESTMENT AND DEPOSIT OF MONEYS IN THE FUND TO THE  
4 FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN  
5 THE FUND AT THE END OF A FISCAL YEAR MUST REMAIN IN THE FUND AND  
6 SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR  
7 ANOTHER FUND.

8 (4) IN A BUDGET YEAR IN WHICH THE GENERAL ASSEMBLY DOES  
9 NOT APPROPRIATE A SUFFICIENT AMOUNT TO FULLY FUND THE  
10 HOLD-HARMLESS MONEYS AUTHORIZED IN THIS SECTION, THE  
11 DEPARTMENT SHALL REDUCE THE AMOUNT OF EACH ELIGIBLE DISTRICT'S  
12 HOLD-HARMLESS MONEYS BY THE SAME PERCENTAGE THAT THE DEFICIT  
13 BEARS TO THE AMOUNT REQUIRED TO FULLY FUND THE HOLD-HARMLESS  
14 MONEYS AUTHORIZED BY THIS SECTION.

15 **22-54.5-303. Per pupil supplemental payment - per pupil**  
16 **supplemental fund - created - definitions.** (1) FOR PURPOSES OF THIS  
17 SECTION:

18 (a) "DISTRICT'S PER PUPIL REVENUE" MEANS, FOR EACH BUDGET  
19 YEAR, THE SUM OF THE AMOUNT OF LOCAL PROPERTY TAX REVENUES  
20 GENERATED FROM THE NUMBER OF MILLS A DISTRICT LEVIES FOR TOTAL  
21 PROGRAM PLUS THE SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE  
22 DISTRICT PLUS THE STATE SHARE PAID TO THE DISTRICT PLUS ANY  
23 HOLD-HARMLESS MONEYS PAID TO THE DISTRICT PURSUANT TO SECTION  
24 22-54.5-302, DIVIDED BY THE DISTRICT'S FUNDED MEMBERSHIP FOR THE  
25 APPLICABLE BUDGET YEAR.

26 (b) "FUND" MEANS THE PER PUPIL SUPPLEMENTAL FUND CREATED  
27 IN SUBSECTION (3) OF THIS SECTION.

1           (c) "INSTITUTE CHARTER SCHOOL'S PER PUPIL REVENUE" MEANS,  
2           FOR EACH BUDGET YEAR, THE AMOUNT OF STATE FUNDING PAID TO THE  
3           INSTITUTE CHARTER SCHOOL DIVIDED BY THE INSTITUTE CHARTER  
4           SCHOOL'S FUNDED MEMBERSHIP FOR THE APPLICABLE BUDGET YEAR.

5           (2) (a) SUBJECT TO AVAILABLE APPROPRIATIONS, THE  
6           DEPARTMENT SHALL ANNUALLY PAY PER PUPIL SUPPLEMENTAL PAYMENTS  
7           TO DISTRICTS AND INSTITUTE CHARTER SCHOOLS TO ENSURE THAT, FOR  
8           EACH BUDGET YEAR, EACH DISTRICT'S PER PUPIL REVENUE AND EACH  
9           INSTITUTE CHARTER SCHOOL'S PER PUPIL REVENUE IS AT LEAST EQUAL TO  
10          NINETY-FIVE PERCENT OF THE STATE AVERAGE PER PUPIL REVENUE. THE  
11          DEPARTMENT SHALL ANNUALLY IDENTIFY THE DISTRICTS AND INSTITUTE  
12          CHARTER SCHOOLS THAT MAY RECEIVE PER PUPIL SUPPLEMENTAL  
13          PAYMENTS AS PROVIDED IN THIS SECTION.

14          (b) THE DEPARTMENT SHALL CALCULATE THE AMOUNT PAYABLE  
15          TO EACH DISTRICT BY SUBTRACTING THE DISTRICT'S PER PUPIL REVENUE  
16          FOR THE APPLICABLE BUDGET YEAR FROM AN AMOUNT EQUAL TO  
17          NINETY-FIVE PERCENT OF THE STATE AVERAGE PER PUPIL REVENUE FOR  
18          THE APPLICABLE BUDGET YEAR AND MULTIPLYING THE DIFFERENCE BY THE  
19          DISTRICT'S FUNDED MEMBERSHIP FOR THE APPLICABLE BUDGET YEAR.

20          (c) THE DEPARTMENT SHALL CALCULATE THE AMOUNT PAYABLE  
21          TO EACH INSTITUTE CHARTER SCHOOL BY SUBTRACTING THE INSTITUTE  
22          CHARTER SCHOOL'S PER PUPIL REVENUE FOR THE APPLICABLE BUDGET  
23          YEAR FROM AN AMOUNT EQUAL TO NINETY-FIVE PERCENT OF THE STATE  
24          AVERAGE PER PUPIL REVENUE FOR THE APPLICABLE BUDGET YEAR AND  
25          MULTIPLYING THE DIFFERENCE BY THE INSTITUTE CHARTER SCHOOL'S  
26          FUNDED MEMBERSHIP FOR THE APPLICABLE BUDGET YEAR.

27          (d) A DISTRICT OR AN INSTITUTE CHARTER SCHOOL IS NOT ELIGIBLE

1 FOR PER PUPIL SUPPLEMENTAL PAYMENTS IN ANY BUDGET YEAR IN WHICH  
2 THE CALCULATION DESCRIBED IN THIS SUBSECTION (2) RESULTS IN A  
3 NEGATIVE NUMBER.

4 (3) (a) THERE IS CREATED IN THE STATE TREASURY THE PER PUPIL  
5 SUPPLEMENTAL FUND CONSISTING OF SUCH MONEYS AS THE GENERAL  
6 ASSEMBLY MAY APPROPRIATE TO THE FUND. THE MONEYS IN THE FUND  
7 ARE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY TO  
8 THE DEPARTMENT FOR DISTRIBUTION TO DISTRICTS AND INSTITUTE  
9 CHARTER SCHOOLS AS PROVIDED IN THIS SECTION.

10 (b) THE STATE TREASURER MAY INVEST ANY MONEYS IN THE FUND  
11 NOT EXPENDED FOR THE PURPOSE OF THIS SECTION AS PROVIDED BY LAW.  
12 THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED  
13 FROM THE INVESTMENT AND DEPOSIT OF MONEYS IN THE FUND TO THE  
14 FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN  
15 THE FUND AT THE END OF A FISCAL YEAR MUST REMAIN IN THE FUND AND  
16 SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR  
17 ANOTHER FUND.

18 (4) IN A BUDGET YEAR IN WHICH THE GENERAL ASSEMBLY DOES  
19 NOT APPROPRIATE A SUFFICIENT AMOUNT TO FULLY FUND THE PER PUPIL  
20 SUPPLEMENTAL PAYMENTS AUTHORIZED IN SUBSECTION (2) OF THIS  
21 SECTION, THE DEPARTMENT SHALL REDUCE EACH DISTRICT'S AND EACH  
22 INSTITUTE CHARTER SCHOOL'S PAYMENT BY THE SAME PERCENTAGE THAT  
23 THE DEFICIT BEARS TO THE AMOUNT REQUIRED TO FULLY FUND THE PER  
24 PUPIL SUPPLEMENTAL PAYMENTS AUTHORIZED BY SUBSECTION (2) OF THIS  
25 SECTION.

26 **22-54.5-304. Mill levy equalization - mill levy equalization**  
27 **fund - created - definitions.** (1) FOR PURPOSES OF THIS SECTION:

1 (a) "DISTRICT MILL LEVY EQUALIZATION PAYMENT" MEANS AN  
2 AMOUNT EQUAL TO:

3 (I) THE AVERAGE DAILY MEMBERSHIP PLUS THE ON-LINE AVERAGE  
4 DAILY MEMBERSHIP OF AN ELIGIBLE DISTRICT FOR THE FUNDING  
5 AVERAGING PERIOD FOR THE BUDGET YEAR IN WHICH THE ELIGIBLE  
6 DISTRICT RECEIVES VOTER APPROVAL FOR AN INCREASE IN PROPERTY TAX  
7 REVENUES MULTIPLIED BY THE DISTRICT PER PUPIL EQUALIZATION; MINUS

8 (II) THE AMOUNT OF PROPERTY TAX REVENUES RECEIVED FROM  
9 THE LEVY OF TWO AND FIVE-TENTHS MILLS BY THE ELIGIBLE DISTRICT FOR  
10 THE PROPERTY TAX YEAR IN WHICH THE ELIGIBLE DISTRICT APPLIES FOR  
11 THE MILL LEVY EQUALIZATION PAYMENT.

12 (b) "DISTRICT PER PUPIL EQUALIZATION" MEANS AN AMOUNT  
13 EQUAL TO THE AMOUNT OF PROPERTY TAX REVENUE THAT WOULD BE  
14 GENERATED BY A LEVY OF TWO AND FIVE-TENTHS MILLS ON THE  
15 STATEWIDE ASSESSED PROPERTY VALUATION FOR THE BUDGET YEAR IN  
16 WHICH AN ELIGIBLE DISTRICT RECEIVES VOTER APPROVAL FOR AN  
17 INCREASE IN PROPERTY TAX REVENUES, DIVIDED BY THE TOTAL AVERAGE  
18 DAILY MEMBERSHIP PLUS TOTAL ON-LINE AVERAGE DAILY MEMBERSHIP  
19 FOR ALL DISTRICTS FOR THE FUNDING AVERAGING PERIOD FOR THAT  
20 BUDGET YEAR.

21 (c) "ELIGIBLE DISTRICT" MEANS A DISTRICT THAT:

22 (I) HAS A COMBINED AVERAGE DAILY MEMBERSHIP AND ON-LINE  
23 AVERAGE DAILY MEMBERSHIP OF FEWER THAN TEN THOUSAND PUPILS;  
24 AND

25 (II) RECEIVES VOTER APPROVAL ON OR AFTER NOVEMBER 1, 2013,  
26 FOR AN INCREASE OF AT LEAST TWO AND FIVE-TENTHS IN THE NUMBER OF  
27 PROPERTY TAX MILLS THAT THE DISTRICT LEVIES FOR PURPOSES OF TOTAL

1 PROGRAM OR IN THE NUMBER OF PROPERTY TAX MILLS THAT THE DISTRICT  
2 IS AUTHORIZED TO LEVY PURSUANT TO SECTION 22-54.5-205, 22-54.5-206,  
3 22-54.5-207, OR 22-54.5-208. FOR A DISTRICT TO QUALIFY AS AN  
4 "ELIGIBLE DISTRICT", THE BALLOT MEASURE MUST BE WORDED AS A  
5 SPECIFIC INCREASE IN THE NUMBER OF MILLS LEVIED AND NOT AS AN  
6 INCREASE IN THE AMOUNT OF PROPERTY TAX REVENUES COLLECTED.

7 (d) "FUND" MEANS THE MILL LEVY EQUALIZATION FUND CREATED  
8 IN SUBSECTION (4) OF THIS SECTION.

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10 (2) (a) AN ELIGIBLE DISTRICT MAY APPLY TO THE DEPARTMENT  
11 FOR A MILL LEVY EQUALIZATION PAYMENT IN EACH BUDGET YEAR IN  
12 WHICH THE MILL LEVY EQUALIZATION PAYMENT FOR THE ELIGIBLE  
13 DISTRICT WOULD BE GREATER THAN ZERO AND THE DISTRICT MEETS THE  
14 DEFINITION OF AN ELIGIBLE DISTRICT.

15 (b) IN EACH BUDGET YEAR, SUBJECT TO AVAILABLE  
16 APPROPRIATIONS, THE DEPARTMENT SHALL DISTRIBUTE FROM THE FUND  
17 THE APPLICABLE MILL LEVY EQUALIZATION PAYMENT TO EACH ELIGIBLE  
18 DISTRICT THAT APPLIES PURSUANT TO THIS SECTION. AN ELIGIBLE  
19 DISTRICT MAY QUALIFY FOR ONLY ONE MILL LEVY EQUALIZATION  
20 PAYMENT PER BUDGET YEAR.

21

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22 (3) A MILL LEVY EQUALIZATION PAYMENT THAT A DISTRICT  
23 RECEIVES PURSUANT TO THIS SECTION IS IN ADDITION TO ANY OTHER  
24 STATE MONEYS THAT THE DISTRICT RECEIVES FOR THE APPLICABLE  
25 BUDGET YEAR.

26 (4) (a) THERE IS CREATED IN THE STATE TREASURY THE MILL LEVY  
27 EQUALIZATION FUND CONSISTING OF SUCH MONEYS AS THE GENERAL

1 ASSEMBLY MAY APPROPRIATE TO THE FUND. THE MONEYS IN THE FUND  
2 ARE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY TO  
3 THE DEPARTMENT FOR DISTRIBUTION TO ELIGIBLE DISTRICTS AS PROVIDED  
4 IN THIS SECTION.

5 (b) THE STATE TREASURER MAY INVEST ANY MONEYS IN THE FUND  
6 NOT EXPENDED FOR THE PURPOSE OF THIS SECTION AS PROVIDED BY LAW.  
7 THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED  
8 FROM THE INVESTMENT AND DEPOSIT OF MONEYS IN THE FUND TO THE  
9 FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN  
10 THE FUND AT THE END OF A FISCAL YEAR MUST REMAIN IN THE FUND AND  
11 SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR  
12 ANOTHER FUND.

13 (5) IN A BUDGET YEAR IN WHICH THE GENERAL ASSEMBLY DOES  
14 NOT APPROPRIATE A SUFFICIENT AMOUNT TO FULLY FUND THE DISTRICT  
15 MILL LEVY EQUALIZATION PAYMENTS AUTHORIZED IN SUBSECTION (2) OF  
16 THIS SECTION, THE DEPARTMENT SHALL REDUCE EACH ELIGIBLE DISTRICT'S  
17 MILL LEVY EQUALIZATION PAYMENT BY THE SAME PERCENTAGE THAT THE  
18 DEFICIT BEARS TO THE AMOUNT REQUIRED TO FULLY FUND THE PAYMENTS  
19 AUTHORIZED BY SUBSECTION (2) OF THIS SECTION.

20 **22-54.5-305. Mill levy elections - administrative costs.** (1) A  
21 DISTRICT THAT, PURSUANT TO SECTION 22-54.5-203 (4) (a), MUST SEEK  
22 VOTER APPROVAL FOR A MILL LEVY INCREASE MAY APPLY TO THE  
23 DEPARTMENT FOR REIMBURSEMENT OF ELECTION COSTS IF:

24 (a) THE DISTRICT HOLDS AN ELECTION TO SEEK VOTER APPROVAL  
25 FOR AN INCREASE IN LOCAL PROPERTY TAX REVENUES FOR PURPOSES OF  
26 TOTAL PROGRAM; AND

27 (b) THE COUNTY CLERK AND RECORDER'S OFFICE THAT



1 ADMINISTERS THE ELECTION REQUIRES THE DISTRICT TO PAY THE  
2 ADMINISTRATION COSTS FOR THE ELECTION.

3 (2) UPON RECEIVING AN APPLICATION FOR REIMBURSEMENT OF  
4 MILL LEVY ELECTION COSTS, INCLUDING DOCUMENTATION OF THE AMOUNT  
5 OF ELECTION ADMINISTRATION COSTS THAT THE DISTRICT PAID TO THE  
6 COUNTY CLERK AND RECORDER, THE DEPARTMENT SHALL REIMBURSE TO  
7 THE DISTRICT THE DOCUMENTED AMOUNT OF ADMINISTRATION COSTS.

8 (3) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE TO  
9 THE DEPARTMENT THE AMOUNT NECESSARY TO REIMBURSE DISTRICTS FOR  
10 ELECTION COSTS PURSUANT TO THIS SECTION. IF THE AMOUNT  
11 APPROPRIATED IN A BUDGET YEAR IS LESS THAN THE AMOUNT REQUIRED  
12 TO FULLY REIMBURSE DISTRICTS PURSUANT TO THIS SECTION, THE  
13 DEPARTMENT SHALL REDUCE EACH DISTRICT'S REIMBURSEMENT BY THE  
14 PERCENTAGE OF THE OVERALL DEFICIT.

15 **22-54.5-306. Small attendance center aid.** (1) A DISTRICT IS  
16 ELIGIBLE FOR AID PURSUANT TO THIS SECTION IF:

17 (a) THE DISTRICT HAS MORE THAN ONE ELEMENTARY OR  
18 SECONDARY SCHOOL ATTENDANCE CENTER;

19 (b) THE DISTRICT OPERATES ONE OR MORE ELEMENTARY OR  
20 SECONDARY ATTENDANCE CENTERS THAT EACH HAS AN AVERAGE DAILY  
21 MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING PERIOD OF FEWER  
22 THAN TWO HUNDRED AND THAT ARE LOCATED TWENTY OR MORE MILES  
23 FROM ANY SIMILAR SCHOOL ATTENDANCE CENTER IN THE SAME DISTRICT;

24 AND

25 (c) THE DISTRICT RECEIVED SMALL ATTENDANCE CENTER AID  
26 BEFORE THE 2008-09 BUDGET YEAR.

27 (2) A DISTRICT THAT MEETS THE ELIGIBILITY REQUIREMENTS OF

1 SUBSECTION (1) OF THIS SECTION MAY RECEIVE AID FOR EACH SMALL  
2 ATTENDANCE CENTER AS CALCULATED BY: MULTIPLYING THE AVERAGE  
3 DAILY MEMBERSHIP OF THE SMALL ATTENDANCE CENTER FOR THE  
4 APPLICABLE FUNDING AVERAGING PERIOD BY AN AMOUNT EQUAL TO  
5 THIRTY-FIVE PERCENT OF THE DIFFERENCE BETWEEN THE DISTRICT PER  
6 PUPIL FUNDING, AS CALCULATED PURSUANT TO SECTION 22-54.5-201, AND  
7 THE DISTRICT PER PUPIL FUNDING, AS CALCULATED PURSUANT TO SECTION  
8 22-54.5-201, EXCEPT USING A SIZE FACTOR BASED ON THE AVERAGE DAILY  
9 MEMBERSHIP OF THE SMALL ATTENDANCE CENTER FOR THE APPLICABLE  
10 FUNDING AVERAGING PERIOD; AND THEN MULTIPLYING THAT AMOUNT BY  
11 THE PERCENTAGE CALCULATED BY SUBTRACTING THE AVERAGE DAILY  
12 MEMBERSHIP OF THE SMALL ATTENDANCE CENTER FOR THE APPLICABLE  
13 FUNDING AVERAGING PERIOD FROM TWO HUNDRED AND DIVIDING THAT  
14 DIFFERENCE BY TWO HUNDRED.

15 (3) THE GENERAL ASSEMBLY SHALL APPROPRIATE ANNUALLY AN  
16 AMOUNT FOR SMALL ATTENDANCE CENTER AID THAT THE DEPARTMENT  
17 SHALL DISTRIBUTE USING THE FORMULAS IN SUBSECTION (2) OF THIS  
18 SECTION. IF THE AMOUNT OF MONEY THAT THE GENERAL ASSEMBLY  
19 APPROPRIATES IS LESS THAN THE AMOUNT OF AID AUTHORIZED BY THIS  
20 SECTION TO ALL ELIGIBLE DISTRICTS, THE AMOUNT THAT THE DEPARTMENT  
21 DISTRIBUTES TO EACH ELIGIBLE SCHOOL DISTRICT MUST BE IN THE SAME  
22 PROPORTION THAT THE AMOUNT OF THE APPROPRIATION BEARS TO THE  
23 TOTAL AMOUNT OF AID AUTHORIZED FOR ALL ELIGIBLE DISTRICTS.

24 (4) IF A SCHOOL DISTRICT RECEIVES SMALL ATTENDANCE CENTER  
25 AID PURSUANT TO THIS SECTION FOR A SMALL ATTENDANCE CENTER THAT  
26 IS A DISTRICT CHARTER SCHOOL, THE SCHOOL DISTRICT MUST FORWARD  
27 THE ENTIRE AMOUNT OF THE AID TO THE DISTRICT CHARTER SCHOOL FOR

1 WHICH IT WAS RECEIVED.

2 (5) FOR PURPOSES OF THIS SECTION, A DISTRICT CHARTER SCHOOL  
3 MAY QUALIFY AS A SMALL ATTENDANCE CENTER IN ITS FIRST YEAR OF  
4 ENROLLING PUPILS IF THE NEW CHARTER SCHOOL'S PROJECTED  
5 MEMBERSHIP ON THE FIRST SCHOOL DAY IN WHICH IT ENROLLS PUPILS IS  
6 FEWER THAN TWO HUNDRED PUPILS. A DISTRICT CHARTER SCHOOL MAY  
7 QUALIFY AS A SMALL ATTENDANCE CENTER IN ITS SECOND YEAR OF  
8 ENROLLING PUPILS IF THE CHARTER SCHOOL'S AVERAGE DAILY  
9 MEMBERSHIP FOR THE FIRST HALF OF THE PRECEDING SCHOOL YEAR IS  
10 FEWER THAN TWO HUNDRED PUPILS.

11 **22-54.5-307. National school meal programs - appropriation**  
12 **of state matching funds - definitions.** (1) AS USED IN THIS SECTION,  
13 UNLESS THE CONTEXT OTHERWISE REQUIRES:

14 (a) "LOW-PERFORMING SCHOOL" MEANS A SCHOOL THAT IS  
15 REQUIRED TO IMPLEMENT A PRIORITY IMPROVEMENT OR TURNAROUND  
16 PLAN PURSUANT TO SECTION 22-11-405 OR 22-11-406, RESPECTIVELY, OR  
17 IS SUBJECT TO RESTRUCTURING PURSUANT TO SECTION 22-11-210.

18 (b) "SCHOOL FOOD AUTHORITY" MEANS:

19 (I) A SCHOOL DISTRICT OR THE STATE CHARTER SCHOOL  
20 INSTITUTE;

21 (II) A CHARTER SCHOOL COLLABORATIVE FORMED PURSUANT TO  
22 SECTION 22-30.5-603;

23 (III) A BOARD OF COOPERATIVE SERVICES CREATED PURSUANT TO  
24 ARTICLE 5 OF THIS TITLE THAT ELECTS TO OPERATE AS A SCHOOL FOOD  
25 AUTHORITY PURSUANT TO SECTION 22-5-120; OR

26 (IV) A DISTRICT CHARTER SCHOOL OR AN INSTITUTE CHARTER  
27 SCHOOL THAT:

1 (A) THE COMMISSIONER OF EDUCATION OR HIS OR HER DESIGNEE  
2 PROVISIONALLY AUTHORIZES AS A SCHOOL FOOD AUTHORITY PURSUANT  
3 TO SECTION 22-32-120 (6); OR

4 (B) THE DEPARTMENT AUTHORIZES AS A SCHOOL FOOD AUTHORITY  
5 PURSUANT TO SECTION 22-32-120 (5).

6 (2) THE GENERAL ASSEMBLY SHALL APPROPRIATE BY SEPARATE  
7 LINE ITEM AN AMOUNT TO COMPLY WITH THE REQUIREMENTS FOR STATE  
8 MATCHING FUNDS UNDER THE FEDERAL "NATIONAL SCHOOL LUNCH ACT",  
9 42 U.S.C. SEC. 1751 ET SEQ. THE DEPARTMENT SHALL DEVELOP  
10 PROCEDURES TO ALLOCATE AND DISBURSE THE FUNDS AMONG  
11 PARTICIPATING SCHOOL FOOD AUTHORITIES EACH YEAR IN AN EQUITABLE  
12 MANNER SO AS TO COMPLY WITH THE REQUIREMENTS OF THE FEDERAL  
13 ACT.

14 (3) (a) THE GENERAL ASSEMBLY MAY APPROPRIATE BY SEPARATE  
15 LINE ITEM AN AMOUNT TO ASSIST SCHOOL FOOD AUTHORITIES THAT ARE  
16 PROVIDING A SCHOOL BREAKFAST PROGRAM THROUGH PARTICIPATION IN  
17 PROGRAMS AUTHORIZED UNDER THE FEDERAL "NATIONAL SCHOOL LUNCH  
18 ACT", 42 U.S.C. SEC. 1751 ET SEQ., OR THE FEDERAL "CHILD NUTRITION  
19 ACT OF 1966", 42 U.S.C. SEC. 1771 ET SEQ. THE DEPARTMENT SHALL  
20 DEVELOP PROCEDURES TO APPROPRIATELY ALLOCATE AND DISBURSE THE  
21 FUNDS AMONG PARTICIPATING SCHOOL FOOD AUTHORITIES.

22 (b) EACH SCHOOL DISTRICT THAT RECEIVES MONEYS PURSUANT TO  
23 THIS SUBSECTION (3) MUST USE THE MONEYS TO CREATE, EXPAND, OR  
24 ENHANCE THE SCHOOL BREAKFAST PROGRAM IN EACH LOW-PERFORMING  
25 SCHOOL OF THE RECEIVING DISTRICT WITH THE GOAL OF IMPROVING THE  
26 ACADEMIC PERFORMANCE OF THE STUDENTS ATTENDING THE SCHOOLS.

27 (c) A DISTRICT CHARTER SCHOOL, AN INSTITUTE CHARTER SCHOOL,

1 OR A CHARTER SCHOOL COLLABORATIVE THAT IS A SCHOOL FOOD  
2 AUTHORITY IS ELIGIBLE TO RECEIVE MONEYS PURSUANT TO THIS  
3 SUBSECTION (3) ONLY IF IT IS A LOW-PERFORMING SCHOOL. A DISTRICT  
4 CHARTER SCHOOL OR AN INSTITUTE CHARTER SCHOOL THAT IS A SCHOOL  
5 FOOD AUTHORITY THAT RECEIVES MONEYS PURSUANT TO THIS SECTION  
6 MUST USE THE MONEYS TO CREATE, EXPAND, OR ENHANCE ITS SCHOOL  
7 BREAKFAST PROGRAM WITH THE GOAL OF IMPROVING THE ACADEMIC  
8 PERFORMANCE OF THE STUDENTS ATTENDING THE DISTRICT CHARTER  
9 SCHOOL OR THE INSTITUTE CHARTER SCHOOL.

10 **22-54.5-308. Declining enrollment districts with new charter**  
11 **schools - additional aid - definitions.** (1) AS USED IN THIS SECTION,  
12 UNLESS THE CONTEXT OTHERWISE REQUIRES:

13 (a) "DECLINING ENROLLMENT DISTRICT" MEANS A DISTRICT WHOSE  
14 FUNDED MEMBERSHIP IS GREATER THAN THE SUM OF THE DISTRICT'S  
15 AVERAGE DAILY MEMBERSHIP, ON-LINE AVERAGE DAILY MEMBERSHIP,  
16 AND ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP FOR THE FUNDING  
17 AVERAGING PERIOD FOR THE APPLICABLE BUDGET YEAR.

18 (b) "NEW CHARTER SCHOOL ENROLLMENT" MEANS THE PROJECTED  
19 MEMBERSHIP OF A NEW DISTRICT CHARTER SCHOOL OF A DECLINING  
20 ENROLLMENT DISTRICT FOR THE FIRST SCHOOL DAY FOR THE BUDGET YEAR  
21 IN WHICH THE NEW DISTRICT CHARTER SCHOOL IS OPENED IN THE  
22 DECLINING ENROLLMENT DISTRICT.

23 (2) IN A BUDGET YEAR IN WHICH A NEW DISTRICT CHARTER SCHOOL  
24 THAT IS NOT A MULTI-DISTRICT ON-LINE SCHOOL IS OPENED IN A DECLINING  
25 ENROLLMENT DISTRICT, THE DECLINING ENROLLMENT DISTRICT MUST  
26 RECEIVE ADDITIONAL AID AS SPECIFIED IN THIS SECTION TO HELP MITIGATE  
27 THE IMPACT OF THE ENROLLMENT OF PUPILS IN THE NEW DISTRICT

1 CHARTER SCHOOL WHO MIGHT OTHERWISE HAVE ATTENDED A  
2 TRADITIONAL SCHOOL IN THE DECLINING ENROLLMENT DISTRICT. THE  
3 ADDITIONAL AID IS AVAILABLE ONLY FOR THE FIRST YEAR OF OPERATION  
4 OF A NEW DISTRICT CHARTER SCHOOL IN A DECLINING ENROLLMENT  
5 DISTRICT.

6 (3) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE  
7 MONEYS FROM THE GENERAL FUND OR ANY OTHER SOURCE FOR  
8 ADDITIONAL AID TO A DECLINING ENROLLMENT DISTRICT IN WHICH A NEW  
9 CHARTER SCHOOL IS OPENED. THE DEPARTMENT SHALL DISTRIBUTE THE  
10 ADDITIONAL AID TO ALL DECLINING ENROLLMENT DISTRICTS IN WHICH  
11 NEW CHARTER SCHOOLS ARE OPENED IN THE BUDGET YEAR FOR WHICH THE  
12 AID IS APPROPRIATED. THE DEPARTMENT SHALL DISTRIBUTE THE  
13 ADDITIONAL AID AMONG THE DECLINING ENROLLMENT DISTRICTS IN WHICH  
14 NEW CHARTER SCHOOLS ARE OPENED IN THE PROPORTION THAT THE  
15 DECLINING ENROLLMENT DISTRICT'S NEW CHARTER SCHOOL ENROLLMENT  
16 BEARS TO THE TOTAL NEW CHARTER SCHOOL ENROLLMENT IN ALL  
17 DECLINING ENROLLMENT DISTRICTS STATEWIDE IN WHICH NEW CHARTER  
18 SCHOOLS ARE OPENED IN THE BUDGET YEAR FOR WHICH THE ADDITIONAL  
19 AID IS APPROPRIATED; EXCEPT THAT A DECLINING ENROLLMENT DISTRICT  
20 SHALL NOT RECEIVE MORE THAN THREE HUNDRED THOUSAND DOLLARS OF  
21 ADDITIONAL AID PURSUANT TO THIS SECTION.

22 **22-54.5-309. State assistance for charter schools - use of state**  
23 **education fund moneys - definitions.** (1) AS USED IN THIS SECTION,  
24 UNLESS THE CONTEXT OTHERWISE REQUIRES:

25 (a) "CAPITAL CONSTRUCTION" MEANS CONSTRUCTION,  
26 DEMOLITION, REMODELING, FINANCING, PURCHASING, OR LEASING OF  
27 LAND, BUILDINGS, OR FACILITIES USED TO EDUCATE PUPILS ENROLLED IN

1 OR TO BE ENROLLED IN A CHARTER SCHOOL.

2 (b) "CHARTER SCHOOL" MEANS A CHARTER SCHOOL AUTHORIZED  
3 BY A DISTRICT PURSUANT TO PART 1 OF ARTICLE 30.5 OF THIS TITLE OR AN  
4 INSTITUTE CHARTER SCHOOL.

5 (c) "DISTRICT'S CERTIFIED CHARTER SCHOOL AVERAGE DAILY  
6 MEMBERSHIP" MEANS THE PROJECTED TOTAL AVERAGE DAILY  
7 MEMBERSHIP OF PUPILS WHO ARE NOT ON-LINE PUPILS, AS DEFINED IN  
8 SECTION 22-30.5-103 (6), FOR ALL QUALIFIED CHARTER SCHOOLS THAT  
9 RECEIVE FUNDING FROM THE DISTRICT PURSUANT TO SECTION  
10 22-30.5-111.5 FOR THE FUNDING AVERAGING PERIOD FOR THE BUDGET  
11 YEAR FOR WHICH STATE EDUCATION FUND MONEYS ARE APPROPRIATED  
12 AND DISTRIBUTED PURSUANT TO SUBSECTION (4) OF THIS SECTION, AS  
13 CERTIFIED BY THE DEPARTMENT PURSUANT TO PARAGRAPH (b) OF  
14 SUBSECTION (3) OF THIS SECTION DURING THE BUDGET YEAR THAT  
15 IMMEDIATELY PRECEDES THE APPLICABLE BUDGET YEAR.  
16 NOTWITHSTANDING ANY PROVISION OF THIS PARAGRAPH (c) TO THE  
17 CONTRARY, A "DISTRICT'S CERTIFIED CHARTER SCHOOL AVERAGE DAILY  
18 MEMBERSHIP" INCLUDES THE PROJECTED MEMBERSHIP OF A NEW  
19 QUALIFIED CHARTER SCHOOL FOR THE FIRST SCHOOL DAY OF THE BUDGET  
20 YEAR FOR WHICH STATE EDUCATION FUND MONEYS ARE APPROPRIATED  
21 AND DISTRIBUTED PURSUANT TO SUBSECTION (4) OF THIS SECTION.

22 (d) "INSTITUTE CHARTER SCHOOLS' CERTIFIED AVERAGE DAILY  
23 MEMBERSHIP" MEANS THE PROJECTED TOTAL AVERAGE DAILY  
24 MEMBERSHIP OF PUPILS WHO ARE NOT ON-LINE PUPILS, AS DEFINED IN  
25 SECTION 22-30.5-502 (9), FOR ALL QUALIFIED INSTITUTE CHARTER  
26 SCHOOLS THAT RECEIVE FUNDING PURSUANT TO SECTION 22-30.5-513.5  
27 FOR THE FUNDING AVERAGING PERIOD FOR THE BUDGET YEAR FOR WHICH

1 STATE EDUCATION FUND MONEYS ARE APPROPRIATED AND DISTRIBUTED  
2 PURSUANT TO SUBSECTION (4) OF THIS SECTION, AS CERTIFIED BY THE  
3 DEPARTMENT PURSUANT TO PARAGRAPH (b) OF SUBSECTION (3) OF THIS  
4 SECTION DURING THE BUDGET YEAR THAT IMMEDIATELY PRECEDES THE  
5 APPLICABLE BUDGET YEAR. NOTWITHSTANDING ANY PROVISION OF THIS  
6 PARAGRAPH (d) TO THE CONTRARY, THE "INSTITUTE CHARTER SCHOOLS'  
7 CERTIFIED CHARTER SCHOOL AVERAGE DAILY MEMBERSHIP" INCLUDES THE  
8 PROJECTED MEMBERSHIP OF A NEW QUALIFIED INSTITUTE CHARTER  
9 SCHOOL FOR THE FIRST SCHOOL DAY OF THE BUDGET YEAR FOR WHICH  
10 STATE EDUCATION FUND MONEYS ARE APPROPRIATED AND DISTRIBUTED  
11 PURSUANT TO SUBSECTION (4) OF THIS SECTION.

12 (e) (I) "QUALIFIED CHARTER SCHOOL" MEANS:

13 (A) A CHARTER SCHOOL THAT IS NOT OPERATING IN A SCHOOL  
14 DISTRICT FACILITY AND THAT HAS CAPITAL CONSTRUCTION COSTS;

15 (B) A CHARTER SCHOOL THAT IS OPERATING IN A SCHOOL DISTRICT  
16 FACILITY AND THAT HAS CAPITAL CONSTRUCTION COSTS; OR

17 (C) A CHARTER SCHOOL THAT IS OPERATING OR WILL OPERATE IN  
18 THE NEXT BUDGET YEAR IN A FACILITY THAT IS LISTED ON THE STATE  
19 INVENTORY OF REAL PROPERTY AND IMPROVEMENTS AND OTHER CAPITAL  
20 ASSETS MAINTAINED BY THE DEPARTMENT OF PERSONNEL PURSUANT TO  
21 SECTION 24-30-1303.5, C.R.S., AND THAT IS OBLIGATED TO MAKE LEASE  
22 PAYMENTS FOR USE OF THE FACILITY.

23 (II) "QUALIFIED CHARTER SCHOOL" DOES NOT INCLUDE:

24 (A) A CHARTER SCHOOL THAT IS OPERATING IN A SCHOOL DISTRICT  
25 FACILITY AND THAT DOES NOT HAVE CAPITAL CONSTRUCTION COSTS;

26 (B) A CHARTER SCHOOL THAT DOES NOT HAVE CAPITAL  
27 CONSTRUCTION COSTS; OR



1 (C) A CHARTER SCHOOL THAT IS OPERATING OR WILL OPERATE IN  
2 THE NEXT BUDGET YEAR IN A FACILITY THAT IS LISTED ON THE STATE  
3 INVENTORY OF REAL PROPERTY AND IMPROVEMENTS AND OTHER CAPITAL  
4 ASSETS MAINTAINED BY THE DEPARTMENT OF PERSONNEL PURSUANT TO  
5 SECTION 24-30-1303.5, C.R.S., AND THAT IS NOT OBLIGATED TO MAKE  
6 LEASE PAYMENTS FOR USE OF THE FACILITY.

7 (2) (a) A DISTRICT IS ELIGIBLE TO RECEIVE STATE EDUCATION FUND  
8 MONEYS FOR DISTRICT CHARTER SCHOOL CAPITAL CONSTRUCTION  
9 PURSUANT TO THIS SECTION IF AT LEAST ONE QUALIFIED DISTRICT  
10 CHARTER SCHOOL RECEIVES FUNDING FROM THE DISTRICT PURSUANT TO  
11 SECTION 22-30.5-111.5 DURING THE BUDGET YEAR FOR WHICH STATE  
12 EDUCATION FUND MONEYS ARE DISTRIBUTED.

13 (b) AN INSTITUTE CHARTER SCHOOL IS ELIGIBLE TO RECEIVE STATE  
14 EDUCATION FUND MONEYS FOR INSTITUTE CHARTER SCHOOL CAPITAL  
15 CONSTRUCTION IF THE INSTITUTE CHARTER SCHOOL RECEIVES FUNDING  
16 FROM THE STATE CHARTER SCHOOL INSTITUTE PURSUANT TO SECTION  
17 22-30.5-513.5 DURING THE BUDGET YEAR FOR WHICH STATE EDUCATION  
18 FUND MONEYS ARE DISTRIBUTED.

19 (3) (a) (I) THE GENERAL ASSEMBLY SHALL ANNUALLY  
20 APPROPRIATE FROM THE STATE EDUCATION FUND CREATED IN SECTION 17  
21 (4) OF ARTICLE IX OF THE STATE CONSTITUTION TO THE DEPARTMENT A  
22 TOTAL OF SIX MILLION DOLLARS FOR ALL ELIGIBLE DISTRICTS AND FOR ALL  
23 ELIGIBLE INSTITUTE CHARTER SCHOOLS FOR DISTRIBUTION PURSUANT TO  
24 THIS SECTION.

25 (II) FROM THE MONEYS APPROPRIATED PURSUANT TO  
26 SUBPARAGRAPH (I) OF THIS PARAGRAPH (a), THE DEPARTMENT SHALL  
27 DISTRIBUTE TO EACH ELIGIBLE DISTRICT AND EACH ELIGIBLE INSTITUTE

1 CHARTER SCHOOL AN AMOUNT EQUAL TO THE PERCENTAGE OF THE SUM OF  
2 THE DISTRICT'S CERTIFIED CHARTER SCHOOL AVERAGE DAILY MEMBERSHIP  
3 AND THE INSTITUTE CHARTER SCHOOL'S CERTIFIED AVERAGE DAILY  
4 MEMBERSHIP FOR ALL ELIGIBLE DISTRICTS AND ELIGIBLE INSTITUTE  
5 CHARTER SCHOOLS IN THE STATE THAT IS ATTRIBUTABLE TO THE ELIGIBLE  
6 DISTRICT OR ELIGIBLE INSTITUTE CHARTER SCHOOL, MULTIPLIED BY THE  
7 TOTAL AMOUNT OF STATE EDUCATION FUND MONEYS APPROPRIATED FOR  
8 THE APPLICABLE BUDGET YEAR PURSUANT TO SUBPARAGRAPH (I) OF THIS  
9 PARAGRAPH (a).

10 (b) NO LATER THAN FEBRUARY 1 OF EACH BUDGET YEAR, THE  
11 DEPARTMENT SHALL CERTIFY TO THE EDUCATION COMMITTEES OF THE  
12 SENATE AND THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR  
13 COMMITTEES, AND TO THE JOINT BUDGET COMMITTEE OF THE GENERAL  
14 ASSEMBLY THE PROJECTED TOTAL AVERAGE DAILY MEMBERSHIP FOR ALL  
15 QUALIFIED CHARTER SCHOOLS IN THE STATE FOR THE FUNDING AVERAGING  
16 PERIOD FOR THE NEXT BUDGET YEAR, AS DERIVED FROM REPORTS  
17 PROVIDED TO THE DEPARTMENT BY DISTRICTS PURSUANT TO SECTION  
18 22-30.5-111.5 (2) AND BY INSTITUTE CHARTER SCHOOLS PURSUANT TO  
19 SECTION 22-30.5-513.5 (2). FOR THE PURPOSES OF THE CERTIFICATION, A  
20 PUPIL EXPECTED TO BE ENROLLED IN A QUALIFIED CHARTER SCHOOL AS  
21 DEFINED IN SUB-SUBPARAGRAPH (B) OF SUBPARAGRAPH (I) OF PARAGRAPH  
22 (e) OF SUBSECTION (1) OF THIS SECTION IS COUNTED AS ONE-HALF OF ONE  
23 PUPIL.

24 (4) THE DEPARTMENT SHALL DISTRIBUTE THE TOTAL AMOUNT TO  
25 BE DISTRIBUTED PURSUANT TO THIS SECTION TO EACH ELIGIBLE SCHOOL  
26 DISTRICT AND ELIGIBLE INSTITUTE CHARTER SCHOOL IN TWELVE  
27 APPROXIMATELY EQUAL MONTHLY PAYMENTS DURING THE APPLICABLE

1 BUDGET YEAR IN CONJUNCTION WITH THE DISTRIBUTION OF THE STATE'S  
2 SHARE OF DISTRICT TOTAL PROGRAM PURSUANT TO SECTION 22-54.5-408.

3 (5) A DISTRICT THAT RECEIVES STATE EDUCATION FUND MONEYS  
4 PURSUANT TO THIS SECTION MUST DISTRIBUTE ALL MONEYS RECEIVED TO  
5 QUALIFIED CHARTER SCHOOLS AS REQUIRED BY SECTION 22-30.5-111.5  
6 AND MAY NOT RETAIN ANY OF THE MONEYS TO DEFRAY ADMINISTRATIVE  
7 EXPENSES OR FOR ANY OTHER PURPOSE.

8 (6) PURSUANT TO SECTION 17 (3) OF ARTICLE IX OF THE STATE  
9 CONSTITUTION, THE MONEYS APPROPRIATED BY THE GENERAL ASSEMBLY  
10 OUT OF THE STATE EDUCATION FUND, RECEIVED BY AN ELIGIBLE DISTRICT  
11 OR ELIGIBLE INSTITUTE CHARTER SCHOOL PURSUANT TO THIS SECTION,  
12 AND DISTRIBUTED TO A QUALIFIED CHARTER SCHOOL BY A DISTRICT  
13 PURSUANT TO THIS SECTION AND SECTION 22-30.5-111.5 ARE EXEMPT  
14 FROM:

15 (a) THE LIMITATION ON STATE FISCAL YEAR SPENDING SET FORTH  
16 IN SECTION 20 (7) (a) OF ARTICLE X OF THE STATE CONSTITUTION AND  
17 SECTION 24-77-103, C.R.S.; AND

18 (b) THE LIMITATION ON LOCAL GOVERNMENT FISCAL YEAR  
19 SPENDING SET FORTH IN SECTION 20 (7) (b) OF ARTICLE X OF THE STATE  
20 CONSTITUTION.

21 (7) THE GENERAL ASSEMBLY FINDS THAT, FOR PURPOSES OF  
22 SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, PROVIDING  
23 FUNDING FOR CHARTER SCHOOL CAPITAL CONSTRUCTION FROM MONEYS  
24 IN THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX  
25 OF THE STATE CONSTITUTION IS A PERMISSIBLE USE OF THE MONEYS IN THE  
26 STATE EDUCATION FUND BECAUSE THE MONEYS ARE BEING USED FOR  
27 PUBLIC SCHOOL BUILDING CAPITAL CONSTRUCTION AS AUTHORIZED BY

1 SECTION 17 (4) (b) OF ARTICLE IX OF THE STATE CONSTITUTION.

2 **22-54.5-310. District charter school equity fund - created -**  
3 **payments to district charter schools. (1) (a) EACH DISTRICT CHARTER**  
4 **SCHOOL SHALL ANNUALLY RECEIVE AN EQUITY PAYMENT. THE**  
5 **DEPARTMENT SHALL ANNUALLY CALCULATE THE AMOUNT OF THE**  
6 **CHARTER SCHOOL EQUITY PAYMENT FOR EACH DISTRICT CHARTER SCHOOL**  
7 **BY DIVIDING THE AMOUNT APPROPRIATED TO THE DISTRICT CHARTER**  
8 **SCHOOL EQUITY FUND FOR THE APPLICABLE BUDGET YEAR BY THE TOTAL**  
9 **COMBINED AVERAGE DAILY MEMBERSHIP AND ON-LINE AVERAGE DAILY**  
10 **MEMBERSHIP OF ALL DISTRICT CHARTER SCHOOLS IN THE STATE FOR THE**  
11 **APPLICABLE BUDGET YEAR, AND MULTIPLYING THE RESULTING PER PUPIL**  
12 **AMOUNT BY EACH DISTRICT CHARTER SCHOOL'S AVERAGE DAILY**  
13 **MEMBERSHIP, OR ON-LINE AVERAGE DAILY MEMBERSHIP IF THE DISTRICT**  
14 **CHARTER SCHOOL IS A MULTI-DISTRICT ON-LINE SCHOOL, FOR THE**  
15 **APPLICABLE BUDGET YEAR.**

16 **(b) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF THIS**  
17 **SUBSECTION (1) TO THE CONTRARY, IF A DISTRICT CHARTER SCHOOL IS IN**  
18 **THE FIRST OR SECOND YEAR OF ENROLLING PUPILS, THE DEPARTMENT**  
19 **SHALL CALCULATE THE AMOUNT DUE TO THE DISTRICT CHARTER SCHOOL**  
20 **AS PROVIDED IN SECTION 22-30.5-111.5 (3) (d).**

21 **(c) THE DEPARTMENT SHALL DISTRIBUTE TO EACH DISTRICT FROM**  
22 **MONEYS APPROPRIATED TO THE FUND THE AMOUNT OF THE CHARTER**  
23 **SCHOOL EQUITY PAYMENT FOR EACH CHARTER SCHOOL OF THE DISTRICT,**  
24 **AND THE DISTRICT SHALL FORWARD THE ENTIRE AMOUNT OF EACH**  
25 **PAYMENT TO THE DISTRICT CHARTER SCHOOL FOR WHICH IT WAS**  
26 **CALCULATED.**

27 **(2) (a) THERE IS CREATED IN THE STATE TREASURY THE DISTRICT**

1 CHARTER SCHOOL EQUITY FUND, REFERRED TO IN THIS SECTION AS THE  
2 "FUND". FOR THE 2015-16 BUDGET YEAR, THE GENERAL ASSEMBLY SHALL  
3 APPROPRIATE EIGHTEEN MILLION DOLLARS TO THE FUND. FOR THE 2016-17  
4 BUDGET YEAR AND BUDGET YEARS THEREAFTER, THE GENERAL ASSEMBLY  
5 SHALL ANNUALLY INCREASE THE AMOUNT APPROPRIATED TO THE FUND TO  
6 ENSURE THAT THE PER PUPIL AMOUNT PAYABLE TO DISTRICT CHARTER  
7 SCHOOLS PURSUANT TO THIS SECTION INCREASES BY THE SAME  
8 PERCENTAGE THAT THE PER PUPIL MILL LEVY EQUALIZATION CALCULATED  
9 PURSUANT TO SECTION 22-54.5-202 (3) (b) (II) INCREASES FROM THE  
10 PRECEDING BUDGET YEAR TO THE APPLICABLE BUDGET YEAR.

11 (b) THE MONEYS IN THE FUND ARE SUBJECT TO ANNUAL  
12 APPROPRIATION BY THE GENERAL ASSEMBLY TO THE DEPARTMENT FOR  
13 DISTRIBUTION TO DISTRICTS AND SUBSEQUENTLY TO DISTRICT CHARTER  
14 SCHOOLS AS PROVIDED IN THIS SECTION. THE STATE TREASURER MAY  
15 INVEST ANY MONEYS IN THE FUND NOT EXPENDED FOR THE PURPOSE OF  
16 THIS SECTION AS PROVIDED BY LAW. THE STATE TREASURER SHALL CREDIT  
17 ALL INTEREST AND INCOME DERIVED FROM THE INVESTMENT AND DEPOSIT  
18 OF MONEYS IN THE FUND TO THE FUND. ANY UNEXPENDED AND  
19 UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF A  
20 FISCAL YEAR REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR  
21 TRANSFERRED TO THE GENERAL FUND OR ANOTHER FUND.

22 **22-54.5-311. Contingency reserve fund - created -**  
23 **supplemental assistance.** (1) (a) THERE IS CREATED IN THE STATE  
24 TREASURY THE CONTINGENCY RESERVE FUND, WHICH CONSISTS OF SUCH  
25 MONEYS AS THE GENERAL ASSEMBLY MAY ANNUALLY APPROPRIATE TO  
26 THE FUND. IN DECIDING THE AMOUNT TO APPROPRIATE TO THE  
27 CONTINGENCY RESERVE FUND, THE GENERAL ASSEMBLY MAY TAKE INTO

1 CONSIDERATION ANY RECOMMENDATIONS THE DEPARTMENT MAY MAKE,  
2 BUT THE GENERAL ASSEMBLY IS NOT OBLIGATED TO PROVIDE  
3 SUPPLEMENTAL ASSISTANCE TO ALL DISTRICTS THAT MAY BE IN NEED OR  
4 TO FULLY FUND THE TOTAL AMOUNT OF THE NEED. ANY UNEXPENDED  
5 BALANCE IN THE CONTINGENCY RESERVE FUND AT THE END OF A FISCAL  
6 YEAR MUST REMAIN IN THE FUND AND DOES NOT REVERT TO THE STATE  
7 GENERAL FUND AND SHALL NOT BE TRANSFERRED TO ANOTHER FUND.

8 (b) THE STATE BOARD MAY APPROVE AND ORDER PAYMENTS FROM  
9 THE CONTINGENCY RESERVE FUND FOR SUPPLEMENTAL ASSISTANCE TO  
10 DISTRICTS THAT ARE IN NEED AS THE RESULT OF ONE OR MORE OF THE  
11 FOLLOWING CIRCUMSTANCES:

12 (I) FINANCIAL EMERGENCIES CAUSED BY AN ACT OF GOD OR  
13 ARISING FROM EXTRAORDINARY PROBLEMS IN THE COLLECTION OF TAXES;

14 (II) FINANCIAL EMERGENCIES ARISING FROM THE NONPAYMENT OF  
15 PROPERTY TAXES PENDING THE OUTCOME OF AN ADMINISTRATIVE APPEAL  
16 OR LITIGATION OR BOTH CHALLENGING THE INCLUSION OF THE VALUE OF  
17 CERTAIN PROPERTY IN A COUNTY'S ABSTRACT OF ASSESSMENT THAT  
18 RESULTED FROM A CHANGE IN THE APPLICABLE STATE LAW;

19 (III) INSUFFICIENCY OF THE AMOUNT OF PROPERTY TAX LEVIED  
20 AND COLLECTED PURSUANT TO SECTION 39-10-114, C.R.S., TO MAKE  
21 ABATEMENTS AND REFUNDS OF PROPERTY TAXES THAT THE DISTRICT IS  
22 REQUIRED TO MAKE PURSUANT TO SAID SECTION;

23 (IV) A CONTINGENCY THAT A DISTRICT BOARD OF EDUCATION  
24 COULD NOT HAVE REASONABLY FORESEEN AT THE TIME IT ADOPTED THE  
25 ANNUAL BUDGET, INCLUDING BUT NOT LIMITED TO REDUCTIONS IN  
26 VALUATION OF THE DISTRICT IN EXCESS OF TWENTY PERCENT AS  
27 DESCRIBED IN SECTION 39-10-114 (1) (a) (I) (B.5), C.R.S.;

1 (V) UNUSUAL FINANCIAL BURDEN CAUSED BY INSTRUCTION OF  
2 CHILDREN WHO FORMERLY RESIDED OUTSIDE THE DISTRICT BUT ARE  
3 ASSIGNED TO LIVE WITHIN THE DISTRICT BY COURTS OR PUBLIC WELFARE  
4 AGENCIES. SUPPLEMENTAL ASSISTANCE UNDER THIS CIRCUMSTANCE MUST  
5 NOT EXCEED THE ADDITIONAL COST FOR CURRENT OPERATIONS INCURRED  
6 BY THIS CIRCUMSTANCE.

7 (VI) UNUSUAL FINANCIAL BURDEN CAUSED BY AN INCREASE IN A  
8 DISTRICT'S AVERAGE DAILY MEMBERSHIP DURING A SCHOOL YEAR.  
9 SUPPLEMENTAL ASSISTANCE UNDER THIS CIRCUMSTANCE MUST NOT  
10 EXCEED THE ADDITIONAL COST INCURRED BY THE DISTRICT DUE TO THE  
11 INCREASE IN AVERAGE DAILY MEMBERSHIP. ONLY DISTRICTS WITH A  
12 FUNDED MEMBERSHIP OF TWO THOUSAND OR FEWER ARE ELIGIBLE FOR  
13 SUPPLEMENTAL ASSISTANCE UNDER THIS SUBPARAGRAPH (VI).

14 (VII) UNUSUAL FINANCIAL BURDEN CAUSED BY A SIGNIFICANT  
15 DECLINE IN AVERAGE DAILY MEMBERSHIP AS A RESULT OF DETACHMENT  
16 AND ANNEXATION PURSUANT TO A REORGANIZATION PLAN APPROVED  
17 PURSUANT TO ARTICLE 30 OF THIS TITLE.

18 (c) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (b) OF  
19 THIS SUBSECTION (1) CONCERNING CIRCUMSTANCES UNDER WHICH THE  
20 STATE BOARD MAY APPROVE AND ORDER PAYMENTS FROM THE  
21 CONTINGENCY RESERVE FUND, THE STATE BOARD, IN CASES OF EXTREME  
22 EMERGENCY, MAY TAKE INTO CONSIDERATION SUCH OTHER FACTORS AS  
23 IT FINDS NECESSARY AND PROPER IN GRANTING SUPPLEMENTAL  
24 ASSISTANCE FROM THE CONTINGENCY RESERVE FUND TO DISTRICTS THAT  
25 CANNOT MAINTAIN THEIR SCHOOLS WITHOUT ADDITIONAL FINANCIAL  
26 ASSISTANCE.

27 (d) IF THE DEPARTMENT PAYS SUPPLEMENTAL ASSISTANCE

1 PURSUANT TO SUBPARAGRAPH (II) OF PARAGRAPH (b) OF SUBSECTION (1)  
2 OF THIS SECTION AND THE DISPUTED PROPERTY IS FINALLY DETERMINED  
3 TO HAVE BEEN PROPERLY INCLUDED IN THE ABSTRACT OF ASSESSMENT,  
4 THE DISTRICT SHALL REIMBURSE TO THE CONTINGENCY RESERVE FUND THE  
5 AMOUNT OF SUPPLEMENTAL ASSISTANCE PAID, PLUS INTEREST AT THE  
6 SAME RATE AS PROVIDED BY STATUTE FOR PENALTY INTEREST ON UNPAID  
7 PROPERTY TAXES, AFTER THE DISTRICT COLLECTS THE TAXES IN FULL.

8 (e) IN ADDITION TO A REIMBURSEMENT PURSUANT TO PARAGRAPH  
9 (d) OF THIS SUBSECTION (1), THE DEPARTMENT SHALL CREDIT TO THE  
10 CONTINGENCY RESERVE FUND ANY OTHER REIMBURSEMENT BY A SCHOOL  
11 DISTRICT OF A PAYMENT FOR SUPPLEMENTAL ASSISTANCE MADE PURSUANT  
12 TO THIS SUBSECTION (1).

13 (2) A DISTRICT MAY APPLY FOR SUPPLEMENTAL ASSISTANCE  
14 PURSUANT TO SUBSECTION (1) OF THIS SECTION BY SUBMITTING TO THE  
15 DEPARTMENT AN APPLICATION THAT, AT A MINIMUM, DESCRIBES FULLY  
16 THE GROUNDS UPON WHICH IT RELIES FOR ASSISTANCE. THE PRESIDENT  
17 AND SECRETARY OF THE DISTRICT BOARD OF EDUCATION SHALL SWEAR  
18 UNDER OATH TO THE CONTENTS OF THE APPLICATION.

19 (3) THE STATE BOARD SHALL INVESTIGATE EACH APPLICATION, AS  
20 IT DEEMS NECESSARY, AND, IF IT FINDS THAT AN APPLICATION SHOULD BE  
21 APPROVED, IT SHALL DETERMINE THE AMOUNT OF SUPPLEMENTAL  
22 ASSISTANCE THAT THE DISTRICT RECEIVES. IN DETERMINING WHICH  
23 DISTRICTS RECEIVE SUPPLEMENTAL ASSISTANCE PURSUANT TO THIS  
24 SECTION AND THE AMOUNT OF THE ASSISTANCE, THE STATE BOARD SHALL  
25 CONSIDER THE AMOUNT OF THE SUPPLEMENTAL ASSISTANCE REQUESTED  
26 BY THE DISTRICT AS A PERCENTAGE OF THE DISTRICT'S TOTAL PROGRAM.  
27 BY ORDER UPON THE STATE TREASURER, THE STATE BOARD SHALL DIRECT



1 PAYMENT OF THE SPECIFIED AMOUNT OF SUPPLEMENTAL ASSISTANCE FROM  
2 THE CONTINGENCY RESERVE FUND TO THE TREASURER OF THE ELIGIBLE  
3 DISTRICT FOR CREDIT TO THE GENERAL FUND OF THE DISTRICT.

4 **22-54.5-312. Education innovation grant program - board**  
5 **created - fund created - rules - report - definitions - repeal.** (1) AS  
6 USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7 (a) "BOARD" MEANS THE EDUCATION INNOVATION BOARD  
8 CREATED IN SUBSECTION (7) OF THIS SECTION.

9 (b) "EDUCATORS" MEANS TEACHERS, PRINCIPALS, AND  
10 ADMINISTRATORS.

11 (c) "EXPANDED LEARNING TIME" MEANS AN INITIATIVE TO EXTEND  
12 THE LENGTH OF THE SCHOOL DAY OR TO INCREASE THE NUMBER OF  
13 SCHOOL DAYS FOR ALL STUDENTS ATTENDING THE SCHOOL AND TO  
14 IMPROVE THE USE OF LEARNING TIME THROUGHOUT THE SCHOOL DAY AND  
15 IMPROVE ACADEMIC ACHIEVEMENT AND INCREASE STUDENT  
16 ENGAGEMENT. THE ADDITIONAL TIME MUST ALLOW FOR MORE TIME FOR  
17 A COMBINATION OF CORE ACADEMICS, ENGAGING ENRICHMENT PROGRAMS,  
18 AND TEACHER COLLABORATION AND PROFESSIONAL DEVELOPMENT.

19 (d) "FUND" MEANS THE EDUCATION INNOVATION GRANT FUND  
20 CREATED IN SUBSECTION (9) OF THIS SECTION.

21 (2) THE EDUCATION INNOVATION GRANT PROGRAM IS CREATED IN  
22 THE DEPARTMENT TO PROVIDE MONEYS TO EDUCATORS, LOCAL  
23 EDUCATION PROVIDERS, AND BOARDS OF COOPERATIVE SERVICES TO  
24 IMPLEMENT INNOVATIONS IN THE DELIVERY OF PUBLIC PRESCHOOL,  
25 ELEMENTARY, AND SECONDARY EDUCATION IN THE STATE. THE  
26 DEPARTMENT SHALL RECOMMEND GRANT RECIPIENTS TO THE BOARD, AND  
27 THE BOARD SHALL AWARD GRANTS FOR EDUCATION INNOVATION

1 INITIATIVES OUT OF ANY MONEYS AVAILABLE IN THE FUND.

2 (3) (a) THE DEPARTMENT SHALL PUBLISH POLICIES THAT SPECIFY  
3 THE PROCEDURES AND TIMELINES BY WHICH AN EDUCATOR, A LOCAL  
4 EDUCATION PROVIDER, OR A BOARD OF COOPERATIVE SERVICES MAY  
5 APPLY FOR AN EDUCATION INNOVATION GRANT. AN EDUCATOR WHO IS  
6 EMPLOYED BY A DISTRICT MUST OBTAIN THE APPROVAL OF THE BOARD OF  
7 EDUCATION OF THE APPLICABLE DISTRICT BEFORE APPLYING TO THE  
8 DEPARTMENT FOR A GRANT.

9 (b) EACH APPLICATION MUST INCLUDE A DESCRIPTION OF THE  
10 EDUCATION INNOVATION INITIATIVE THE APPLICANT WILL IMPLEMENT  
11 USING THE GRANT MONEYS AND THE MANNER IN WHICH THE APPLICANT  
12 WILL MEASURE WHETHER THE INITIATIVE IS EFFECTIVE IN IMPROVING  
13 STUDENT ACADEMIC GROWTH. APPLICANTS ARE ENCOURAGED TO APPLY  
14 FOR GRANTS TO IMPLEMENT EXPANDED LEARNING TIME INITIATIVES.

15 (4) (a) THE DEPARTMENT SHALL ACCEPT AND EVALUATE GRANT  
16 APPLICATIONS AND, FOR EACH APPLICATION RECEIVED, RECOMMEND TO  
17 THE BOARD WHETHER A GRANT SHOULD BE AWARDED AND THE AMOUNT  
18 AND DURATION OF THE GRANT. TO EVALUATE GRANT APPLICATIONS, THE  
19 DEPARTMENT SHALL CREATE A RUBRIC OF MEASUREMENTS DESIGNED TO  
20 IDENTIFY EDUCATION INNOVATION INITIATIVES THAT ARE MOST LIKELY TO  
21 RESULT IN IMPROVEMENTS IN STUDENT ACADEMIC ACHIEVEMENT. IN  
22 ADDITION, IN EVALUATING GRANT APPLICATIONS, THE DEPARTMENT  
23 SHALL:

24 (I) GIVE PRIORITY TO APPLICATIONS TO IMPLEMENT EDUCATION  
25 INNOVATION INITIATIVES FOR SCHOOLS AND DISTRICTS THAT ARE  
26 IMPLEMENTING IMPROVEMENT, PRIORITY IMPROVEMENT, OR TURNAROUND  
27 PLANS; ==

1           (II) GIVE PREFERENCE TO GRANT APPLICATIONS TO IMPLEMENT  
2           EXPANDED LEARNING TIME INITIATIVES OR OTHER EDUCATION INITIATIVES  
3           THAT ARE LIKELY TO RESULT IN STUDENT PERFORMANCE GAINS THAT ARE  
4           COMPARABLE TO THOSE ACHIEVED THROUGH EXPANDED LEARNING TIME  
5           INITIATIVES;

6           (III) GIVE PREFERENCE TO GRANT APPLICATIONS THAT INCLUDE A  
7           PLAN TO IMPLEMENT THE INITIATIVE AFTER THE GRANT EXPIRES; AND

8           (IV) TAKE INTO ACCOUNT ANY GRANT FUNDING FOR EDUCATION  
9           INITIATIVES THAT THE APPLICANT RECEIVES FROM OTHER SOURCES.

10           (b) BASED ON THE DEPARTMENT'S RECOMMENDATIONS, THE  
11           BOARD SHALL AWARD THE EDUCATION INNOVATION GRANTS, SUBJECT TO  
12           AVAILABLE APPROPRIATIONS.

13           (5) THE DEPARTMENT SHALL ADOPT METHODS OF MEASURING THE  
14           SUCCESS OF EACH EDUCATION INNOVATION INITIATIVE, AND EACH GRANT  
15           RECIPIENT SHALL REPORT THE INFORMATION REQUIRED BY THE  
16           DEPARTMENT TO APPLY THE METHODS. THE DEPARTMENT SHALL  
17           COMMUNICATE TO LOCAL EDUCATION PROVIDERS AND BOARDS OF  
18           COOPERATIVE SERVICES DESCRIPTIONS OF THE SUCCESSFUL EDUCATION  
19           INNOVATION INITIATIVES, INCLUDING BEST PRACTICES AND STRATEGIES.

20           (6) WITHIN SIX MONTHS AFTER THE END OF EACH BUDGET YEAR IN  
21           WHICH THE BOARD AWARDS EDUCATION INNOVATION GRANTS, THE  
22           DEPARTMENT SHALL SUBMIT TO THE EDUCATION COMMITTEES OF THE  
23           SENATE AND THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR  
24           COMMITTEES, A REPORT DESCRIBING AT A MINIMUM THE EDUCATION  
25           INNOVATION INITIATIVES THAT RECEIVED GRANTS, THE AMOUNT  
26           AWARDED TO EACH INITIATIVE, AND THE RESULTS ACHIEVED BY EACH  
27           INITIATIVE. THE REPORT SHALL ALSO DESCRIBE THE ORGANIZATIONS THAT

1 THE BOARD CONTRACTS WITH TO SUPPORT APPLICANTS THAT IMPLEMENT  
2 EXPANDED LEARNING TIME INITIATIVES, INCLUDING THE AMOUNT AND  
3 DURATION OF, AND DUTIES REQUIRED IN, EACH CONTRACT.

4 (7) (a) THERE IS CREATED IN THE DEPARTMENT THE EDUCATION  
5 INNOVATION BOARD TO PERFORM THE DUTIES SPECIFIED IN THIS SECTION.  
6 THE BOARD SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND  
7 FUNCTIONS UNDER THE DEPARTMENT AS IF THE SAME WERE TRANSFERRED  
8 TO THE DEPARTMENT BY A **TYPE 2** TRANSFER AS DEFINED IN THE  
9 "ADMINISTRATIVE ORGANIZATION ACT OF 1968", ARTICLE 1 OF TITLE 24,  
10 C.R.S. THE BOARD CONSISTS OF ELEVEN MEMBERS APPOINTED AS  
11 FOLLOWS:

12 (I) THE GOVERNOR, WITH THE ADVICE AND CONSENT OF THE  
13 SENATE, SHALL APPOINT SEVEN MEMBERS AS FOLLOWS:

14 (A) ONE MEMBER WHO REPRESENTS A STATEWIDE BUSINESS  
15 ORGANIZATION OR ASSOCIATION;

16 (B) ONE MEMBER WHO REPRESENTS AN EDUCATION POLICY AND  
17 ADVOCACY ORGANIZATION;

18 (C) ONE MEMBER WHO REPRESENTS A STATEWIDE ORGANIZATION  
19 OF TEACHERS;

20 (D) ONE MEMBER WHO REPRESENTS A STATEWIDE ORGANIZATION  
21 OF CHARTER SCHOOLS;

22 (E) ONE MEMBER WHO REPRESENTS A STATEWIDE ORGANIZATION  
23 OF SCHOOL EXECUTIVES;

24 (F) ONE MEMBER WHO REPRESENTS A STATEWIDE ORGANIZATION  
25 OF SCHOOL DISTRICT BOARDS OF EDUCATION; AND

26 (G) ONE MEMBER WHO REPRESENTS THE STATE AT LARGE; AND

27 (II) THE PRESIDENT AND THE MINORITY LEADER OF THE SENATE

1 AND THE SPEAKER AND THE MINORITY LEADER OF THE HOUSE OF  
2 REPRESENTATIVES SHALL EACH APPOINT ONE MEMBER TO THE BOARD.

3 (b) THE APPOINTING AUTHORITIES SHALL CONSIDER ETHNICITY,  
4 GENDER, AND GEOGRAPHIC REPRESENTATION IN APPOINTING MEMBERS TO  
5 THE BOARD. THE APPOINTING AUTHORITIES SHALL MAKE THE INITIAL  
6 APPOINTMENTS TO THE BOARD NO LATER THAN JULY 1, 2014. EACH  
7 MEMBER OF THE BOARD SERVES AT THE PLEASURE OF THE APPOINTING  
8 AUTHORITY. EACH MEMBER OF THE BOARD SERVES A FOUR-YEAR TERM;  
9 EXCEPT THAT TWO OF THE MEMBERS INITIALLY APPOINTED BY THE  
10 GOVERNOR SERVE TWO-YEAR TERMS, AND TWO OF THE MEMBERS  
11 INITIALLY APPOINTED BY THE GOVERNOR SERVE ONE-YEAR TERMS. IF A  
12 VACANCY ARISES ON THE BOARD, THE ORIGINAL APPOINTING AUTHORITY  
13 SHALL APPOINT A PERSON TO FILL THE VACANCY FOR THE REMAINDER OF  
14 THE TERM.

15 (c) THE BOARD SHALL ELECT A CHAIR FROM AMONG ITS MEMBERS  
16 TO SERVE FOR A TERM NOT TO EXCEED TWO YEARS, AS THE BOARD  
17 DETERMINES. A MEMBER IS NOT ELIGIBLE TO SERVE AS CHAIR FOR MORE  
18 THAN TWO SUCCESSIVE TERMS.

19 (d) THE MEMBERS OF THE BOARD SERVE WITHOUT COMPENSATION  
20 AND WITHOUT REIMBURSEMENT FOR EXPENSES.

21 (e) THIS SUBSECTION (7) IS REPEALED, EFFECTIVE SEPTEMBER 1,  
22 2023. PRIOR TO REPEAL, THE BOARD SHALL BE REVIEWED AS PROVIDED  
23 FOR IN SECTION 2-3-1203, C.R.S.

24 (8) THE BOARD, WITH SUPPORT FROM THE DEPARTMENT, SHALL  
25 ISSUE A REQUEST FOR PROPOSALS FROM ORGANIZATIONS WITH EXPERIENCE  
26 IN RESEARCHING, DESIGNING, OR IMPLEMENTING EXPANDED LEARNING  
27 TIME INITIATIVES. THE BOARD SHALL SELECT FROM AMONG THE

1 ORGANIZATIONS THAT RESPOND TO THE REQUEST FOR PROPOSALS ONE OR  
2 MORE ORGANIZATIONS AND ENTER INTO CONTRACTS WITH THE SELECTED  
3 ORGANIZATIONS TO PROVIDE TECHNICAL ASSISTANCE TO EDUCATORS,  
4 LOCAL EDUCATION PROVIDERS, AND BOARDS OF COOPERATIVE SERVICES  
5 THAT SEEK EDUCATION INNOVATION GRANTS TO DESIGN AND IMPLEMENT  
6 EXPANDED LEARNING TIME INITIATIVES. TECHNICAL ASSISTANCE  
7 PURSUANT TO THIS SUBSECTION (8) IS AVAILABLE TO AN APPLICANT UPON  
8 REQUEST TO THE DEPARTMENT.

9 (9) (a) THERE IS CREATED IN THE STATE TREASURY THE  
10 EDUCATION INNOVATION GRANT FUND. THE FUND CONSISTS OF ANY  
11 MONEYS THE GENERAL ASSEMBLY MAY APPROPRIATE TO THE FUND AND  
12 ANY MONEYS THE STATE TREASURER MAY CREDIT TO THE FUND PURSUANT  
13 TO PARAGRAPH (d) OF THIS SUBSECTION (9).

14 (b) IT IS THE INTENT OF THE GENERAL ASSEMBLY, BEGINNING IN  
15 THE 2015-16 BUDGET YEAR, TO APPROPRIATE ANNUALLY ONE HUNDRED  
16 MILLION DOLLARS TO THE FUND FROM REVENUES RECEIVED FROM AN  
17 INCREASE IN STATE TAX REVENUES FOR THE PURPOSE OF FUNDING PUBLIC  
18 EDUCATION, WHICH INCREASE IS APPROVED BY A STATEWIDE BALLOT  
19 MEASURE. IT IS FURTHER THE INTENT OF THE GENERAL ASSEMBLY THAT  
20 THE APPROPRIATION OF THOSE MONEYS FOR THE FUND TAKE PRIORITY  
21 OVER OTHER APPROPRIATIONS OF THOSE MONEYS.

22 (c) THE MONEYS IN THE FUND ARE SUBJECT TO ANNUAL  
23 APPROPRIATION BY THE GENERAL ASSEMBLY TO THE DEPARTMENT FOR  
24 THE DIRECT AND INDIRECT COSTS INCURRED IN IMPLEMENTING THIS  
25 SECTION. THE MONEYS APPROPRIATED TO THE FUND ARE ALLOCATED AS  
26 FOLLOWS:

27 (I) THE DEPARTMENT MAY EXPEND UP TO TWO PERCENT OF THE

1 TOTAL AMOUNT OF MONEYS ANNUALLY APPROPRIATED FROM THE FUND TO  
2 OFFSET THE ADMINISTRATIVE COSTS THAT THE DEPARTMENT INCURS IN  
3 IMPLEMENTING THIS SECTION;

4 (II) THE BOARD SHALL EXPEND UP TO FOUR PERCENT OF THE  
5 MONEYS ANNUALLY APPROPRIATED FROM THE FUND TO CONTRACT WITH  
6 ONE OR MORE ORGANIZATIONS PURSUANT TO SUBSECTION (8) OF THIS  
7 SECTION TO PROVIDE SUPPORT FOR GRANT APPLICANTS THAT SEEK  
8 EDUCATION INNOVATION GRANTS FOR EXPANDED LEARNING TIME  
9 INITIATIVES; AND

10 (III) OF THE AMOUNT OF MONEYS ANNUALLY APPROPRIATED FROM  
11 THE FUND THAT REMAINS AFTER THE EXPENDITURES DESCRIBED IN  
12 SUBPARAGRAPHS (I) AND (II) OF THIS PARAGRAPH (b), THE BOARD SHALL  
13 AWARD SEVENTY-FIVE PERCENT TO LOCAL EDUCATION PROVIDERS THAT  
14 SEEK EDUCATION INNOVATION GRANTS AND ARE IMPLEMENTING  
15 IMPROVEMENT, PRIORITY IMPROVEMENT, OR TURNAROUND PLANS AND  
16 TWENTY-FIVE PERCENT TO EDUCATORS, OTHER LOCAL EDUCATION  
17 PROVIDERS, AND BOARDS OF COOPERATIVE SERVICES THAT SEEK  
18 EDUCATION INNOVATION GRANTS.

19 (d) (I) THE DEPARTMENT MAY SEEK AND ACCEPT GIFTS, GRANTS,  
20 OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE PURPOSES OF  
21 THIS SECTION; EXCEPT THAT THE DEPARTMENT MAY NOT ACCEPT A GIFT,  
22 GRANT, OR DONATION THAT IS SUBJECT TO CONDITIONS THAT ARE  
23 INCONSISTENT WITH THIS SECTION OR ANY OTHER LAW OF THE STATE. THE  
24 DEPARTMENT SHALL TRANSMIT ALL PRIVATE AND PUBLIC MONEYS  
25 RECEIVED THROUGH GIFTS, GRANTS, OR DONATIONS TO THE STATE  
26 TREASURER, WHO SHALL CREDIT THE SAME TO THE FUND.

27 (II) THE GENERAL ASSEMBLY FINDS THAT IMPLEMENTATION OF

1 THIS SECTION DOES NOT RELY, IN WHOLE OR IN PART, ON GIFTS, GRANTS,  
2 OR DONATIONS RECEIVED PURSUANT TO THIS PARAGRAPH (c). THEREFORE,  
3 THE DEPARTMENT IS NOT SUBJECT TO THE NOTIFICATION REQUIREMENTS  
4 SPECIFIED IN SECTION 24-75-1303 (3), C.R.S.

5 (e) THE STATE TREASURER MAY INVEST ANY MONEYS IN THE FUND  
6 NOT EXPENDED FOR THE PURPOSE OF THIS SECTION AS PROVIDED BY LAW.  
7 THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED  
8 FROM THE INVESTMENT AND DEPOSIT OF MONEYS IN THE FUND TO THE  
9 FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN  
10 THE FUND AT THE END OF A FISCAL YEAR MUST REMAIN IN THE FUND AND  
11 SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR  
12 ANOTHER FUND.

#### 13 PART 4

#### 14 ADMINISTRATION

15 **22-54.5-401. County public school fund - created.** (1) THERE  
16 IS CREATED IN THE OFFICE OF THE COUNTY TREASURER OF EACH COUNTY  
17 A CONTINUING FUND, TO BE KNOWN AS THE COUNTY PUBLIC SCHOOL FUND,  
18 INTO WHICH IS PAID THE PROCEEDS OF ALL COUNTY SCHOOL MONEYS.

19 (2) THE COUNTY TREASURER SHALL CHARGE A COLLECTION FEE OF  
20 ONE-QUARTER OF ONE PERCENT UPON MONEYS COLLECTED FOR OR  
21 DISTRIBUTED TO A DISTRICT LOCATED IN WHOLE OR IN PART IN THE  
22 COUNTY FROM TAXES LEVIED FOR THE GENERAL FUND OF THE DISTRICT.

23 (3) EACH DISTRICT IN THE COUNTY IS ENTITLED TO RECEIVE  
24 DISTRIBUTION DURING A BUDGET YEAR OF MONEYS IN THE COUNTY PUBLIC  
25 SCHOOL FUND IN THE SAME PROPORTION THAT ITS FUNDED MEMBERSHIP  
26 IN THE COUNTY FOR THE BUDGET YEAR BEARS TO THE AGGREGATE OF THE  
27 FUNDED MEMBERSHIP OF ALL DISTRICTS IN THE COUNTY FOR THE BUDGET



1 YEAR.

2 (4) THE DEPARTMENT SHALL DETERMINE THE PROPORTIONATE  
3 PART OF THE COUNTY PUBLIC SCHOOL FUND THAT THE COUNTY  
4 TREASURER DISTRIBUTES DURING THE BUDGET YEAR TO EACH DISTRICT IN  
5 THE COUNTY. ON OR BEFORE THE FIRST DAY OF EACH BUDGET YEAR, THE  
6 DEPARTMENT SHALL CERTIFY THE DETERMINATION TO THE COUNTY  
7 TREASURER. THE CERTIFIED PROPORTIONS ARE THE BASIS UPON WHICH THE  
8 COUNTRY TREASURER DISTRIBUTES THE MONEYS IN THE FUND DURING THE  
9 ENSUING BUDGET YEAR. AT THE END OF EACH MONTH DURING THE  
10 BUDGET YEAR, THE COUNTY TREASURER SHALL CREDIT OR PAY OVER THE  
11 PROPER PROPORTIONS OF THE MONEYS IN THE FUND TO THE GENERAL  
12 FUNDS OF THE DISTRICTS IN THE COUNTY.

13 (5) FOR THE PURPOSE OF DETERMINATION AND CERTIFICATION BY  
14 THE STATE BOARD AND DISTRIBUTION OF MONEYS IN THE FUND, THE  
15 FUNDED MEMBERSHIP OF A JOINT DISTRICT FOR A BUDGET YEAR SHALL BE  
16 APPORTIONED AND ASSIGNED TO THE PORTION OF THE DISTRICT IN EACH  
17 COUNTY THAT HAS TERRITORY IN THE DISTRICT IN THE SAME PROPORTION  
18 AS THE PORTION OF THE DISTRICT'S FUNDED MEMBERSHIP FOR THE BUDGET  
19 YEAR THAT IS ATTRIBUTABLE TO PUPILS WHO RESIDE IN EACH COUNTY  
20 BEARS TO THE TOTAL FUNDED MEMBERSHIP OF THE JOINT DISTRICT FOR  
21 THE BUDGET YEAR. THE SECRETARY OF THE BOARD OF EDUCATION OF  
22 EACH JOINT DISTRICT SHALL CERTIFY TO THE STATE BOARD THE REQUIRED  
23 INFORMATION APPLICABLE TO EACH COUNTY.

24 **22-54.5-402. Adjustments in valuation for assessment.** (1) FOR  
25 EACH BUDGET YEAR, IN CALCULATING THE TOTAL AMOUNT OF REVENUE  
26 THAT A DISTRICT IS ENTITLED TO RECEIVE FROM THE PROPERTY TAX LEVY  
27 FOR THE GENERAL FUND OF A DISTRICT DURING THE BUDGET YEAR, THE

1 VALUATION FOR ASSESSMENT OF A DISTRICT SHALL BE ADJUSTED AS  
2 PROVIDED IN SUBSECTION (2) OF THIS SECTION.

3 (2) IF THE VALUATION FOR ASSESSMENT OF A DISTRICT INCLUDES  
4 THE VALUE OF A CERTAIN PROPERTY THAT WAS FORMERLY TAX-EXEMPT  
5 BUT BECOMES TAXABLE AS A RESULT OF A CHANGE IN THE APPLICABLE  
6 STATE LAW AND THE INCLUSION IS CHALLENGED BY ADMINISTRATIVE  
7 APPEAL OR LITIGATION OR BOTH AND THE PROPERTY TAXES ATTRIBUTABLE  
8 TO THE PROPERTY ARE NOT PAID PENDING THE OUTCOME OF THE  
9 CHALLENGE, THE VALUATION FOR ASSESSMENT ATTRIBUTABLE TO THE  
10 PROPERTY IS SUBTRACTED FROM THE VALUATION FOR ASSESSMENT OF THE  
11 SCHOOL DISTRICT. IF THE PROPERTY IS FINALLY DETERMINED TO HAVE  
12 BEEN PROPERLY INCLUDED IN THE DISTRICT'S VALUATION FOR  
13 ASSESSMENT, THE VALUATION FOR ASSESSMENT ATTRIBUTABLE TO THE  
14 PROPERTY IS RESTORED TO THE DISTRICT'S VALUATION FOR ASSESSMENT,  
15 AND THE DISTRICT, AFTER COLLECTION OF TAXES, SHALL REIMBURSE THE  
16 STATE GENERAL FUND IN FULL PLUS INTEREST AT THE SAME RATE AS  
17 PROVIDED BY STATUTE FOR PENALTY INTEREST ON UNPAID PROPERTY  
18 TAXES.

19 **22-54.5-403. Joint districts.** (1) THE BOARD OF EDUCATION OF A  
20 JOINT DISTRICT SHALL DETERMINE THE LOCATION OF ITS ADMINISTRATIVE  
21 HEADQUARTERS AND SHALL NOTIFY BOTH THE STATE BOARD AND THE  
22 TREASURER OF EACH COUNTY IN WHICH ANY TERRITORY OF THE JOINT  
23 DISTRICT IS SITUATED OF THE LOCATION.

24 (2) ALLOCATION OF MONEYS IN THE COUNTY PUBLIC SCHOOL FUND  
25 TO A JOINT DISTRICT THAT IS PARTIALLY SITUATED IN A COUNTY SHALL BE  
26 MADE ON THE BASIS SET FORTH IN SECTION 22-54.5-401.

27 (3) THE COUNTY TREASURER OF A COUNTY IN WHICH PART OF A

1 JOINT DISTRICT IS SITUATED SHALL CREDIT ALL MONEYS COLLECTED  
2 UNDER THIS ARTICLE TO THE JOINT DISTRICT AND AT THE END OF EACH  
3 MONTH SHALL PAY THE MONEYS TO THE TREASURER OF THE COUNTY IN  
4 WHICH THE ADMINISTRATIVE HEADQUARTERS OF THE JOINT DISTRICT IS  
5 LOCATED WHO SHALL CREDIT OR PAY THE MONEYS TO THE GENERAL FUND  
6 OF THE JOINT DISTRICT. THE TREASURER OF THE COUNTY IN WHICH THE  
7 ADMINISTRATIVE HEADQUARTERS OF THE JOINT DISTRICT IS LOCATED  
8 SHALL NOT CHARGE FOR COLLECTION OF MONEYS TRANSFERRED FROM  
9 OTHER COUNTIES. WARRANTS OF A JOINT DISTRICT SHALL BE DRAWN ONLY  
10 UPON THE TREASURER OF THE COUNTY IN WHICH ITS ADMINISTRATIVE  
11 HEADQUARTERS IS LOCATED IN THOSE CASES WHERE A DISTRICT HAS NOT  
12 ELECTED UNDER LAW TO WITHDRAW ITS FUNDS FROM THE CUSTODY OF  
13 THE COUNTY TREASURER.

14 **22-54.5-404. Valuations for assessment - reports to the state**  
15 **board.** (1) ON OR BEFORE NOVEMBER 15 OF EACH YEAR, THE PROPERTY  
16 TAX ADMINISTRATOR SHALL CERTIFY TO THE STATE BOARD THE  
17 VALUATIONS FOR ASSESSMENT OF ALL TAXABLE PROPERTY WITHIN EACH  
18 COUNTY AND FOR EACH DISTRICT OR PORTION OF A JOINT DISTRICT IN EACH  
19 COUNTY; EXCEPT THAT THE TIME FOR CERTIFICATION FOR THE CITY AND  
20 COUNTY OF DENVER IS ON OR BEFORE DECEMBER 20. THE PROPERTY TAX  
21 ADMINISTRATOR FULFILLS THE REQUIREMENTS OF THIS SECTION BY  
22 PROVIDING TO THE STATE BOARD THE CERTIFIED COPIES OF THE BOARD OF  
23 COUNTY COMMISSIONERS' CERTIFICATION OF LEVIES AND REVENUE TO THE  
24 COUNTY ASSESSOR AND THE PROPERTY TAX ADMINISTRATOR, AS  
25 PROVIDED BY SECTION 39-1-111 (2), C.R.S.

26 (2) IF THE VALUATION FOR ASSESSMENT FOR ALL OR A PART OF A  
27 DISTRICT HAS BEEN DIVIDED FOR AN URBAN RENEWAL AREA, PURSUANT TO

1 SECTION 31-25-107 (9) (a), C.R.S., ANY REPORT UNDER THIS SECTION  
2 MUST BE BASED UPON THAT PORTION OF THE VALUATION FOR ASSESSMENT  
3 UNDER SECTION 31-25-107 (9) (a) (I), C.R.S., SO LONG AS THE DIVISION  
4 REMAINS IN EFFECT.

5 **22-54.5-405. Average daily membership - reports to state**  
6 **board - calculation - department duties.** (1) (a) EACH DISTRICT AND  
7 EACH INSTITUTE CHARTER SCHOOL SHALL REPORT TO THE DEPARTMENT  
8 FOR EACH QUARTER OF THE SCHOOL YEAR THE DISTRICT'S OR INSTITUTE  
9 CHARTER SCHOOL'S MEMBERSHIP FOR EACH SCHOOL DAY DURING THE  
10 QUARTER, INCLUDING SPECIFYING THE NUMBER OF PRESCHOOL PUPILS,  
11 AT-RISK PUPILS, AND ENGLISH LANGUAGE LEARNERS. THE DISTRICT AND  
12 THE INSTITUTE CHARTER SCHOOL SHALL ALSO REPORT TO THE  
13 DEPARTMENT FOR EACH QUARTER OF THE SCHOOL YEAR THE NUMBER OF  
14 THE DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S PUPILS WHO ARE  
15 ENROLLED EACH SCHOOL DAY DURING THE QUARTER IN A MULTI-DISTRICT  
16 ON-LINE SCHOOL, INCLUDING SPECIFYING THE NUMBER OF AT-RISK PUPILS  
17 AND ENGLISH LANGUAGE LEARNERS, OR IN THE ASCENT PROGRAM. THE  
18 STATE BOARD BY RULE SHALL ESTABLISH THE TIMELINES AND REPORTING  
19 REQUIREMENTS FOR SUBMITTING QUARTERLY MEMBERSHIP AND  
20 ENROLLMENT REPORTS THROUGHOUT THE SCHOOL YEAR.

21 (b) EACH DISTRICT SHALL REPORT TO THE DEPARTMENT THE  
22 PROJECTED MEMBERSHIP, INCLUDING SPECIFYING THE PROJECTED NUMBER  
23 OF PRESCHOOL PUPILS, AT-RISK PUPILS, AND ENGLISH LANGUAGE  
24 LEARNERS, FOR THE FIRST SCHOOL DAY OF THE FIRST SCHOOL YEAR IN  
25 WHICH A CHARTER SCHOOL OF THE DISTRICT ENROLLS PUPILS. IF THE  
26 CHARTER SCHOOL IS A MULTI-DISTRICT ON-LINE SCHOOL, THE DISTRICT  
27 SHALL REPORT TO THE DEPARTMENT THE PROJECTED ON-LINE PUPIL

1 ENROLLMENT, INCLUDING SPECIFYING THE PROJECTED NUMBER OF AT-RISK  
2 PUPILS AND ENGLISH LANGUAGE LEARNERS, FOR THE FIRST SCHOOL DAY  
3 OF THE FIRST SCHOOL YEAR IN WHICH THE CHARTER SCHOOL OF THE  
4 DISTRICT ENROLLS PUPILS.

5 (c) A NEW INSTITUTE CHARTER SCHOOL SHALL REPORT TO THE  
6 DEPARTMENT THE PROJECTED MEMBERSHIP, INCLUDING SPECIFYING THE  
7 PROJECTED NUMBER OF PRESCHOOL PUPILS, AT-RISK PUPILS, AND ENGLISH  
8 LANGUAGE LEARNERS, FOR THE FIRST SCHOOL DAY OF THE FIRST SCHOOL  
9 YEAR IN WHICH THE INSTITUTE CHARTER SCHOOL ENROLLS PUPILS. IF THE  
10 NEW INSTITUTE CHARTER SCHOOL IS A MULTI-DISTRICT ON-LINE SCHOOL,  
11 THE INSTITUTE CHARTER SCHOOL SHALL REPORT TO THE DEPARTMENT THE  
12 PROJECTED ON-LINE PUPIL ENROLLMENT, INCLUDING SPECIFYING THE  
13 PROJECTED NUMBER OF AT-RISK PUPILS AND ENGLISH LANGUAGE  
14 LEARNERS, FOR THE FIRST SCHOOL DAY OF THE FIRST SCHOOL YEAR IN  
15 WHICH THE INSTITUTE CHARTER SCHOOL   ENROLLS PUPILS.

16 (2) THE DEPARTMENT SHALL CALCULATE EACH DISTRICT'S AND  
17 EACH INSTITUTE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP,  
18 PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP, AT-RISK PUPIL  
19 AVERAGE DAILY MEMBERSHIP, ENGLISH LANGUAGE LEARNER AVERAGE  
20 DAILY MEMBERSHIP, ON-LINE AVERAGE DAILY MEMBERSHIP, AND  
21 ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP FOR:

22 (a) EACH QUARTER OF THE SCHOOL YEAR BY TOTALING THE DAILY,  
23 PRESCHOOL PROGRAM, AT-RISK PUPIL, OR ENGLISH LANGUAGE LEARNER  
24 MEMBERSHIP OR THE DAILY MULTI-DISTRICT ON-LINE SCHOOL OR  
25 ASCENT PROGRAM ENROLLMENT FOR THE QUARTER AND DIVIDING EACH  
26 RESPECTIVE SUM BY THE NUMBER OF SCHOOL DAYS IN THE RESPECTIVE  
27 DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S QUARTER OF THE SCHOOL

1 YEAR;

2 (b) THE FIRST AND LAST HALVES OF EACH SCHOOL YEAR BY  
3 TOTALING THE DAILY, PRESCHOOL PROGRAM, AT-RISK PUPIL, OR ENGLISH  
4 LANGUAGE LEARNER MEMBERSHIP OR THE DAILY MULTI-DISTRICT ON-LINE  
5 SCHOOL OR ASCENT PROGRAM ENROLLMENT FOR THE FIRST TWO  
6 QUARTERS OF THE SCHOOL YEAR, OR THE LAST TWO QUARTERS OF THE  
7 SCHOOL YEAR, WHICHEVER IS APPLICABLE, AND DIVIDING EACH  
8 RESPECTIVE SUM BY THE TOTAL NUMBER OF SCHOOL DAYS IN THE  
9 RESPECTIVE DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S FIRST TWO  
10 QUARTERS OF THE SCHOOL YEAR OR LAST TWO QUARTERS OF THE SCHOOL  
11 YEAR, WHICHEVER IS APPLICABLE;

12 (c) EACH SCHOOL YEAR BY TOTALING THE DAILY, PRESCHOOL  
13 PROGRAM, AT-RISK PUPIL, OR ENGLISH LANGUAGE LEARNER MEMBERSHIP  
14 OR THE DAILY MULTI-DISTRICT ON-LINE SCHOOL OR ASCENT PROGRAM  
15 ENROLLMENT FOR THE SCHOOL YEAR AND DIVIDING EACH RESPECTIVE SUM  
16 BY THE TOTAL NUMBER OF SCHOOL DAYS IN THE RESPECTIVE DISTRICT'S OR  
17 INSTITUTE CHARTER SCHOOL'S SCHOOL YEAR; AND

18 (d) EACH FUNDING AVERAGING PERIOD BY TOTALING THE DAILY,  
19 PRESCHOOL PROGRAM, AT-RISK PUPIL, OR ENGLISH LANGUAGE LEARNER  
20 MEMBERSHIP OR THE DAILY MULTI-DISTRICT ON-LINE SCHOOL OR  
21 ASCENT PROGRAM ENROLLMENT FOR THE FUNDING AVERAGING PERIOD  
22 AND DIVIDING EACH RESPECTIVE SUM BY THE TOTAL NUMBER OF SCHOOL  
23 DAYS IN THE RESPECTIVE DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S  
24 FUNDING AVERAGING PERIOD.

25 (3) (a) THE DEPARTMENT SHALL USE THE AVERAGE DAILY  
26 MEMBERSHIP, PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP,  
27 AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP, ENGLISH LANGUAGE

1 LEARNER AVERAGE DAILY MEMBERSHIP, ON-LINE AVERAGE DAILY  
2 MEMBERSHIP, AND ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP FOR  
3 THE APPLICABLE FUNDING AVERAGING PERIOD TO CALCULATE EACH  
4 DISTRICT'S AND EACH INSTITUTE CHARTER SCHOOL'S FUNDED MEMBERSHIP,  
5 TOTAL PROGRAM, AND INVESTMENT MONEYS FOR EACH BUDGET YEAR.

6 (b) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO THE  
7 CONTRARY, FOR A BUDGET YEAR IN WHICH A DISTRICT REPORTS THE  
8 PROJECTED MEMBERSHIP OR ENROLLMENT OF A NEW CHARTER SCHOOL OF  
9 THE DISTRICT, AS PROVIDED IN PARAGRAPH (b) OF SUBSECTION (1) OF THIS  
10 SECTION, THE DEPARTMENT SHALL ADD THE PROJECTED MEMBERSHIP OR  
11 ENROLLMENT TO THE DISTRICT'S AVERAGE DAILY MEMBERSHIP, AT-RISK  
12 PUPIL AVERAGE DAILY MEMBERSHIP, ENGLISH LANGUAGE LEARNER  
13 AVERAGE DAILY MEMBERSHIP, AND ON-LINE AVERAGE DAILY  
14 ENROLLMENT, AS APPLICABLE, FOR THAT BUDGET YEAR AND INCLUDE THE  
15 PROJECTED MEMBERSHIP OR ENROLLMENT IN CALCULATING THE DISTRICT'S  
16 FUNDED MEMBERSHIP, TOTAL PROGRAM AND INVESTMENT MONEYS FOR  
17 THAT BUDGET YEAR.

18 (4) (a) (I) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO  
19 THE CONTRARY, FOR THE FIRST SCHOOL YEAR IN WHICH AN INSTITUTE  
20 CHARTER SCHOOL ENROLLS PUPILS, THE DEPARTMENT SHALL CALCULATE  
21 THE INSTITUTE CHARTER SCHOOL'S TOTAL PROGRAM AND INVESTMENT  
22 MONEYS USING:

23 (A) THE INSTITUTE CHARTER SCHOOL'S PROJECTED MEMBERSHIP,  
24 INCLUDING THE PROJECTED PRESCHOOL PROGRAM MEMBERSHIP, AT-RISK  
25 PUPIL MEMBERSHIP, AND ENGLISH LANGUAGE LEARNER MEMBERSHIP, FOR  
26 THE FIRST SCHOOL DAY OF THE SCHOOL YEAR; OR

27 (B) IF THE INSTITUTE CHARTER SCHOOL IS A MULTI-DISTRICT

1 ON-LINE SCHOOL, THE INSTITUTE CHARTER SCHOOL'S PROJECTED NUMBER  
2 OF PUPILS, INCLUDING THE PROJECTED NUMBER OF AT-RISK PUPILS AND  
3 ENGLISH LANGUAGE LEARNERS, THAT WILL BE ENROLLED ON THE FIRST  
4 SCHOOL DAY OF THE SCHOOL YEAR.

5 (II) THE DEPARTMENT SHALL CALCULATE THE INSTITUTE CHARTER  
6 SCHOOL'S FUNDED MEMBERSHIP, AT-RISK PUPIL AVERAGE DAILY  
7 MEMBERSHIP, AND ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
8 MEMBERSHIP FOR THE FIRST HALF OF THE INSTITUTE CHARTER SCHOOL'S  
9 FIRST SCHOOL YEAR. IF THE CALCULATED FUNDED MEMBERSHIP IS  
10 DIFFERENT FROM THE PROJECTED MEMBERSHIP OR ENROLLMENT, THE  
11 DEPARTMENT SHALL RECALCULATE THE INSTITUTE CHARTER SCHOOL'S  
12 TOTAL PROGRAM AND INVESTMENT MONEYS USING THE FUNDED  
13 MEMBERSHIP, AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP AND ENGLISH  
14 LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP OF THE FIRST HALF OF  
15 THE THEN-CURRENT SCHOOL YEAR AND ADJUST THE INSTITUTE CHARTER  
16 SCHOOL'S FUNDING ACCORDINGLY FOR THE REMAINDER OF THE FIRST  
17 SCHOOL YEAR.

18 (b) (I) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO  
19 THE CONTRARY, FOR THE SECOND SCHOOL YEAR IN WHICH AN INSTITUTE  
20 CHARTER SCHOOL ENROLLS PUPILS, THE DEPARTMENT SHALL CALCULATE  
21 THE INSTITUTE CHARTER SCHOOL'S TOTAL PROGRAM AND INVESTMENT  
22 MONEYS USING THE INSTITUTE CHARTER SCHOOL'S FUNDED MEMBERSHIP,  
23 AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP, AND ENGLISH LANGUAGE  
24 LEARNER AVERAGE DAILY MEMBERSHIP, FOR THE FIRST HALF OF THE  
25 INSTITUTE CHARTER SCHOOL'S FIRST SCHOOL YEAR.

26 (II) THE DEPARTMENT SHALL CALCULATE THE INSTITUTE CHARTER  
27 SCHOOL'S FUNDED MEMBERSHIP, AT-RISK PUPIL AVERAGE DAILY



1 MEMBERSHIP AND ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
2 MEMBERSHIP FOR THE FIRST QUARTER OF THE INSTITUTE CHARTER  
3 SCHOOL'S SECOND SCHOOL YEAR. IF THE FUNDED MEMBERSHIP FOR THE  
4 FIRST QUARTER OF THE SECOND SCHOOL YEAR EXCEEDS THE FUNDED  
5 MEMBERSHIP FOR THE FIRST HALF OF THE FIRST SCHOOL YEAR, THE  
6 DEPARTMENT SHALL RECALCULATE THE INSTITUTE CHARTER SCHOOL'S  
7 TOTAL PROGRAM AND INVESTMENT MONEYS USING THE FUNDED  
8 MEMBERSHIP, AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP, AND ENGLISH  
9 LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP FOR THE FIRST  
10 QUARTER OF THE THEN-CURRENT SCHOOL YEAR AND ADJUST THE  
11 INSTITUTE CHARTER SCHOOL'S FUNDING ACCORDINGLY FOR THE  
12 REMAINDER OF THE SECOND SCHOOL YEAR.

13 (5) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO THE  
14 CONTRARY, THE DEPARTMENT, IN CALCULATING AVERAGE DAILY  
15 MEMBERSHIP, PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP,  
16 AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP, ENGLISH LANGUAGE  
17 LEARNER AVERAGE DAILY MEMBERSHIP, ON-LINE AVERAGE DAILY  
18 MEMBERSHIP, AND ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP AS  
19 PROVIDED IN THIS SECTION, SHALL ADJUST THE CALCULATION AS  
20 NECESSARY TO ENSURE THAT A SINGLE STUDENT IS NOT COUNTED AS MORE  
21 THAN A FULL-TIME PUPIL.

22 (6) (a) IF A DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S AVERAGE  
23 DAILY MEMBERSHIP FOR THE FIRST HALF OF A SCHOOL YEAR EXCEEDS THE  
24 DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP  
25 FOR THE APPLICABLE FUNDING AVERAGING PERIOD BY A PERCENTAGE  
26 THAT IS GREATER THAN THE STATEWIDE AVERAGE ENROLLMENT GROWTH  
27 FOR THE APPLICABLE FUNDING AVERAGING PERIOD, THE DEPARTMENT

1 SHALL RECALCULATE THE DISTRICT'S OR THE INSTITUTE CHARTER  
2 SCHOOL'S TOTAL PROGRAM FOR THE THEN-CURRENT BUDGET YEAR USING  
3 THE AVERAGE DAILY MEMBERSHIP, PRESCHOOL PROGRAM AVERAGE DAILY  
4 MEMBERSHIP, AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP, ENGLISH  
5 LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP, ON-LINE AVERAGE  
6 DAILY MEMBERSHIP, AND ASCENT PROGRAM AVERAGE DAILY  
7 MEMBERSHIP FOR THE FIRST HALF OF THE THEN-CURRENT SCHOOL YEAR.  
8 THE DEPARTMENT SHALL ADJUST THE DISTRICT'S OR THE INSTITUTE  
9 CHARTER SCHOOL'S MONTHLY PAYMENTS ACCORDINGLY FOR THE  
10 REMAINDER OF THE APPLICABLE BUDGET YEAR.

11 (b) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF THIS  
12 SUBSECTION (6) TO THE CONTRARY, IN THE SECOND SCHOOL YEAR IN  
13 WHICH AN INSTITUTE CHARTER SCHOOL ENROLLS PUPILS OR IN ANY  
14 SCHOOL YEAR IN WHICH AN INSTITUTE CHARTER SCHOOL INCREASES ITS  
15 PROGRAM AVAILABILITY BY AT LEAST ONE GRADE LEVEL, THE  
16 DEPARTMENT SHALL RECALCULATE THE INSTITUTE CHARTER SCHOOL'S  
17 TOTAL PROGRAM AS PROVIDED IN PARAGRAPH (a) OF THIS SUBSECTION (6)  
18 IF THE INSTITUTE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP OR  
19 ON-LINE AVERAGE DAILY MEMBERSHIP, WHICHEVER IS APPLICABLE, FOR  
20 THE FIRST QUARTER OF THE THEN-CURRENT SCHOOL YEAR EXCEEDS THE  
21 INSTITUTE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP OR ON-LINE  
22 AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING  
23 PERIOD, OR FOR THE FIRST HALF OF THE PRECEDING BUDGET YEAR IF THE  
24 INSTITUTE CHARTER SCHOOL IS IN ITS SECOND YEAR OF ENROLLING PUPILS.  
25 THE DEPARTMENT SHALL ADJUST THE INSTITUTE CHARTER SCHOOL'S  
26 MONTHLY PAYMENTS ACCORDINGLY FOR THE REMAINDER OF THE  
27 APPLICABLE BUDGET YEAR.

1 (7) A PUPIL WHO IS IDENTIFIED AS AN AT-RISK PUPIL AS PROVIDED  
2 IN SECTION 22-54.5-411 ONCE DURING A SCHOOL YEAR IS PRESUMED TO  
3 QUALIFY AS AN AT-RISK PUPIL THROUGHOUT THE REMAINDER OF THE  
4 SCHOOL YEAR.

5 **22-54.5-406. Attendance in district other than district of**  
6 **residence.** (1) (a) A DISTRICT THAT PAYS TUITION FOR A PUPIL WHO  
7 RESIDES IN THE DISTRICT TO ATTEND PUBLIC SCHOOL IN ANOTHER  
8 COLORADO SCHOOL DISTRICT OR IN A SCHOOL DISTRICT OF AN ADJOINING  
9 STATE SHALL REPORT AND BE ENTITLED TO SUPPORT FOR THAT PUPIL. A  
10 DISTRICT SHALL NOT REPORT A PUPIL WHO IS FROM ANOTHER DISTRICT  
11 AND WHOSE TUITION IS PAID BY THE PUPIL'S DISTRICT OF RESIDENCE.

12 (b) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (a) OF  
13 THIS SUBSECTION (1), IF A CHILD WITH DISABILITIES ENROLLS IN A DISTRICT  
14 OTHER THAN THE CHILD'S DISTRICT OF RESIDENCE, THE DISTRICT IN WHICH  
15 THE CHILD WITH DISABILITIES ENROLLS MAY INCLUDE THE CHILD IN THE  
16 DISTRICT'S MEMBERSHIP FOR FUNDING PURSUANT TO THIS ARTICLE AND  
17 MAY CONTRACT WITH THE CHILD'S DISTRICT OF RESIDENCE FOR PAYMENT  
18 OF TUITION IN ACCORDANCE WITH SECTION 22-20-109 (4).

19 (2) A COURT OF RECORD, THE DEPARTMENT OF HUMAN SERVICES,  
20 OR ANOTHER AGENCY THAT IS AUTHORIZED TO PLACE A CHILD IN A  
21 RESIDENTIAL CHILD CARE FACILITY SHALL NOTIFY THE CHILD'S SCHOOL  
22 DISTRICT OF RESIDENCE, THE DISTRICT IN WHICH THE CHILD WILL RECEIVE  
23 EDUCATIONAL SERVICES, AND THE DEPARTMENT OF THE PLACEMENT  
24 WITHIN FIFTEEN DAYS AFTER THE PLACEMENT.

25 **22-54.5-407. State public school fund - created.** (1) (a) THERE  
26 IS CREATED IN THE OFFICE OF THE STATE TREASURER A FUND, SEPARATE  
27 FROM THE GENERAL FUND, TO BE KNOWN AS THE STATE PUBLIC SCHOOL

1 FUND. THE STATE TREASURER SHALL CREDIT TO THE STATE PUBLIC  
2 SCHOOL FUND ALL DISTRIBUTIONS FROM THE STATE PUBLIC SCHOOL  
3 INCOME FUND MADE ON OR AFTER DECEMBER 31, 1973, THE STATE'S  
4 SHARE OF ALL MONEYS RECEIVED FROM THE FEDERAL GOVERNMENT  
5 PURSUANT TO THE PROVISIONS OF SECTION 34-63-102, C.R.S., AND SUCH  
6 ADDITIONAL MONEYS AS THE GENERAL ASSEMBLY APPROPRIATES, WHICH  
7 ARE NECESSARY TO MEET THE STATE FUNDING REQUIREMENTS SPECIFIED  
8 IN THIS ARTICLE. MONEYS ANNUALLY APPROPRIATED BY THE GENERAL  
9 ASSEMBLY SHALL BE TRANSFERRED FROM THE STATE GENERAL FUND AND  
10 CREDITED TO THE STATE PUBLIC SCHOOL FUND IN FOUR QUARTERLY  
11 INSTALLMENTS ON JULY 1, SEPTEMBER 30, DECEMBER 31, AND MARCH 31  
12 TO ENSURE THE AVAILABILITY OF FUNDS FOR THE REQUIRED DISTRIBUTION  
13 OF STATE MONEYS TO DISTRICTS AND INSTITUTE CHARTER SCHOOLS. THE  
14 AMOUNTS OF THE QUARTERLY INSTALLMENTS ARE DETERMINED IN  
15 ACCORDANCE WITH ESTIMATES PREPARED BY THE DEPARTMENT WITH  
16 RESPECT TO THE REQUIRED DISTRIBUTION OF STATE MONEYS TO DISTRICTS  
17 AND INSTITUTE CHARTER SCHOOLS.

18 (b) ANY UNEXPENDED BALANCE OF MONEYS APPROPRIATED BY  
19 THE GENERAL ASSEMBLY IN THE STATE PUBLIC SCHOOL FUND AT THE END  
20 OF A FISCAL YEAR REMAINS IN THE STATE PUBLIC SCHOOL FUND AND IS  
21 AVAILABLE FOR DISTRIBUTION DURING THE FOLLOWING FISCAL YEAR.

22 (2) NO LATER THAN THIRTY DAYS BEFORE THE BEGINNING OF THE  
23 BUDGET YEAR, THE DEPARTMENT SHALL DETERMINE THE ESTIMATED  
24 REQUIREMENTS TO PROVIDE EACH DISTRICT AND EACH INSTITUTE CHARTER  
25 SCHOOL THE AMOUNT IT IS ELIGIBLE TO RECEIVE FROM THE STATE DURING  
26 THE NEXT ENSUING FISCAL YEAR OF THE STATE. THE ESTIMATES MUST  
27 INCLUDE ANY AMOUNT THAT MAY BE NECESSARY TO INCREASE THE

1 FUNDING FOR A DISTRICT CHARTER SCHOOL AS PROVIDED IN SECTION  
2 22-30.5-111.5 (3) (d). THE GENERAL ASSEMBLY SHALL BASE THE AMOUNT  
3 OF THE APPROPRIATION TO THE STATE PUBLIC SCHOOL FUND ON THE  
4 REQUIREMENTS NECESSARY TO PROVIDE ALL DISTRICTS AND INSTITUTE  
5 CHARTER SCHOOLS WITH THE AMOUNTS THEY ARE EACH ELIGIBLE TO  
6 RECEIVE FROM THE STATE PURSUANT TO THE PROVISIONS OF THIS ARTICLE  
7 DURING THE NEXT ENSUING STATE FISCAL YEAR, INCLUDING ANY AMOUNT  
8 THAT A DISTRICT CHARTER SCHOOL MAY BE ELIGIBLE TO RECEIVE AS  
9 PROVIDED IN SECTION 22-30.5-111.5 (3) (d).

10 (3) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO THE  
11 CONTRARY, OF THE TOTAL AMOUNT APPROPRIATED BY THE GENERAL  
12 ASSEMBLY IN THE ANNUAL APPROPRIATION BILL FOR EACH BUDGET YEAR  
13 TO MEET THE STATE'S SHARE OF THE TOTAL PROGRAM OF ALL DISTRICTS  
14 AND THE TOTAL FUNDING FOR ALL INSTITUTE CHARTER SCHOOLS, THE  
15 DEPARTMENT MAY TRANSFER AN AMOUNT SPECIFIED BY THE GENERAL  
16 ASSEMBLY IN THE ANNUAL GENERAL APPROPRIATION ACT FOR THAT  
17 BUDGET YEAR TO OFFSET THE DIRECT AND INDIRECT ADMINISTRATIVE  
18 COSTS INCURRED BY THE DEPARTMENT IN IMPLEMENTING THE PROVISIONS  
19 OF THIS ARTICLE. THE TOTAL PROGRAM OF EACH DISTRICT THAT RECEIVES  
20 STATE SHARE AND THE TOTAL FUNDING FOR EACH INSTITUTE CHARTER  
21 SCHOOL IS REDUCED BY A PERCENTAGE DETERMINED BY DIVIDING THE  
22 AMOUNT OF THE TRANSFER BY THE TOTAL PROGRAM OF ALL DISTRICTS  
23 THAT RECEIVE STATE SHARE PLUS THE TOTAL FUNDING FOR ALL INSTITUTE  
24 CHARTER SCHOOLS. THE STATE SHARE OF EACH DISTRICT IS REDUCED BY  
25 THE AMOUNT OF THE REDUCTION IN THE DISTRICT'S TOTAL PROGRAM OR  
26 THE AMOUNT OF STATE SHARE, WHICHEVER IS LESS. THE FUNDING FOR  
27 EACH INSTITUTE CHARTER SCHOOL IS REDUCED BY THE AMOUNT OF THE

1 REDUCTION IN THE INSTITUTE CHARTER SCHOOL'S TOTAL PROGRAM. THE  
2 DEPARTMENT OF EDUCATION SHALL ENSURE THAT THE REDUCTION IN  
3 STATE SHARE AND INSTITUTE CHARTER SCHOOL FUNDING REQUIRED BY  
4 THIS SUBSECTION (3) IS ACCOMPLISHED BEFORE THE END OF THE BUDGET  
5 YEAR. THE REDUCTIONS DESCRIBED IN THIS SUBSECTION (3) ARE IN  
6 ADDITION TO ANY REDUCTION THAT MAY BE REQUIRED PURSUANT TO  
7 SECTION 22-54.5-408 (3).

8 (4) THE DEPARTMENT SHALL ANNUALLY IDENTIFY BY AUDIT OF  
9 DISTRICTS, THE STATE CHARTER SCHOOL INSTITUTE, AND INSTITUTE  
10 CHARTER SCHOOLS ANY OVERPAYMENTS MADE TO SCHOOL DISTRICTS AND  
11 INSTITUTE CHARTER SCHOOLS. THE NET AMOUNT OF OVERPAYMENTS  
12 RECOVERED BY THE DEPARTMENT DURING A FISCAL YEAR THAT WOULD  
13 OTHERWISE BE TRANSMITTED TO THE STATE TREASURER FOR DEPOSIT IN  
14 THE GENERAL FUND SHALL INSTEAD BE TRANSMITTED TO THE STATE  
15 TREASURER FOR DEPOSIT IN THE STATE PUBLIC SCHOOL FUND. THE  
16 AMOUNT IS AVAILABLE FOR APPROPRIATION TO THE DEPARTMENT IN  
17 SUBSEQUENT FISCAL YEARS.

18 (5) THE DEPARTMENT SHALL REIMBURSE DISTRICTS FOR  
19 EDUCATIONAL SERVICES PROVIDED TO JUVENILES PURSUANT TO SECTION  
20 22-32-141 FROM MONEYS APPROPRIATED TO THE STATE PUBLIC SCHOOL  
21 FUND FOR THAT PURPOSE.

22 (6) THE DEPARTMENT SHALL PAY FROM MONEYS APPROPRIATED TO  
23 THE STATE PUBLIC SCHOOL FUND ALL PUBLISHING COSTS ASSOCIATED  
24 WITH THE ANNUAL PRINTING OF THE LAWS ENACTED BY THE GENERAL  
25 ASSEMBLY CONCERNING EDUCATION.

26 **22-54.5-408. Distribution from state public school fund.**

27 (1) (a) NO LATER THAN JUNE 30 OF EACH YEAR, THE STATE BOARD SHALL

1 DETERMINE THE AMOUNT OF THE STATE SHARE OF EACH DISTRICT'S TOTAL  
2 PROGRAM AND THE AMOUNT OF INVESTMENT MONEYS FOR EACH DISTRICT  
3 FOR THE BUDGET YEAR BEGINNING ON JULY 1, AND THE TOTAL FOR ALL  
4 DISTRICTS. THE AMOUNT FOR EACH DISTRICT IS PAYABLE FROM THE STATE  
5 PUBLIC SCHOOL FUND IN TWELVE APPROXIMATELY EQUAL MONTHLY  
6 PAYMENTS DURING THE BUDGET YEAR; EXCEPT THAT:

7 (I) THE DEPARTMENT SHALL ADJUST THE PAYMENTS FOLLOWING  
8 THE CERTIFICATION OF VALUATIONS FOR ASSESSMENT TO THE STATE  
9 BOARD PURSUANT TO SECTION 22-54.5-404 AND THE CERTIFICATION OF  
10 ANY PAYMENTS IN LIEU OF TAXES RECEIVED BY DISTRICTS PURSUANT TO  
11 SECTION 39-3-114.5, C.R.S.;

12 (II) THE DEPARTMENT SHALL ADJUST THE PAYMENTS IN  
13 ACCORDANCE WITH A DISTRICT'S INSTRUCTIONS GIVEN PURSUANT TO  
14 PARAGRAPH (b) OF THIS SUBSECTION (1);

15 (III) THE DEPARTMENT SHALL ADJUST THE PAYMENTS IF REQUIRED  
16 PURSUANT TO SECTION 22-54.5-405 (6); AND

17 (IV) UPON RECEIVING NOTICE FROM A DISTRICT, THE DEPARTMENT  
18 SHALL INCREASE THE PAYMENTS TO INCLUDE SUPPLEMENTAL FUNDING FOR  
19 A DISTRICT CHARTER SCHOOL AS PROVIDED IN SECTION 22-30.5-111.5 (3)  
20 (d).

21 (b) A DISTRICT MAY GIVE WRITTEN INSTRUCTIONS TO THE STATE  
22 BOARD DIRECTING THE DEPARTMENT TO TRANSFER A SPECIFIED PORTION  
23 OF A MONTHLY PAYMENT OR MONTHLY PAYMENTS THAT THE DISTRICT IS  
24 OTHERWISE ENTITLED TO RECEIVE PURSUANT TO THIS SECTION TO THE  
25 DIVISION OF VOCATIONAL REHABILITATION IN THE DEPARTMENT OF  
26 HUMAN SERVICES FOR THE DISTRICT'S COST OF PARTICIPATING IN  
27 SCHOOL-TO-WORK ALLIANCE PROGRAMS. THE WRITTEN INSTRUCTIONS

1 MUST SPECIFY THE AMOUNT THAT THE DEPARTMENT MUST TRANSFER TO  
2 THE DIVISION OF VOCATIONAL REHABILITATION FROM THE DISTRICT'S  
3 PAYMENT FOR A SPECIFIED MONTH OR MONTHS. THE DISTRICT SHALL  
4 SUBMIT THE WRITTEN INSTRUCTIONS TO THE STATE BOARD NO LATER THAN  
5 THE FIFTH DAY OF THE FIRST MONTH IN WHICH THE AMOUNT IS  
6 TRANSFERRED TO THE DIVISION OF VOCATIONAL REHABILITATION.

7 (2) (a) NO LATER THAN JUNE 30 OF EACH YEAR, THE STATE BOARD  
8 SHALL DETERMINE THE AMOUNT OF EACH INSTITUTE CHARTER SCHOOL'S  
9 FUNDING CALCULATED PURSUANT TO SECTION 22-54.5-202 AND THE  
10 AMOUNT OF EACH INSTITUTE CHARTER SCHOOL'S INVESTMENT MONEYS  
11 FOR THE BUDGET YEAR BEGINNING ON JULY 1, AND THE TOTAL FOR ALL  
12 INSTITUTE CHARTER SCHOOLS. THE AMOUNT FOR EACH INSTITUTE  
13 CHARTER SCHOOL IS PAYABLE FROM THE STATE PUBLIC SCHOOL FUND IN  
14 TWELVE APPROXIMATELY EQUAL MONTHLY PAYMENTS DURING THE  
15 BUDGET YEAR; EXCEPT THAT THE DEPARTMENT SHALL ADJUST THE  
16 PAYMENTS IF REQUIRED PURSUANT TO SECTION 22-54.5-405 (6).

17 (b) THE DEPARTMENT SHALL TRANSFER THE INSTITUTE CHARTER  
18 SCHOOL FUNDING TO THE STATE CHARTER SCHOOL INSTITUTE FOR  
19 DISTRIBUTION PURSUANT TO SECTION 22-30.5-513.5; EXCEPT THAT THE  
20 DEPARTMENT MAY WITHHOLD UP TO ONE PERCENT OF THE TOTAL AMOUNT  
21 DISTRIBUTED TO THE STATE CHARTER SCHOOL INSTITUTE TO OFFSET THE  
22 REASONABLE AND NECESSARY EXPENSES THE DEPARTMENT INCURS IN  
23 IMPLEMENTING PART 5 OF ARTICLE 30.5 OF THIS TITLE.

24 (3) (a) THE GENERAL ASSEMBLY SHALL MAKE ANNUAL  
25 APPROPRIATIONS TO FUND THE STATE SHARE OF THE TOTAL PROGRAM OF  
26 ALL DISTRICTS, THE TOTAL PROGRAM OF ALL INSTITUTE CHARTER  
27 SCHOOLS, AND THE INVESTMENT MONEYS FOR ALL DISTRICTS AND



1 INSTITUTE CHARTER SCHOOLS.

2 (b) IF THE APPROPRIATION, AS ESTABLISHED IN THE GENERAL  
3 APPROPRIATION ACT, FOR THE STATE SHARE OF THE TOTAL PROGRAM OF  
4 ALL DISTRICTS, THE TOTAL PROGRAM OF ALL INSTITUTE CHARTER  
5 SCHOOLS, AND THE INVESTMENT MONEYS FOR ALL DISTRICTS AND  
6 INSTITUTE CHARTER SCHOOLS PURSUANT TO THIS ARTICLE, FOR A BUDGET  
7 YEAR IS NOT SUFFICIENT TO FULLY FUND THE STATE SHARE FOR DISTRICTS,  
8 THE TOTAL PROGRAM FOR INSTITUTE CHARTER SCHOOLS, AND THE  
9 INVESTMENT MONEYS FOR ALL DISTRICTS AND INSTITUTE CHARTER  
10 SCHOOLS, THE DEPARTMENT SHALL SUBMIT A REQUEST FOR A  
11 SUPPLEMENTAL APPROPRIATION IN AN AMOUNT THAT WILL FULLY FUND  
12 THE STATE SHARE FOR DISTRICTS, THE TOTAL PROGRAM FOR INSTITUTE  
13 CHARTER SCHOOLS, AND THE INVESTMENT MONEYS FOR ALL DISTRICTS  
14 AND INSTITUTE CHARTER SCHOOLS. THE DEPARTMENT SHALL SUBMIT THE  
15 REQUEST TO THE GENERAL ASSEMBLY DURING THE FISCAL YEAR IN WHICH  
16 THE FUNDING DEFICIT OCCURS.

17 (c) IF THE GENERAL ASSEMBLY DOES NOT MAKE A SUPPLEMENTAL  
18 APPROPRIATION TO FULLY FUND THE STATE SHARE OF TOTAL PROGRAM OF  
19 ALL DISTRICTS, THE TOTAL PROGRAM OF ALL INSTITUTE CHARTER  
20 SCHOOLS, AND THE INVESTMENT MONEYS FOR ALL DISTRICTS AND  
21 INSTITUTE CHARTER SCHOOLS, OR THE GENERAL ASSEMBLY ENACTS A  
22 SUPPLEMENTAL APPROPRIATION TO REDUCE THE STATE SHARE OF TOTAL  
23 PROGRAM OF ALL DISTRICTS, THE TOTAL PROGRAM FOR INSTITUTE  
24 CHARTER SCHOOLS, AND THE INVESTMENT MONEYS FOR ALL DISTRICTS  
25 AND INSTITUTE CHARTER SCHOOLS, THE DEPARTMENT SHALL REDUCE THE  
26 STATE SHARE FOR EACH DISTRICT, AND THE FUNDING FOR EACH INSTITUTE  
27 CHARTER SCHOOL AS PROVIDED IN THIS PARAGRAPH (c). THE DEPARTMENT

1 SHALL REDUCE THE TOTAL PROGRAM OF EACH DISTRICT THAT RECEIVES  
2 STATE SHARE AND THE TOTAL PROGRAM OF EACH INSTITUTE CHARTER  
3 SCHOOL BY A PERCENTAGE DETERMINED BY DIVIDING THE DEFICIT IN THE  
4 APPROPRIATION OR THE REDUCTION IN THE APPROPRIATION, WHICHEVER  
5 IS APPLICABLE, BY THE TOTAL PROGRAM OF ALL DISTRICTS THAT RECEIVE  
6 STATE SHARE AND ALL INSTITUTE CHARTER SCHOOLS. THE DEPARTMENT  
7 SHALL REDUCE THE STATE SHARE OF EACH DISTRICT BY THE AMOUNT OF  
8 THE REDUCTION IN THE DISTRICT'S TOTAL PROGRAM OR THE AMOUNT OF  
9 STATE SHARE, WHICHEVER IS LESS. THE DEPARTMENT SHALL REDUCE THE  
10 FUNDING FOR EACH INSTITUTE CHARTER SCHOOL BY THE AMOUNT OF THE  
11 REDUCTION IN THE INSTITUTE CHARTER SCHOOL'S TOTAL PROGRAM. THE  
12 DEPARTMENT SHALL ENSURE THAT IT ACCOMPLISHES THE REDUCTION IN  
13 STATE SHARE REQUIRED BY THIS PARAGRAPH (c) BEFORE THE END OF THE  
14 BUDGET YEAR.

15 (4) (a) THE GENERAL ASSEMBLY SHALL MAKE ANNUAL  
16 APPROPRIATIONS, IN ADDITION TO THE AMOUNT REQUIRED IN SUBSECTION  
17 (3) OF THIS SECTION, TO FUND THE SUPPLEMENTAL FUNDING FOR DISTRICT  
18 CHARTER SCHOOLS CALCULATED AS PROVIDED IN SECTION 22-30.5-111.5  
19 (3) (d). IF THE APPROPRIATION, AS ESTABLISHED IN THE GENERAL  
20 APPROPRIATION ACT, FOR THE SUPPLEMENTAL FUNDING FOR DISTRICT  
21 CHARTER SCHOOLS FOR A BUDGET YEAR IS NOT SUFFICIENT TO FULLY FUND  
22 THE SUPPLEMENTAL FUNDING FOR DISTRICT CHARTER SCHOOLS, THE  
23 DEPARTMENT SHALL SUBMIT A REQUEST FOR A SUPPLEMENTAL  
24 APPROPRIATION IN AN AMOUNT THAT WILL FULLY FUND THE  
25 SUPPLEMENTAL FUNDING FOR DISTRICT CHARTER SCHOOLS. THE  
26 DEPARTMENT SHALL SUBMIT THE REQUEST TO THE GENERAL ASSEMBLY  
27 DURING THE FISCAL YEAR IN WHICH THE FUNDING DEFICIT OCCURS.

1 (b) IF THE GENERAL ASSEMBLY DOES NOT MAKE A SUPPLEMENTAL  
2 APPROPRIATION TO FULLY FUND THE SUPPLEMENTAL FUNDING FOR  
3 DISTRICT CHARTER SCHOOLS, OR THE GENERAL ASSEMBLY ENACTS A  
4 SUPPLEMENTAL APPROPRIATION TO REDUCE THE SUPPLEMENTAL FUNDING  
5 FOR DISTRICT CHARTER SCHOOLS, THE DEPARTMENT SHALL REDUCE THE  
6 AMOUNT OF SUPPLEMENTAL FUNDING FOR EACH QUALIFYING DISTRICT  
7 CHARTER SCHOOL BY THE PERCENTAGE OF THE DEFICIT IN THE AMOUNT  
8 REQUIRED TO FULLY FUND THE SUPPLEMENTAL FUNDING FOR EACH  
9 QUALIFYING DISTRICT CHARTER SCHOOL. THE DEPARTMENT SHALL ENSURE  
10 THAT IT ACCOMPLISHES THE REDUCTION IN SUPPLEMENTAL FUNDING FOR  
11 DISTRICT CHARTER SCHOOLS BEFORE THE END OF THE BUDGET YEAR.

12 (5) NO LATER THAN THE FIFTEENTH DAY OF EACH MONTH, THE  
13 STATE BOARD SHALL CERTIFY TO THE STATE TREASURER THE AMOUNT  
14 PAYABLE TO EACH DISTRICT AND TO THE STATE CHARTER SCHOOL  
15 INSTITUTE FOR INSTITUTE CHARTER SCHOOLS IN ACCORDANCE WITH THIS  
16 SECTION DURING THE MONTH AND THE AMOUNT, IF ANY, TO BE  
17 TRANSFERRED TO THE DIVISION OF VOCATIONAL REHABILITATION DURING  
18 THE MONTH IN ACCORDANCE WITH PARAGRAPH (b) OF SUBSECTION (1) OF  
19 THIS SECTION.

20 (6) NO LATER THAN THE TWENTY-FIFTH DAY OF EACH MONTH, THE  
21 STATE TREASURER SHALL:

22 (a) PAY THE AMOUNT CERTIFIED AS PAYABLE TO EACH DISTRICT,  
23 LESS THE TOTAL AMOUNT OF ANY DIRECT PAYMENTS OF PRINCIPAL AND  
24 INTEREST DUE ON BONDS PURSUANT TO SECTION 22-30.5-406 MADE BY  
25 THE STATE TREASURER ON BEHALF OF A CHARTER SCHOOL AUTHORIZED BY  
26 THE DISTRICT, DIRECTLY TO THE TREASURER OF EACH DISTRICT OR, IN  
27 ACCORDANCE WITH WRITTEN INSTRUCTIONS FROM THE DISTRICT,

1 DIRECTLY TO AN ACCOUNT DESIGNATED BY THE DISTRICT THAT ALLOWS  
2 THE DISTRICT TO RETAIN TITLE TO THE MONEYS;

3 (b) TRANSFER THE AMOUNT CERTIFIED, IF ANY, TO THE DIVISION  
4 OF VOCATIONAL REHABILITATION; AND

5 (c) PAY THE AMOUNT CERTIFIED AS PAYABLE TO THE STATE  
6 CHARTER SCHOOL INSTITUTE DIRECTLY OR, IN ACCORDANCE WITH  
7 WRITTEN INSTRUCTIONS FROM THE STATE CHARTER SCHOOL INSTITUTE,  
8 DIRECTLY TO AN ACCOUNT DESIGNATED BY THE STATE CHARTER SCHOOL  
9 INSTITUTE THAT ALLOWS THE STATE CHARTER SCHOOL INSTITUTE TO  
10 RETAIN TITLE TO THE FUNDS.

11 (7) THE STATE BOARD SHALL TAKE CARE TO AVOID OVERPAYMENT  
12 OF STATE MONEYS. IF THE DEPARTMENT FINDS THAT A DISTRICT OR THE  
13 STATE CHARTER SCHOOL INSTITUTE HAS BEEN OVERPAID IN A MONTH, THE  
14 STATE BOARD SHALL ADJUST THE FOLLOWING MONTHLY PAYMENT OR  
15 PAYMENTS TO THE DISTRICT OR THE STATE CHARTER SCHOOL INSTITUTE  
16 SO AS TO RECOVER THE AMOUNT OVERPAID. IF AN OVERPAYMENT CANNOT  
17 BE RECOVERED, THE DISTRICT OR THE STATE CHARTER SCHOOL INSTITUTE  
18 THAT RECEIVED THE OVERPAYMENT SHALL REFUND THE OVERPAYMENT  
19 AMOUNT TO THE STATE PUBLIC SCHOOL FUND.

20 **22-54.5-409. Facility school funding - rules - definitions -**  
21 **legislative declaration.** (1) AS USED IN THIS SECTION, UNLESS THE  
22 CONTEXT OTHERWISE REQUIRES:

23 (a) "APPROVED FACILITY SCHOOL" HAS THE SAME MEANING AS  
24 PROVIDED IN SECTION 22-2-402 (1).

25 (b) "FACILITY" HAS THE SAME MEANING AS PROVIDED IN SECTION  
26 22-2-402 (3).

27 (c) "PUPIL ENROLLMENT" MEANS THE NUMBER OF STUDENTS

1 RECEIVING EDUCATIONAL SERVICES AT AN APPROVED FACILITY SCHOOL OR  
2 STATE PROGRAM.

3 (d) "STATE PROGRAM" MEANS THE COLORADO SCHOOL FOR THE  
4 DEAF AND THE BLIND OR THE EDUCATION PROGRAM OPERATED BY THE  
5 COLORADO MENTAL HEALTH INSTITUTE AT PUEBLO OR FORT LOGAN FOR  
6 STUDENTS FOR WHOM THE INSTITUTE HAS RESPONSIBILITY BECAUSE OF A  
7 COURT ORDER OR OTHER ACTION BY A PUBLIC ENTITY IN COLORADO.

8 (2) EACH APPROVED FACILITY SCHOOL AND STATE PROGRAM THAT  
9 MEETS THE REQUIREMENTS OF THIS SECTION RECEIVES EDUCATION  
10 PROGRAM FUNDING, WHICH THE DEPARTMENT SHALL DISTRIBUTE  
11 PURSUANT TO SUBSECTION (3) OF THIS SECTION. THE AMOUNT OF FUNDING  
12 AVAILABLE FOR ALL APPROVED FACILITY SCHOOLS AND STATE PROGRAMS  
13 IN A BUDGET YEAR IS AN AMOUNT EQUAL TO THE PUPIL ENROLLMENT OF  
14 EACH APPROVED FACILITY SCHOOL AND STATE PROGRAM FOR THE  
15 APPLICABLE BUDGET YEAR MULTIPLIED BY AN AMOUNT EQUAL TO ONE  
16 AND ONE-THIRD OF THE STATE AVERAGE PER PUPIL REVENUE FOR THE  
17 APPLICABLE BUDGET YEAR.

18 (3) (a) TO RECEIVE EDUCATION PROGRAM FUNDING PURSUANT TO  
19 THIS SECTION, AN APPROVED FACILITY SCHOOL OR A STATE PROGRAM  
20 MUST, ON OR BEFORE THE FIFTEENTH DAY OF EACH MONTH, REPORT TO  
21 THE DEPARTMENT, IN A MANNER DETERMINED BY THE DEPARTMENT, THE  
22 ACTUAL NUMBER OF STUDENTS WHO RECEIVED EDUCATIONAL SERVICES AT  
23 THE FACILITY SCHOOL OR STATE PROGRAM FOR THE PRIOR CALENDAR  
24 MONTH AND THE CORRESPONDING NUMBER OF FULL-TIME EQUIVALENT  
25 STUDENTS TO WHICH THE APPROVED FACILITY SCHOOL OR STATE PROGRAM  
26 PROVIDED EDUCATIONAL SERVICES. THE DEPARTMENT MAY ACCEPT  
27 AMENDED MONTHLY REPORTS FROM AN APPROVED FACILITY SCHOOL OR

1 A STATE PROGRAM BEFORE MAKING THE DISTRIBUTION OF FUNDING FOR  
2 THE APPLICABLE MONTH PURSUANT TO PARAGRAPH (b) OF THIS  
3 SUBSECTION (3).

4 (b) ON OR BEFORE THE FIFTEENTH DAY OF THE MONTH FOLLOWING  
5 THE MONTH IN WHICH AN APPROVED FACILITY SCHOOL OR A STATE  
6 PROGRAM REPORTED THE NUMBER OF STUDENTS TO WHICH IT PROVIDED  
7 EDUCATIONAL SERVICES AND THE NUMBER OF FULL-TIME EQUIVALENT  
8 STUDENTS TO WHICH THE APPROVED FACILITY SCHOOL OR STATE PROGRAM  
9 PROVIDED SERVICES PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION  
10 (3), THE DEPARTMENT SHALL PAY THE APPROVED FACILITY SCHOOL OR  
11 STATE PROGRAM A PROPORTIONAL AMOUNT OF THE TOTAL AMOUNT OF  
12 EDUCATION PROGRAM FUNDING AS DETERMINED PURSUANT TO  
13 SUBSECTION (2) OF THIS SECTION, BASED ON THE APPROVED FACILITY  
14 SCHOOL'S OR STATE PROGRAM'S REPORTED NUMBER OF FULL-TIME  
15 EQUIVALENT STUDENTS.

16 (c) THE DEPARTMENT MAY PRORATE THE PAYMENTS MADE  
17 PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (3) IF THE  
18 DEPARTMENT DETERMINES THAT PRORATION IS NECESSARY TO  
19 ACCOMMODATE A PROJECTED SHORTFALL IN EDUCATION PROGRAM  
20 FUNDING AS CALCULATED PURSUANT TO SUBSECTION (2) OF THIS SECTION.

21 (4) IN EACH APPLICABLE BUDGET YEAR, THE GENERAL ASSEMBLY  
22 SHALL APPROPRIATE TO THE DEPARTMENT THE AMOUNT REQUIRED FOR  
23 EDUCATION PROGRAM FUNDING PURSUANT TO SUBSECTION (2) OF THIS  
24 SECTION.

25 (5) (a) THE STATE BOARD SHALL PROMULGATE RULES IN  
26 ACCORDANCE WITH THE "STATE ADMINISTRATIVE PROCEDURE ACT",  
27 ARTICLE 4 OF TITLE 24, C.R.S., AS NECESSARY FOR THE ADMINISTRATION

1 AND ENFORCEMENT OF THIS SECTION. IN PROMULGATING THE RULES, THE  
2 STATE BOARD SHALL SEEK INPUT FROM APPROVED FACILITY SCHOOLS,  
3 STATE PROGRAMS, DISTRICTS, AND ORGANIZATIONS THAT REPRESENT  
4 FACILITY SCHOOLS.

5 (b) IN PROMULGATING RULES PURSUANT TO PARAGRAPH (a) OF  
6 THIS SUBSECTION (5), THE STATE BOARD SHALL SEEK INPUT FROM THE  
7 FACILITY SCHOOLS BOARD CREATED IN SECTION 22-2-404.

8 (6) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT, FOR THE  
9 PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION,  
10 PROVIDING FUNDING FOR PUPILS WHO ARE PLACED IN A FACILITY AND  
11 RECEIVE EDUCATIONAL SERVICES THROUGH AN APPROVED FACILITY  
12 SCHOOL, WHO ATTEND THE COLORADO SCHOOL FOR THE DEAF AND THE  
13 BLIND, OR WHO RECEIVE EDUCATIONAL SERVICES THROUGH AN  
14 EDUCATION PROGRAM OPERATED BY THE COLORADO MENTAL HEALTH  
15 INSTITUTE AT PUEBLO OR FORT LOGAN IS A PROGRAM FOR ACCOUNTABLE  
16 EDUCATION REFORM AND MAY THEREFORE RECEIVE FUNDING FROM THE  
17 STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF  
18 THE STATE CONSTITUTION.

19 **22-54.5-410. Funding - allocation within districts - rules.**

20 (1) (a) EACH DISTRICT SHALL ANNUALLY CALCULATE THE DISTRICT'S PER  
21 PUPIL AT-RISK FUNDING BY DIVIDING THE TOTAL AMOUNT OF AT-RISK  
22 FUNDING RECEIVED BY THE DISTRICT FOR THE APPLICABLE BUDGET YEAR  
23 BY:

24 (I) THE NUMBER OF AT-RISK PUPILS PROJECTED TO BE ENROLLED  
25 ON THE FIRST SCHOOL DAY OF THE APPLICABLE BUDGET YEAR IN A  
26 CHARTER SCHOOL OF THE DISTRICT THAT IS IN ITS FIRST YEAR OF  
27 ENROLLING PUPILS; PLUS

1 (II) THE NUMBER OF AT-RISK PUPILS ENROLLED EACH SCHOOL DAY  
2 IN CHARTER SCHOOLS OF THE DISTRICT THAT ARE IN THE SECOND YEAR OF  
3 ENROLLING PUPILS, TOTALED FOR THE FIRST HALF OF THE PRECEDING  
4 BUDGET YEAR AND DIVIDED BY THE NUMBER OF SCHOOL DAYS IN THE  
5 FIRST HALF OF THE PRECEDING BUDGET YEAR; PLUS

6 (III) THE NUMBER OF AT-RISK PUPILS ENROLLED IN THE DISTRICT  
7 EACH SCHOOL DAY, LESS THE NUMBER OF AT-RISK PUPILS ENROLLED EACH  
8 SCHOOL DAY IN CHARTER SCHOOLS OF THE DISTRICT THAT ARE IN THE  
9 SECOND YEAR OF ENROLLING PUPILS, TOTALED FOR THE APPLICABLE  
10 FUNDING AVERAGING PERIOD AND DIVIDED BY THE NUMBER OF SCHOOL  
11 DAYS IN THE APPLICABLE FUNDING AVERAGING PERIOD.

12 (b) EACH DISTRICT SHALL ANNUALLY ALLOCATE THE DISTRICT  
13 AT-RISK FUNDING AS FOLLOWS:

14 (I) TO EACH CHARTER SCHOOL OF THE DISTRICT, AN AMOUNT  
15 EQUAL TO THE PER PUPIL AT-RISK FUNDING MULTIPLIED BY:

16 (A) THE CHARTER SCHOOL'S AT-RISK PUPIL AVERAGE DAILY  
17 MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING PERIOD; OR

18 (B) FOR A CHARTER SCHOOL IN ITS FIRST YEAR OF ENROLLING  
19 PUPILS, THE NUMBER OF AT-RISK PUPILS PROJECTED TO BE ENROLLED ON  
20 THE FIRST SCHOOL DAY OF THE APPLICABLE BUDGET YEAR; OR

21 (C) FOR A CHARTER SCHOOL IN ITS SECOND YEAR OF ENROLLING  
22 PUPILS, THE CHARTER SCHOOL'S AT-RISK PUPIL AVERAGE DAILY  
23 MEMBERSHIP FOR THE FIRST HALF OF THE PRECEDING BUDGET YEAR; AND

24 (II) TO EACH PUBLIC SCHOOL OF THE SCHOOL DISTRICT THAT IS  
25 NOT A CHARTER SCHOOL, THE DISTRICT'S STATE SHARE PORTION OF THE  
26 PER PUPIL AT-RISK FUNDING MULTIPLIED BY THE PUBLIC SCHOOL'S AT-RISK  
27 PUPIL AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING



1 AVERAGING PERIOD.

2 (2) (a) EACH DISTRICT SHALL ANNUALLY CALCULATE THE  
3 DISTRICT'S PER PUPIL ENGLISH LANGUAGE LEARNER FUNDING BY DIVIDING  
4 THE TOTAL AMOUNT OF ENGLISH LANGUAGE LEARNER FUNDING RECEIVED  
5 BY THE DISTRICT FOR THE APPLICABLE BUDGET YEAR BY THE DISTRICT'S  
6 ENGLISH LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP FOR THE  
7 APPLICABLE FUNDING AVERAGING PERIOD.

8 (b) EACH DISTRICT SHALL ANNUALLY ALLOCATE THE DISTRICT  
9 ENGLISH LANGUAGE LEARNER FUNDING AS FOLLOWS:

10 (I) TO EACH CHARTER SCHOOL OF THE DISTRICT, AN AMOUNT  
11 EQUAL TO THE PER PUPIL ENGLISH LANGUAGE LEARNER FUNDING  
12 MULTIPLIED BY:

13 (A) THE CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER  
14 AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING  
15 PERIOD; OR

16 (B) FOR A CHARTER SCHOOL IN ITS FIRST YEAR OF ENROLLING  
17 PUPILS, THE NUMBER OF ENGLISH LANGUAGE LEARNERS PROJECTED TO BE  
18 ENROLLED ON THE FIRST SCHOOL DAY OF THE APPLICABLE BUDGET YEAR;  
19 OR

20 (C) FOR A CHARTER SCHOOL IN ITS SECOND YEAR OF ENROLLING  
21 PUPILS, THE CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER AVERAGE  
22 DAILY MEMBERSHIP FOR THE FIRST HALF OF THE PRECEDING BUDGET YEAR;  
23 AND

24 (II) TO EACH PUBLIC SCHOOL OF THE DISTRICT THAT IS NOT A  
25 CHARTER SCHOOL, THE DISTRICT'S STATE SHARE PORTION OF THE PER PUPIL  
26 ENGLISH LANGUAGE LEARNER FUNDING MULTIPLIED BY THE PUBLIC  
27 SCHOOL'S ENGLISH LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP

1 FOR THE APPLICABLE FUNDING AVERAGING PERIOD.

2 (3) IF A DISTRICT'S TOTAL PROGRAM FUNDING IS ADJUSTED  
3 MID-YEAR PURSUANT TO SECTION 22-54.5- 405 (3), THE DISTRICT SHALL  
4 RECALCULATE ITS PER PUPIL AT-RISK FUNDING AND PER PUPIL ENGLISH  
5 LANGUAGE LEARNER FUNDING AND ADJUST THE DISTRIBUTION TO  
6 CHARTER SCHOOLS AND OTHER PUBLIC SCHOOLS OF THE DISTRICT  
7 ACCORDINGLY.

8 (4) (a) THE PRINCIPAL OF EACH PUBLIC SCHOOL THAT IS NOT A  
9 CHARTER SCHOOL AND THAT RECEIVES AN ALLOCATION OF PER PUPIL  
10 AT-RISK FUNDING AND PER PUPIL ENGLISH LANGUAGE LEARNER FUNDING  
11 PURSUANT TO THIS SECTION HAS FULL AUTONOMY TO USE THE AT-RISK  
12 FUNDING AND ENGLISH LANGUAGE LEARNER FUNDING AS THE PRINCIPAL  
13 DETERMINES IS BEST FOR THE AT-RISK PUPILS AND ENGLISH LANGUAGE  
14 LEARNERS ENROLLED AT THE PUBLIC SCHOOL; EXCEPT THAT THE  
15 PRINCIPAL SHALL NOT USE ANY AMOUNT OF THE AT-RISK FUNDING FOR  
16 PROGRAMS, ACTIVITIES, OR PERSONNEL THAT DO NOT PRIMARILY SERVE  
17 AT-RISK PUPILS AND SHALL NOT USE ANY AMOUNT OF THE ENGLISH  
18 LANGUAGE LEARNER FUNDING FOR PROGRAMS, ACTIVITIES, OR PERSONNEL  
19 THAT DO NOT PRIMARILY SERVE ENGLISH LANGUAGE LEARNERS.

20 (b) A PRINCIPAL MAY USE THE AT-RISK FUNDING ALLOCATED TO  
21 THE PRINCIPAL'S PUBLIC SCHOOL PURSUANT TO THIS SECTION TO PURCHASE  
22 AT-RISK PROGRAMS OR SERVICES FROM THE DISTRICT AND MAY USE THE  
23 ENGLISH LANGUAGE LEARNER FUNDING ALLOCATED TO THE PRINCIPAL'S  
24 PUBLIC SCHOOL TO PURCHASE ENGLISH LANGUAGE LEARNER PROGRAMS  
25 OR SERVICES FROM THE DISTRICT.

26 (c) A PRINCIPAL MAY CHOOSE TO FOREGO THE CONTROL OF  
27 AT-RISK FUNDING AND ENGLISH LANGUAGE LEARNER FUNDING

1 ALLOCATED TO THE PRINCIPAL'S PUBLIC SCHOOL PURSUANT TO THIS  
2 SECTION, IN WHICH CASE THE DISTRICT MAINTAINS CONTROL OF THE  
3 AT-RISK FUNDING AND ENGLISH LANGUAGE LEARNER FUNDING  
4 ALLOCATED TO THE PUBLIC SCHOOL.

5 (5) EACH DISTRICT SHALL USE THE LOCAL SHARE OF THE AT-RISK  
6 FUNDING TO PROVIDE PROGRAMS, ACTIVITIES, AND PERSONNEL THAT  
7 PRIMARILY SERVE AT-RISK PUPILS. EACH DISTRICT SHALL USE THE LOCAL  
8 SHARE OF THE ENGLISH LANGUAGE LEARNER FUNDING TO PROVIDE  
9 PROGRAMS, ACTIVITIES, AND PERSONNEL THAT PRIMARILY SERVE ENGLISH  
10 LANGUAGE LEARNERS.

11 (6) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE  
12 CONTRARY, A DISTRICT MAY APPLY TO THE STATE BOARD FOR A WAIVER  
13 OF THE REQUIREMENTS OF THIS SECTION REGARDING DISTRIBUTION OF PER  
14 PUPIL AT-RISK FUNDING AND PER PUPIL ENGLISH LANGUAGE LEARNER  
15 FUNDING TO THE SCHOOLS OF THE DISTRICT THAT ARE NOT CHARTER  
16 SCHOOLS. THE STATE BOARD MAY GRANT THE WAIVER BY A MAJORITY  
17 VOTE ONLY IF IT FINDS THAT THE DISTRICT HAS IN PLACE AND IS  
18 IMPLEMENTING A STUDENT-BASED FUNDING ALLOCATION PLAN THAT  
19 DISTRIBUTES A SIGNIFICANT PORTION OF THE DISTRICT'S FUNDING TO THE  
20 CONTROL OF THE PRINCIPALS OF THE SCHOOLS OF THE DISTRICT THAT ARE  
21 NOT CHARTER SCHOOLS. THE STATE BOARD MAY PROMULGATE RULES AS  
22 NECESSARY TO IMPLEMENT THIS SUBSECTION (6).

23 **22-54.5-411. National school lunch eligibility - applications.**

24 (1) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2) OF THIS SECTION,  
25 EACH SCHOOL OF A DISTRICT, INCLUDING EACH CHARTER SCHOOL OF A  
26 DISTRICT, AND EACH INSTITUTE CHARTER SCHOOL SHALL INCLUDE IN THE  
27 MATERIALS FOR PUPIL REGISTRATION THE PUPIL APPLICATION FORM TO

1 PARTICIPATE UNDER THE FEDERAL "NATIONAL SCHOOL LUNCH ACT", 42  
2 U.S.C. SEC. 1751 ET SEQ., REFERRED TO IN THIS SECTION AS THE "PUPIL  
3 APPLICATION FORM". THE REGISTRATION MATERIALS MUST INCLUDE AN  
4 EXPLANATION TO PARENTS THAT THE SCHOOL OF THE DISTRICT, DISTRICT  
5 CHARTER SCHOOL, OR INSTITUTE CHARTER SCHOOL USES THE PUPIL  
6 APPLICATION FORM TO DETERMINE WHETHER THE SCHOOL OF THE  
7 DISTRICT, DISTRICT CHARTER SCHOOL, OR INSTITUTE CHARTER SCHOOL IS  
8 ELIGIBLE FOR AT-RISK FUNDING ON BEHALF OF THE PUPIL AND THAT, BY  
9 FILLING OUT THE FORM, THE PARENT IS ENSURING THAT THE SCHOOL  
10 DISTRICT OR SCHOOL WILL RECEIVE THE AT-RISK FUNDING TO WHICH IT IS  
11 ENTITLED BASED ON THE POPULATION OF AT-RISK PUPILS SERVED BY THE  
12 SCHOOL DISTRICT OR SCHOOL.

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

22 (3) IN CERTIFYING THE AVERAGE DAILY ENROLLMENT PURSUANT  
23 TO SECTION 22-54.5-405, THE SECRETARY OF THE BOARD OF EDUCATION  
24 OF EACH DISTRICT AND EACH INSTITUTE CHARTER SCHOOL SHALL SPECIFY  
25 AS AT-RISK PUPILS THOSE PUPILS IDENTIFIED THROUGH USE OF THE PUPIL  
26 APPLICATION FORM AND THE FAMILY ECONOMIC DATA SURVEY FORM. A  
27 PUPIL WHO IS IDENTIFIED AS AN AT-RISK PUPIL ONCE DURING A SCHOOL

1 YEAR IS PRESUMED TO QUALIFY AS AN AT-RISK PUPIL THROUGHOUT THE  
2 REMAINDER OF THE SCHOOL YEAR.

3 **SECTION 2.** In Colorado Revised Statutes, **add** 22-30.5-111.5  
4 and 22-30.5-111.7 as follows:

5 **22-30.5-111.5. Charter schools - financing - definitions.** (1) AS  
6 USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7

8 (a) "ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP" HAS THE  
9 SAME MEANING AS PROVIDED IN SECTION 22-54.5-103 (4).

10 (b) "AT-RISK" HAS THE SAME MEANING AS PROVIDED IN SECTION  
11 22-54.5-103 (5).

12 (c) "AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP" HAS THE SAME  
13 MEANING AS PROVIDED IN SECTION 22-54.5-103 (6).

14 (d) "AVERAGE DAILY MEMBERSHIP" HAS THE SAME MEANING AS  
15 PROVIDED IN SECTION 22-54.5-103 (8).

16 (e) "CENTRAL ADMINISTRATIVE OVERHEAD COSTS" MEANS  
17 INDIRECT COSTS INCURRED IN PROVIDING:

18 (I) SERVICES LISTED UNDER THE HEADING OF SUPPORT SERVICES  
19 - GENERAL ADMINISTRATION IN THE SCHOOL DISTRICT CHART OF  
20 ACCOUNTS AS SPECIFIED BY RULE OF THE STATE BOARD; AND

21 (II) SALARIES AND BENEFITS FOR ADMINISTRATIVE JOB  
22 CLASSIFICATIONS LISTED UNDER THE HEADINGS OF SUPPORT SERVICES -  
23 BUSINESS AND SUPPORT SERVICES - CENTRAL IN THE SCHOOL DISTRICT  
24 CHART OF ACCOUNTS AS SPECIFIED BY RULE OF THE STATE BOARD.

25 (f) "DIRECT COSTS" MEANS THE DIRECT COSTS INCURRED BY A  
26 SCHOOL DISTRICT SOLELY FOR THE PURPOSE OF REVIEWING CHARTER  
27 APPLICATIONS, NEGOTIATING THE CHARTER CONTRACT, AND PROVIDING

1 DIRECT OVERSIGHT TO CHARTER SCHOOLS. "DIRECT COSTS" DOES NOT  
2 INCLUDE THE SCHOOL DISTRICT'S LEGAL OR OTHER COSTS ATTRIBUTABLE  
3 TO LITIGATION OR THE RESOLUTION OF A DISPUTE WITH A CHARTER  
4 SCHOOL.

5 (g) "DISTRICT'S CERTIFIED CHARTER SCHOOL AVERAGE DAILY  
6 MEMBERSHIP" HAS THE SAME MEANING AS PROVIDED IN SECTION  
7 22-54.5-309 (1) (c).

8 (h) "ENGLISH LANGUAGE LEARNER" HAS THE SAME MEANING AS  
9 PROVIDED IN SECTION 22-54.5-103 (16).

10 (i) "ENGLISH LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP"  
11 HAS THE SAME MEANING AS PROVIDED IN SECTION 22-54.5-103 (17).

12 (j) "EXCESS COST OF PROVIDING FEDERALLY REQUIRED  
13 EDUCATIONAL SERVICES" MEANS THE PER PUPIL COST THAT A SCHOOL  
14 DISTRICT INCURS IN PROVIDING FEDERALLY REQUIRED EDUCATIONAL  
15 SERVICES TO STUDENTS, MINUS THE AMOUNT THE SCHOOL DISTRICT  
16 RECEIVES IN FEDERAL AND STATE MONEYS TO PROVIDE THE SERVICES.

17 (k) "FUNDING AVERAGING PERIOD" HAS THE SAME MEANING AS  
18 PROVIDED IN SECTION 22-54.5-103 (20).

19 (l) "INVESTMENT MONEYS" HAS THE SAME MEANING AS PROVIDED  
20 IN SECTION 22-54.5-103 (23).

21 (m) "MEMBERSHIP" HAS THE SAME MEANING AS PROVIDED IN  
22 SECTION 22-54.5-103 (26).

23 (n) "MULTI-DISTRICT ON-LINE SCHOOL" HAS THE SAME MEANING  
24 AS PROVIDED IN SECTION 22-30.7-102 (6).

25 (o) "ON-LINE AVERAGE DAILY MEMBERSHIP" HAS THE SAME  
26 MEANING AS PROVIDED IN SECTION 22-54.5-103 (28).

27

1           (p) "PER PUPIL FUNDING" MEANS THE AMOUNT CALCULATED FOR  
2 A DISTRICT PURSUANT TO SECTION 22-54.5-201 (3).

3           (q) "QUALIFIED CHARTER SCHOOL" HAS THE SAME MEANING AS  
4 PROVIDED IN SECTION 22-54.5-309 (1) (e).

5           (2) (a) FOR PURPOSES OF THE "PUBLIC SCHOOL FINANCE ACT",  
6 ARTICLE 54.5 OF THIS TITLE, AN AUTHORIZING SCHOOL DISTRICT SHALL  
7 INCLUDE THE PUPILS ENROLLED IN A CHARTER SCHOOL IN THE SCHOOL  
8 DISTRICT'S DAILY MEMBERSHIP FOR PURPOSES OF CALCULATING AVERAGE  
9 DAILY MEMBERSHIP, PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP,  
10 AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP, AND ENGLISH LANGUAGE  
11 LEARNER AVERAGE DAILY MEMBERSHIP, AS APPLICABLE, FOR EACH  
12 BUDGET YEAR. THE AUTHORIZING SCHOOL DISTRICT SHALL ALSO INCLUDE  
13 THE PUPILS ENROLLED IN THE CHARTER SCHOOL IN THE DISTRICT'S DAILY  
14 MULTI-DISTRICT ON-LINE SCHOOL AND ASCENT PROGRAM ENROLLMENT,  
15 AS APPLICABLE, FOR PURPOSES OF CALCULATING THE DISTRICT'S ON-LINE  
16 AVERAGE DAILY MEMBERSHIP AND ASCENT PROGRAM AVERAGE DAILY  
17 MEMBERSHIP FOR EACH BUDGET YEAR. IN REPORTING MEMBERSHIP AND  
18 MULTI-DISTRICT ON-LINE SCHOOL AND ASCENT PROGRAM ENROLLMENT  
19 TO THE DEPARTMENT PURSUANT TO SECTION 22-54.5-405, THE  
20 AUTHORIZING SCHOOL DISTRICT SHALL SPECIFY THE NUMBER OF PUPILS  
21 INCLUDED IN THE SCHOOL DISTRICT'S MEMBERSHIP AND MULTI-DISTRICT  
22 ON-LINE SCHOOL AND ASCENT PROGRAM ENROLLMENT WHO ARE  
23 ACTUALLY INCLUDED IN THE MEMBERSHIP AND MULTI-DISTRICT ON-LINE  
24 SCHOOL AND ASCENT PROGRAM ENROLLMENT OF EACH CHARTER  
25 SCHOOL.

26           (b) THE SCHOOL DISTRICT SHALL REPORT TO THE DEPARTMENT THE  
27 PROJECTED MEMBERSHIP, INCLUDING SPECIFYING THE PROJECTED NUMBER

1 OF PRESCHOOL PUPILS, AT-RISK PUPILS, AND ENGLISH LANGUAGE  
2 LEARNERS, FOR THE FIRST SCHOOL DAY OF THE FIRST SCHOOL YEAR IN  
3 WHICH A NEW CHARTER SCHOOL OF THE DISTRICT ENROLLS PUPILS. IF THE  
4 NEW CHARTER SCHOOL IS A MULTI-DISTRICT ON-LINE SCHOOL, THE  
5 DISTRICT SHALL REPORT TO THE DEPARTMENT THE PROJECTED ON-LINE  
6 PUPIL ENROLLMENT, INCLUDING SPECIFYING THE PROJECTED NUMBER OF  
7 AT-RISK PUPILS AND ENGLISH LANGUAGE LEARNERS, FOR THE FIRST  
8 SCHOOL DAY OF THE FIRST SCHOOL YEAR IN WHICH THE NEW CHARTER  
9 SCHOOL OF THE DISTRICT ENROLLS PUPILS.

10 (c) THE SCHOOL DISTRICT SHALL IDENTIFY IN A REPORT TO THE  
11 DEPARTMENT:

12 (I) EACH CHARTER SCHOOL THAT IS A QUALIFIED CHARTER  
13 SCHOOL;

14 (II) EACH QUALIFIED CHARTER SCHOOL THAT WILL BE OPERATING  
15 IN A SCHOOL DISTRICT FACILITY AND THAT DOES NOT HAVE ONGOING  
16 FINANCIAL OBLIGATIONS INCURRED TO REPAY THE OUTSTANDING COSTS  
17 OF NEW CONSTRUCTION UNDERTAKEN FOR THE CHARTER SCHOOL'S  
18 BENEFIT; AND

19 (III) AN ESTIMATE OF THE NUMBER OF PUPILS EXPECTED TO BE  
20 INCLUDED IN THE AVERAGE DAILY MEMBERSHIP FOR EACH QUALIFIED  
21 CHARTER SCHOOL FOR THE FUNDING AVERAGE PERIOD FOR THE BUDGET  
22 YEAR FOLLOWING THE BUDGET YEAR IN WHICH THE DISTRICT SUBMITS THE  
23 REPORT.

24 (3) (a) AS PART OF THE CHARTER SCHOOL CONTRACT, EACH  
25 CHARTER SCHOOL AND THE AUTHORIZING SCHOOL DISTRICT SHALL AGREE  
26 ON FUNDING AND ANY SERVICES THAT THE SCHOOL DISTRICT PROVIDES TO  
27 THE CHARTER SCHOOL. EXCEPT AS OTHERWISE PROVIDED IN SUBSECTIONS



1 (5) AND (6) OF THIS SECTION, THE CHARTER SCHOOL AND THE  
2 AUTHORIZING SCHOOL DISTRICT SHALL NEGOTIATE FUNDING UNDER THE  
3 CHARTER CONTRACT, STARTING WITH THE AMOUNTS SPECIFIED IN  
4 SUBSECTION (4) OF THIS SECTION.

5 (b) EACH AUTHORIZING SCHOOL DISTRICT SHALL PAY TO EACH  
6 CHARTER SCHOOL OF THE SCHOOL DISTRICT THE AMOUNTS THAT ARE DUE  
7 TO EACH CHARTER SCHOOL AS PROVIDED IN THIS SECTION. THE SCHOOL  
8 DISTRICT SHALL PAY THE AMOUNTS IN TWELVE MONTHLY INSTALLMENTS  
9 AS SOON AS PRACTICABLE AFTER THE SCHOOL DISTRICT RECEIVES  
10 DISTRIBUTIONS OF MONEYS FROM THE DEPARTMENT PURSUANT TO  
11 SECTION 22-30.5-408.

12 (c) IF AN AUTHORIZING SCHOOL DISTRICT'S TOTAL PROGRAM  
13 FUNDING IS ADJUSTED MID-YEAR PURSUANT TO SECTION 22-54.5- 405 (3),  
14 THE SCHOOL DISTRICT SHALL ADJUST THE DISTRIBUTION TO THE CHARTER  
15 SCHOOLS OF THE SCHOOL DISTRICT ACCORDINGLY.

16 (d) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE  
17 CONTRARY:

18 (I) (A) IN THE FIRST YEAR THAT A CHARTER SCHOOL ENROLLS  
19 PUPILS, THE SCHOOL DISTRICT SHALL CALCULATE THE MONEYS PAYABLE  
20 TO THE CHARTER SCHOOL BASED ON THE CHARTER SCHOOL'S PROJECTED  
21 MEMBERSHIP, INCLUDING THE PROJECTED NUMBER OF AT-RISK PUPILS AND  
22 ENGLISH LANGUAGE LEARNERS, ON THE FIRST DAY OF THE SCHOOL YEAR.  
23 IF THE NEW CHARTER SCHOOL IS A MULTI-DISTRICT ON-LINE SCHOOL, THE  
24 SCHOOL DISTRICT SHALL CALCULATE THE MONEYS PAYABLE TO THE  
25 CHARTER SCHOOL BASED ON THE NUMBER OF ON-LINE PUPILS, INCLUDING  
26 THE PROJECTED NUMBER OF AT-RISK PUPILS AND ENGLISH LANGUAGE  
27 LEARNERS, EXPECTED TO BE ENROLLED ON THE FIRST DAY OF THE SCHOOL

1 YEAR.

2 (B) THE DISTRICT SHALL CALCULATE THE CHARTER SCHOOL'S  
3 AVERAGE DAILY MEMBERSHIP OR ON-LINE AVERAGE DAILY MEMBERSHIP,  
4 WHICHEVER IS APPLICABLE, AND THE CHARTER SCHOOL'S AT-RISK PUPIL  
5 AVERAGE DAILY MEMBERSHIP AND ENGLISH LANGUAGE LEARNER  
6 AVERAGE DAILY MEMBERSHIP FOR THE FIRST QUARTER OF THE CHARTER  
7 SCHOOL'S FIRST SCHOOL YEAR. IF THE CALCULATED AVERAGE DAILY  
8 MEMBERSHIP OR ON-LINE AVERAGE DAILY MEMBERSHIP IS DIFFERENT  
9 FROM THE PROJECTED MEMBERSHIP, THE DISTRICT SHALL RECALCULATE  
10 THE CHARTER SCHOOL'S FUNDING USING THE AVERAGE DAILY MEMBERSHIP  
11 OR ON-LINE AVERAGE DAILY MEMBERSHIP, WHICHEVER IS APPLICABLE,  
12 AND THE AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP AND ENGLISH  
13 LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP OF THE FIRST QUARTER  
14 OF THE THEN-CURRENT SCHOOL YEAR AND ADJUST THE CHARTER SCHOOL'S  
15 FUNDING ACCORDINGLY FOR THE REMAINDER OF THE FIRST SCHOOL YEAR.

16 (II) (A) IN THE SECOND YEAR THAT A CHARTER SCHOOL ENROLLS  
17 PUPILS, THE SCHOOL DISTRICT SHALL CALCULATE THE MONEYS PAYABLE  
18 TO THE CHARTER SCHOOL BASED ON THE CHARTER SCHOOL'S AVERAGE  
19 DAILY MEMBERSHIP, INCLUDING THE CHARTER SCHOOL'S AT-RISK PUPIL  
20 AVERAGE DAILY MEMBERSHIP AND ENGLISH LANGUAGE LEARNER  
21 AVERAGE DAILY MEMBERSHIP, FOR THE FIRST HALF OF THE PRECEDING  
22 BUDGET YEAR. IF THE CHARTER SCHOOL IS A MULTI-DISTRICT ON-LINE  
23 SCHOOL, THE SCHOOL DISTRICT SHALL CALCULATE THE MONEYS PAYABLE  
24 TO THE CHARTER SCHOOL BASED ON THE CHARTER SCHOOL'S ON-LINE  
25 AVERAGE DAILY MEMBERSHIP, INCLUDING THE AT-RISK PUPIL AVERAGE  
26 DAILY MEMBERSHIP AND ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
27 MEMBERSHIP, FOR THE FIRST HALF OF THE PRECEDING BUDGET YEAR.

1           (B) THE DISTRICT SHALL CALCULATE THE CHARTER SCHOOL'S  
2           AVERAGE DAILY MEMBERSHIP OR ON-LINE AVERAGE DAILY MEMBERSHIP,  
3           WHICHEVER IS APPLICABLE, AND THE CHARTER SCHOOL'S AT-RISK PUPIL  
4           AVERAGE DAILY MEMBERSHIP AND ENGLISH LANGUAGE LEARNER  
5           AVERAGE DAILY MEMBERSHIP FOR THE FIRST QUARTER OF THE CHARTER  
6           SCHOOL'S SECOND SCHOOL YEAR. IF THE CALCULATED AVERAGE DAILY  
7           MEMBERSHIP OR ON-LINE AVERAGE DAILY MEMBERSHIP FOR THE FIRST  
8           QUARTER OF THE SECOND SCHOOL YEAR EXCEEDS THE AVERAGE DAILY  
9           MEMBERSHIP OR ON-LINE AVERAGE DAILY MEMBERSHIP FOR THE FIRST  
10           HALF OF THE CHARTER SCHOOL'S FIRST SCHOOL YEAR, THE DISTRICT SHALL  
11           RECALCULATE THE CHARTER SCHOOL'S FUNDING USING THE AVERAGE  
12           DAILY MEMBERSHIP OR ON-LINE AVERAGE DAILY MEMBERSHIP,  
13           WHICHEVER IS APPLICABLE, AND THE AT-RISK PUPIL AVERAGE DAILY  
14           MEMBERSHIP AND ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
15           MEMBERSHIP OF THE FIRST QUARTER OF THE THEN-CURRENT SCHOOL YEAR  
16           AND ADJUST THE CHARTER SCHOOL'S FUNDING ACCORDINGLY FOR THE  
17           REMAINDER OF THE SECOND SCHOOL YEAR.

18           (III) IN A SCHOOL YEAR IN WHICH A CHARTER SCHOOL INCREASES  
19           ITS PROGRAM AVAILABILITY BY AT LEAST ONE ADDITIONAL GRADE LEVEL,  
20           IF THE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP OR ON-LINE  
21           AVERAGE DAILY MEMBERSHIP, WHICHEVER IS APPLICABLE, FOR THE FIRST  
22           QUARTER OF THE THEN-CURRENT BUDGET YEAR EXCEEDS THE CHARTER  
23           SCHOOL'S AVERAGE DAILY MEMBERSHIP OR ON-LINE AVERAGE DAILY  
24           MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING PERIOD, ===  
25           THE DISTRICT SHALL RECALCULATE THE CHARTER SCHOOL'S FUNDING FOR  
26           THE THEN-CURRENT BUDGET YEAR USING THE AVERAGE DAILY  
27           MEMBERSHIP, AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP, ENGLISH

1 LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP, ON-LINE AVERAGE  
2 DAILY MEMBERSHIP, IF APPLICABLE, AND ASCENT PROGRAM AVERAGE  
3 DAILY MEMBERSHIP, IF APPLICABLE, FOR THE FIRST QUARTER OF THE  
4 THEN-CURRENT BUDGET YEAR.

5 (IV) IF A CHARTER SCHOOL'S FUNDING INCREASES BECAUSE OF THE  
6 RECALCULATIONS DESCRIBED IN THIS PARAGRAPH (d), THE DISTRICT SHALL  
7 REPORT TO THE DEPARTMENT THE INCREASE IN FUNDING DUE TO THE  
8 CHARTER SCHOOL BASED ON THE RECALCULATIONS. THE DEPARTMENT  
9 SHALL PAY THE INCREASE IN FUNDING TO THE DISTRICT IN MONTHLY  
10 INSTALLMENTS FOR THE REMAINDER OF THE BUDGET YEAR, AND THE  
11 DISTRICT SHALL INCREASE THE MONTHLY PAYMENTS DUE TO THE CHARTER  
12 SCHOOL BY THE FULL AMOUNT RECEIVED FROM THE DEPARTMENT FOR THE  
13 REMAINDER OF THE BUDGET YEAR. NOTWITHSTANDING ANY PROVISION OF  
14 THIS PARAGRAPH (d) TO THE CONTRARY, THE AMOUNT OF INCREASED  
15 FUNDING THAT A CHARTER SCHOOL RECEIVES PURSUANT TO THIS  
16 PARAGRAPH (d) MAY BE REDUCED AS PROVIDED IN SECTION 22-54.5-408  
17 (4).

18 (4) (a) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTIONS (5) AND  
19 (6) OF THIS SECTION, NEGOTIATIONS BETWEEN A CHARTER SCHOOL AND  
20 THE AUTHORIZING DISTRICT BEGIN WITH THE CHARTER SCHOOL RECEIVING  
21 AN AMOUNT EQUAL TO:

22 (I) THE AUTHORIZING DISTRICT'S PER PUPIL FUNDING FOR THE  
23 APPLICABLE BUDGET YEAR MULTIPLIED BY THE CHARTER SCHOOL'S  
24 AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING  
25 PERIOD; PLUS

26 (II) THE ASCENT PROGRAM FUNDING AMOUNT FOR THE  
27 APPLICABLE BUDGET YEAR SPECIFIED IN SECTION 22-54.5-201 (7)

1 MULTIPLIED BY THE CHARTER SCHOOL'S ASCENT PROGRAM AVERAGE  
2 DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING PERIOD;  
3 PLUS

4 (III) THE AT-RISK FUNDING AND ENGLISH LANGUAGE LEARNER  
5 FUNDING ALLOCATED TO THE CHARTER SCHOOL FOR THE APPLICABLE  
6 BUDGET YEAR PURSUANT TO SECTION 22-54.5-410; PLUS

7 (IV) THE INVESTMENT MONEYS IN THE PER PUPIL AMOUNT  
8 CALCULATED PURSUANT TO SECTION 22-54.5-301 (3) MULTIPLIED BY THE  
9 CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE  
10 FUNDING AVERAGING PERIOD.

11

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12 (b) IN NEGOTIATING THE CHARTER SCHOOL'S FUNDING, THE  
13 CHARTER SCHOOL AND THE AUTHORIZING SCHOOL DISTRICT MAY, BY  
14 NEGOTIATION ALLOW THE SCHOOL DISTRICT TO RETAIN THE ACTUAL  
15 AMOUNT OF THE CHARTER SCHOOL'S PER PUPIL SHARE OF THE CENTRAL  
16 ADMINISTRATIVE OVERHEAD COSTS FOR SERVICES ACTUALLY PROVIDED  
17 TO THE CHARTER SCHOOL, UP TO FIVE PERCENT OF THE AMOUNT SPECIFIED  
18 IN SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS SUBSECTION (4).

19

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20 (5) (a) IF A CHARTER SCHOOL IS A MULTI-DISTRICT ON-LINE  
21 SCHOOL, NEGOTIATIONS BETWEEN THE CHARTER SCHOOL AND THE  
22 AUTHORIZING DISTRICT BEGIN WITH THE CHARTER SCHOOL RECEIVING AN  
23 AMOUNT EQUAL TO:

24 (I) THE ON-LINE FUNDING AMOUNT FOR THE APPLICABLE BUDGET  
25 YEAR SPECIFIED IN SECTION 22-54.5-201 (6) MULTIPLIED BY THE CHARTER  
26 SCHOOL'S ON-LINE AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE  
27 FUNDING AVERAGING PERIOD; PLUS

1           (II) THE AT-RISK FUNDING AND ENGLISH LANGUAGE LEARNER  
2 FUNDING ALLOCATED TO THE CHARTER SCHOOL FOR THE APPLICABLE  
3 BUDGET YEAR PURSUANT TO SECTION 22-54.5-410.

4           (b) IN NEGOTIATING THE CHARTER SCHOOL'S FUNDING, THE  
5 CHARTER SCHOOL AND THE AUTHORIZING SCHOOL DISTRICT MAY, BY  
6 NEGOTIATION, ALLOW THE SCHOOL DISTRICT TO RETAIN THE ACTUAL  
7 AMOUNT OF THE CHARTER SCHOOL'S PER PUPIL SHARE OF THE CENTRAL  
8 ADMINISTRATIVE OVERHEAD COSTS FOR SERVICES ACTUALLY PROVIDED  
9 TO THE CHARTER SCHOOL, UP TO FIVE PERCENT OF THE AMOUNT SPECIFIED  
10 IN SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS SUBSECTION (5).

11           (6) (a) IF A SCHOOL DISTRICT THAT HAS AN AVERAGE DAILY  
12 MEMBERSHIP OF FIVE HUNDRED OR FEWER STUDENTS FOR THE MOST  
13 RECENT FUNDING AVERAGING PERIOD AUTHORIZES A CHARTER SCHOOL  
14 THAT IS NOT A MULTI-DISTRICT ON-LINE SCHOOL, THE CHARTER SCHOOL  
15 RECEIVES FUNDING IN THE AMOUNT OF THE GREATER OF:

16           (I) THE TOTAL OF THE AMOUNTS SPECIFIED IN      PARAGRAPH  
17 (a) OF SUBSECTION (4) OF THIS SECTION MINUS THE ACTUAL AMOUNT OF  
18 THE CHARTER SCHOOL'S PER PUPIL SHARE OF THE CENTRAL  
19 ADMINISTRATIVE OVERHEAD COSTS INCURRED BY THE SCHOOL DISTRICT,  
20 BASED ON AUDITED FIGURES; OR

21           (II) EIGHTY-FIVE PERCENT OF THE AMOUNT SPECIFIED IN  
22 SUBPARAGRAPH (I) OF PARAGRAPH (a) OF SUBSECTION (4) OF THIS SECTION  
23 PLUS THE TOTAL OF THE AMOUNTS SPECIFIED IN SUBPARAGRAPHS (II) TO  
24 (IV) OF PARAGRAPH (a) OF SUBSECTION (4) OF THIS SECTION.

25           (b) IF A SCHOOL DISTRICT THAT HAS AN AVERAGE DAILY  
26 MEMBERSHIP OF FIVE HUNDRED OR FEWER STUDENTS FOR THE MOST  
27 RECENT FUNDING AVERAGING PERIOD AUTHORIZES A CHARTER SCHOOL

1 THAT IS A MULTI-DISTRICT ON-LINE SCHOOL, THE CHARTER SCHOOL  
2 RECEIVES FUNDING IN THE AMOUNT OF THE GREATER OF:

3 (I) THE TOTAL OF THE AMOUNTS SPECIFIED IN PARAGRAPH (a) OF  
4 SUBSECTION (5) OF THIS SECTION MINUS THE ACTUAL AMOUNT OF THE  
5 CHARTER SCHOOL'S PER PUPIL SHARE OF THE CENTRAL ADMINISTRATIVE  
6 OVERHEAD COSTS INCURRED BY THE SCHOOL DISTRICT, BASED ON AUDITED  
7 FIGURES; OR

8 (II) EIGHTY-FIVE PERCENT OF THE AMOUNT SPECIFIED IN  
9 SUBPARAGRAPH (I) OF PARAGRAPH (a) OF SUBSECTION (5) OF THIS SECTION  
10 PLUS THE AMOUNT SPECIFIED IN SUBPARAGRAPH (II) OF PARAGRAPH (a) OF  
11 SUBSECTION (5) OF THIS SECTION.

12

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13 (7) IN ADDITION TO THE MONEYS A CHARTER SCHOOL RECEIVES  
14 PURSUANT TO SUBSECTION (4) OR (6) OF THIS SECTION:

15 (a) (I) A SCHOOL DISTRICT SHALL DISTRIBUTE TO EACH QUALIFIED  
16 CHARTER SCHOOL OF THE SCHOOL DISTRICT AN AMOUNT EQUAL TO THE  
17 PERCENTAGE OF THE DISTRICT'S CERTIFIED CHARTER SCHOOL AVERAGE  
18 DAILY MEMBERSHIP THAT IS ATTRIBUTABLE TO PUPILS EXPECTED TO BE  
19 ENROLLED IN THE QUALIFIED CHARTER SCHOOL MULTIPLIED BY THE TOTAL  
20 AMOUNT OF STATE EDUCATION FUND MONEYS DISTRIBUTED TO THE  
21 DISTRICT FOR THE SAME BUDGET YEAR PURSUANT TO SECTION  
22 22-54.5-309. THE SCHOOL DISTRICT MUST PROVIDE THE FUNDING TO EACH  
23 QUALIFIED CHARTER SCHOOL BY MAKING A MONTHLY PAYMENT TO THE  
24 QUALIFIED CHARTER SCHOOL AS SOON AS POSSIBLE AFTER THE DISTRICT  
25 RECEIVES A MONTHLY PAYMENT OF MONEYS PURSUANT TO SECTION  
26 22-54.5-309. THE QUALIFIED CHARTER SCHOOL SHALL USE THE MONEYS  
27 RECEIVED PURSUANT TO THIS PARAGRAPH (a) SOLELY FOR CAPITAL

1 CONSTRUCTION AS DEFINED IN SECTION 22-54.5-309 (1) (a).

2 (II) FOR PURPOSES OF THIS PARAGRAPH (a), "PUPILS" DOES NOT  
3 INCLUDE PUPILS WHO ARE ENROLLED IN AN ON-LINE PROGRAM, AS DEFINED  
4 IN SECTION 22-30.7-102 (9), OR IN AN ON-LINE SCHOOL, AS DEFINED IN  
5 SECTION 22-30.7-102 (9.5).

6 (b) A SCHOOL DISTRICT SHALL DISTRIBUTE TO A CHARTER SCHOOL  
7 OF THE SCHOOL DISTRICT ANY SMALL ATTENDANCE CENTER AID THAT THE  
8 SCHOOL DISTRICT RECEIVES PURSUANT TO SECTION 22-54.5-306 ON  
9 BEHALF OF THE CHARTER SCHOOL.

10 (c) (I) A SCHOOL DISTRICT SHALL DISTRIBUTE TO THE CHARTER  
11 SCHOOLS OF THE SCHOOL DISTRICT EACH CHARTER SCHOOL'S  
12 PROPORTIONATE SHARE OF MONEYS RECEIVED PURSUANT TO FEDERAL OR  
13 STATE CATEGORICAL AID PROGRAMS, OTHER THAN FEDERALLY REQUIRED  
14 EDUCATIONAL SERVICES, BASED ON THE PUPILS ENROLLED IN EACH  
15 CHARTER SCHOOL; EXCEPT THAT, IF A SCHOOL DISTRICT RECEIVES SMALL  
16 ATTENDANCE CENTER AID PURSUANT TO SECTION 22-54.5-306 FOR A  
17 SMALL ATTENDANCE CENTER THAT IS A CHARTER SCHOOL OF THE SCHOOL  
18 DISTRICT, THE SCHOOL DISTRICT SHALL FORWARD THE ENTIRE AMOUNT OF  
19 THE AID TO THE CHARTER SCHOOL.

20 (II) EACH CHARTER SCHOOL THAT SERVES STUDENTS WHO MAY BE  
21 ELIGIBLE TO RECEIVE SERVICES PROVIDED THROUGH FEDERAL AID  
22 PROGRAMS MUST COMPLY WITH ALL FEDERAL REPORTING REQUIREMENTS  
23 TO RECEIVE THE DISTRIBUTION OF FEDERAL AID FROM THE SCHOOL  
24 DISTRICT.

25 (d) A SCHOOL DISTRICT SHALL DISTRIBUTE TO EACH CHARTER  
26 SCHOOL OF THE SCHOOL DISTRICT ONE HUNDRED PERCENT OF THE  
27 CHARTER SCHOOL EQUITY PAYMENT THAT THE SCHOOL DISTRICT RECEIVES



1 FOR THE CHARTER SCHOOL PURSUANT TO SECTION 22-54.5-309.

2

3 (e) EACH CHARTER SCHOOL RETAINS THE FEES COLLECTED FROM  
4 STUDENTS ENROLLED AT THE CHARTER SCHOOL.

5 (8) BEFORE THE BEGINNING OF EACH BUDGET YEAR, THE CHARTER  
6 SCHOOL AND THE AUTHORIZING SCHOOL DISTRICT SHALL NEGOTIATE FOR  
7 PAYMENT TO THE SCHOOL DISTRICT OF ANY DIRECT COSTS INCURRED BY  
8 THE SCHOOL DISTRICT ON BEHALF OF THE CHARTER SCHOOL. IF THE  
9 CHARTER SCHOOL AND THE SCHOOL DISTRICT DO NOT REACH AGREEMENT  
10 REGARDING THE PAYMENT OF DIRECT COSTS, THE SCHOOL DISTRICT IS  
11 BARRED FROM WITHHOLDING FROM THE CHARTER SCHOOL ANY MONEYS  
12 AS REIMBURSEMENT FOR DIRECT COSTS. THE SCHOOL DISTRICT SHALL  
13 PROVIDE AN ITEMIZED ACCOUNTING TO EACH CHARTER SCHOOL FOR THE  
14 DIRECT COSTS INCURRED BY THE SCHOOL DISTRICT WITH THE ITEMIZED  
15 ACCOUNTING PROVIDED PURSUANT TO SECTION 22-30.5-111.7.

16 (9) A CHARTER SCHOOL, AT ITS DISCRETION, MAY CONTRACT WITH  
17 THE AUTHORIZING SCHOOL DISTRICT FOR THE DIRECT PURCHASE OF  
18 DISTRICT SERVICES IN ADDITION TO THOSE INCLUDED IN CENTRAL  
19 ADMINISTRATIVE OVERHEAD COSTS, INCLUDING BUT NOT LIMITED TO FOOD  
20 SERVICES, CUSTODIAL SERVICES, MAINTENANCE, CURRICULUM, MEDIA  
21 SERVICES, AND LIBRARIES. THE AMOUNT THAT A CHARTER SCHOOL PAYS  
22 IN PURCHASING A DISTRICT SERVICE PURSUANT TO THIS SUBSECTION (9) IS  
23 EQUAL TO THE COST OF PROVIDING THE SERVICE FOR THE ENTIRE SCHOOL  
24 DISTRICT, AS SPECIFIED IN THE SCHOOL DISTRICT'S BUDGET FOR THE  
25 APPLICABLE BUDGET YEAR, DIVIDED BY THE SCHOOL DISTRICT'S AVERAGE  
26 DAILY MEMBERSHIP PLUS THE SCHOOL DISTRICT'S ON-LINE AVERAGE DAILY  
27 MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING PERIOD,

1 MULTIPLIED BY THE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP OR  
2 ON-LINE AVERAGE DAILY MEMBERSHIP, WHICHEVER IS APPLICABLE, FOR  
3 THE APPLICABLE FUNDING AVERAGING PERIOD.

4 (10) IN ACCORDANCE WITH SECTION 22-30.5-406, AN  
5 AUTHORIZING SCHOOL DISTRICT SHALL REDUCE THE FUNDING PROVIDED  
6 TO A CHARTER SCHOOL PURSUANT TO SUBSECTION (4), (5), OR (6) OF THIS  
7 SECTION, WHICHEVER IS APPLICABLE, BY THE AMOUNT OF ANY DIRECT  
8 PAYMENTS MADE BY THE STATE TREASURER OR THE AUTHORIZING SCHOOL  
9 DISTRICT, ON THE CHARTER SCHOOL'S BEHALF, OF PRINCIPAL AND  
10 INTEREST DUE ON BONDS THAT WERE ISSUED ON THE CHARTER SCHOOL'S  
11 BEHALF BY A GOVERNMENTAL ENTITY OTHER THAN A SCHOOL DISTRICT TO  
12 FINANCE CHARTER SCHOOL CAPITAL CONSTRUCTION.

13 (11) (a) AN AUTHORIZING SCHOOL DISTRICT SHALL PROVIDE  
14 FEDERALLY REQUIRED EDUCATIONAL SERVICES TO STUDENTS ENROLLED  
15 IN THE CHARTER SCHOOLS OF THE SCHOOL DISTRICT ON THE SAME BASIS  
16 THAT THE SCHOOL DISTRICT PROVIDES SERVICES TO STUDENTS ENROLLED  
17 IN THE OTHER PUBLIC SCHOOLS OF THE SCHOOL DISTRICT. EACH CHARTER  
18 SCHOOL SHALL PAY AN AMOUNT EQUAL TO THE EXCESS COST OF  
19 PROVIDING FEDERALLY REQUIRED EDUCATIONAL SERVICES, MULTIPLIED  
20 BY THE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR THE  
21 APPLICABLE FUNDING AVERAGING PERIOD. AT THE REQUEST OF EITHER  
22 THE CHARTER SCHOOL OR THE SCHOOL DISTRICT, HOWEVER, THE CHARTER  
23 SCHOOL AND THE SCHOOL DISTRICT MAY NEGOTIATE AND INCLUDE IN THE  
24 CHARTER CONTRACT ALTERNATE ARRANGEMENTS FOR PROVIDING AND  
25 PAYING FOR FEDERALLY REQUIRED EDUCATIONAL SERVICES.

26 (b) IF A CHARTER SCHOOL AND THE AUTHORIZING SCHOOL  
27 DISTRICT NEGOTIATE TO ALLOW THE CHARTER SCHOOL TO PROVIDE

1       FEDERALLY REQUIRED EDUCATIONAL SERVICES PURSUANT TO PARAGRAPH  
2       (a) OF THIS SUBSECTION (11), THE SCHOOL DISTRICT OR ADMINISTRATIVE  
3       UNIT SHALL DISTRIBUTE TO THE CHARTER SCHOOL THE PROPORTIONATE  
4       SHARE OF STATE AND FEDERAL RESOURCES GENERATED BY STUDENTS  
5       ENROLLED IN THE CHARTER SCHOOL WHO RECEIVE THE FEDERALLY  
6       REQUIRED EDUCATIONAL SERVICES OR BY THE STAFF WHO SERVE THE  
7       STUDENTS.

8               (12) IF A STUDENT WITH A DISABILITY ATTENDS A CHARTER  
9       SCHOOL, THE SCHOOL DISTRICT OF RESIDENCE IS RESPONSIBLE FOR PAYING  
10       ANY TUITION CHARGE FOR THE EXCESS COSTS INCURRED IN EDUCATING  
11       THE STUDENT IN ACCORDANCE WITH THE PROVISIONS OF SECTION  
12       22-20-109 (5).

13              (13) EACH CHARTER SCHOOL THAT RECEIVES AT-RISK FUNDING  
14       SHALL USE THE AT-RISK FUNDING TO PROVIDE PROGRAMS, ACTIVITIES, AND  
15       PERSONNEL THAT PRIMARILY SERVE AT-RISK PUPILS. EACH CHARTER  
16       SCHOOL THAT RECEIVES ENGLISH LANGUAGE LEARNER FUNDING SHALL  
17       USE THE ENGLISH LANGUAGE LEARNER FUNDING TO PROVIDE PROGRAMS,  
18       ACTIVITIES, AND PERSONNEL THAT PRIMARILY SERVE ENGLISH LANGUAGE  
19       LEARNERS.

20              (14) THE GOVERNING BODY OF A CHARTER SCHOOL MAY ACCEPT  
21       GIFTS, DONATIONS, OR GRANTS OF ANY KIND MADE TO THE CHARTER  
22       SCHOOL AND EXPEND OR USE THE GIFTS, DONATIONS, OR GRANTS IN  
23       ACCORDANCE WITH THE CONDITIONS PRESCRIBED BY THE DONOR;  
24       HOWEVER, THE GOVERNING BODY SHALL NOT ACCEPT A GIFT, DONATION,  
25       OR GRANT IF IT IS SUBJECT TO ANY CONDITION CONTRARY TO LAW OR  
26       CONTRARY TO THE TERMS OF THE CHARTER SCHOOL'S CHARTER  
27       CONTRACT.

1 (15) MONEYS THAT A CHARTER SCHOOL RECEIVES FROM ANY  
2 SOURCE THAT REMAIN IN THE CHARTER SCHOOL'S ACCOUNTS AT THE END  
3 OF A BUDGET YEAR MUST REMAIN IN THE CHARTER SCHOOL'S ACCOUNTS  
4 FOR USE BY THE CHARTER SCHOOL DURING SUBSEQUENT BUDGET YEARS  
5 AND DO NOT REVERT TO THE SCHOOL DISTRICT OR TO THE STATE.

6 (16) (a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY  
7 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION AT WHICH  
8 A MAJORITY OF THOSE VOTING APPROVE AN INCREASE IN STATE TAX  
9 REVENUES FOR THE PURPOSE OF FUNDING PUBLIC EDUCATION.

10 (b) THE PROVISIONS OF THIS SECTION APPLY IN THE SECOND  
11 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
12 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE  
13 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
14 THEREAFTER; EXCEPT THAT, IN THE FIRST BUDGET YEAR COMMENCING  
15 AFTER THE STATEWIDE ELECTION, EACH SCHOOL DISTRICT SHALL BEGIN  
16 REPORTING TO THE DEPARTMENT THE MEMBERSHIP OF THE CHARTER  
17 SCHOOLS OF THE SCHOOL DISTRICT, INCLUDING SPECIFYING AT-RISK PUPILS  
18 AND ENGLISH LANGUAGE LEARNERS, AND THE ON-LINE PROGRAM  
19 ENROLLMENT, INCLUDING SPECIFYING AT-RISK PUPILS AND ENGLISH  
20 LANGUAGE LEARNERS, AND THE ASCENT PROGRAM ENROLLMENT OF THE  
21 CHARTER SCHOOLS OF THE SCHOOL DISTRICT, AS REQUIRED IN SECTION  
22 22-54.5-405.

23 **22-30.5-111.7. Financial reporting - request for accounting.**

24 (1) (a) A CHARTER SCHOOL SHALL COMPLY WITH ALL OF THE STATE  
25 FINANCIAL AND BUDGET RULES, REGULATIONS, AND FINANCIAL REPORTING  
26 REQUIREMENTS WITH WHICH THE AUTHORIZING SCHOOL DISTRICT IS  
27 REQUIRED TO COMPLY, INCLUDING BUT NOT LIMITED TO ANNUAL

1 COMPLETION OF AN INDEPENDENT GOVERNMENTAL AUDIT THAT COMPLIES  
2 WITH THE REQUIREMENTS OF THE DEPARTMENT.

3 (b) A SCHOOL DISTRICT, UNDER THE CIRCUMSTANCES SPECIFIED IN  
4 THE CONTRACT BETWEEN THE SCHOOL DISTRICT AND THE CHARTER  
5 SCHOOL PURSUANT TO SECTION 22-30.5-105 (2) (c) (IV), MAY WITHHOLD  
6 A PORTION OF A CHARTER SCHOOL'S MONTHLY PAYMENT DUE PURSUANT  
7 TO SECTION 22-30.5-111.5 UNTIL THE CHARTER SCHOOL COMPLIES WITH  
8 THE FINANCIAL REPORTING REQUIREMENTS.

9 (2) (a) WITHIN NINETY DAYS AFTER THE END OF EACH BUDGET  
10 YEAR, EACH SCHOOL DISTRICT SHALL PROVIDE TO EACH CHARTER SCHOOL  
11 OF THE SCHOOL DISTRICT AN ITEMIZED ACCOUNTING OF ALL OF THE  
12 CHARTER SCHOOL'S CENTRAL ADMINISTRATIVE OVERHEAD COSTS FOR THE  
13 APPLICABLE BUDGET YEAR. THE ACTUAL CENTRAL ADMINISTRATIVE  
14 OVERHEAD COSTS MUST BE THE AMOUNT CHARGED TO THE CHARTER  
15 SCHOOL. THE SCHOOL DISTRICT AND THE CHARTER SCHOOL SHALL  
16 RECONCILE ANY DIFFERENCE, WITHIN THE LIMITATIONS SPECIFIED IN  
17 SECTION 22-30.5-111.5 (4) (b) (I), (5) (b), OR (6) (a), BETWEEN THE  
18 AMOUNT THE SCHOOL DISTRICT INITIALLY CHARGED TO THE CHARTER  
19 SCHOOL AND THE ACTUAL COST, AND THE OWED PARTY SHALL RECEIVE  
20 APPROPRIATE REIMBURSEMENT.

21 (b) WITHIN NINETY DAYS AFTER THE END OF EACH BUDGET YEAR,  
22 EACH SCHOOL DISTRICT SHALL PROVIDE TO EACH CHARTER SCHOOL OF THE  
23 SCHOOL DISTRICT AN ITEMIZED ACCOUNTING OF ALL THE ACTUAL COSTS  
24 OF DISTRICT SERVICES THE CHARTER SCHOOL CHOSE TO PURCHASE FROM  
25 THE SCHOOL DISTRICT FOR THE APPLICABLE BUDGET YEAR, CALCULATED  
26 IN ACCORDANCE WITH SECTION 22-30.5-111.5 (9). THE SCHOOL DISTRICT  
27 AND THE CHARTER SCHOOL SHALL RECONCILE ANY DIFFERENCE BETWEEN

1 THE AMOUNT INITIALLY CHARGED TO THE CHARTER SCHOOL AND THE  
2 ACTUAL COST OF THE SERVICES, AND THE OWED PARTY SHALL RECEIVE  
3 APPROPRIATE REIMBURSEMENT.

4 (c) WITHIN NINETY DAYS AFTER THE END OF EACH BUDGET YEAR,  
5 EACH SCHOOL DISTRICT SHALL PROVIDE TO EACH CHARTER SCHOOL OF THE  
6 SCHOOL DISTRICT AN ITEMIZED ACCOUNTING OF ALL THE ACTUAL SPECIAL  
7 EDUCATION COSTS THAT THE SCHOOL DISTRICT INCURRED FOR THE  
8 APPLICABLE BUDGET YEAR AND THE BASIS OF ANY PER-PUPIL CHARGES FOR  
9 SPECIAL EDUCATION THAT THE SCHOOL DISTRICT IMPOSED AGAINST  
10 CHARTER SCHOOL FOR THE APPLICABLE BUDGET YEAR.

11 (d) IF EITHER PARTY DISPUTES THE ITEMIZED ACCOUNTING  
12 PROVIDED PURSUANT TO PARAGRAPH (a), (b), OR (c) OF THIS SUBSECTION  
13 (2), OR THE CHARGES INCLUDED IN AN ACCOUNTING OR THE CHARGES TO  
14 EITHER PARTY, THE DISPUTING PARTY MAY REQUEST A THIRD-PARTY  
15 REVIEW AT THE DISPUTING PARTY'S EXPENSE. THE DEPARTMENT SHALL  
16 CONDUCT THE REVIEW, AND THE DEPARTMENT'S DETERMINATION IS FINAL.

17 (3) (a) IF A CHARTER SCHOOL DETERMINES THAT THE AUTHORIZING  
18 SCHOOL DISTRICT HAS NOT FORWARDED TO THE CHARTER SCHOOL THE  
19 AMOUNT DUE TO THE CHARTER SCHOOL IN ACCORDANCE WITH THE TERMS  
20 OF THE CHARTER CONTRACT AND THE PROVISIONS OF SECTION  
21 22-30.5-111.5, THE CHARTER SCHOOL MAY REQUEST A DETERMINATION  
22 FROM THE STATE BOARD REGARDING WHETHER THE AUTHORIZING SCHOOL  
23 DISTRICT IMPROPERLY WITHHELD ANY PORTION OF THE AMOUNT DUE TO  
24 THE CHARTER SCHOOL. A CHARTER SCHOOL THAT REQUESTS A  
25 DETERMINATION PURSUANT TO THIS SUBSECTION (3) MUST SUBMIT THE  
26 REQUEST WITHIN THE NEXT BUDGET YEAR FOLLOWING THE BUDGET YEAR  
27 IN WHICH THE AUTHORIZING SCHOOL DISTRICT MAY HAVE IMPROPERLY

1 WITHHELD FUNDING; EXCEPT THAT, IF THE CHARTER CONTRACT REQUIRES  
2 THE CHARTER SCHOOL TO COMPLETE ANY REQUIREMENTS BEFORE SEEKING  
3 A DETERMINATION FROM THE DEPARTMENT PURSUANT TO THIS  
4 SUBSECTION (3), THE CHARTER SCHOOL MUST SUBMIT THE REQUEST NO  
5 LATER THAN THE END OF THE NEXT BUDGET YEAR FOLLOWING THE  
6 BUDGET YEAR IN WHICH THE CHARTER SCHOOL COMPLETES THE  
7 REQUIREMENTS.

8 (b) IF THE STATE BOARD RECEIVES A REQUEST FOR A  
9 DETERMINATION OF WHETHER THE AUTHORIZING SCHOOL DISTRICT HAS  
10 IMPROPERLY WITHHELD ANY PORTION OF THE AMOUNT DUE TO A CHARTER  
11 SCHOOL, THE STATE BOARD MUST DIRECT THE DEPARTMENT TO REVIEW  
12 THE TERMS OF THE CHARTER CONTRACT, THE FINANCIAL INFORMATION OF  
13 THE CHARTER SCHOOL, AND THE AUTHORIZING SCHOOL DISTRICT AND  
14 REPORT TO THE STATE BOARD ITS FINDINGS REGARDING WHETHER THE  
15 AUTHORIZING SCHOOL DISTRICT IMPROPERLY WITHHELD ANY PORTION OF  
16 THE AMOUNT DUE TO THE CHARTER SCHOOL. THE DEPARTMENT SHALL  
17 REQUEST FROM THE AUTHORIZING SCHOOL DISTRICT AND THE CHARTER  
18 SCHOOL ALL INFORMATION NECESSARY TO MAKE THE FINDINGS,  
19 INCLUDING BUT NOT LIMITED TO AUDITED FINANCIAL DATA. THE  
20 AUTHORIZING SCHOOL DISTRICT AND THE CHARTER SCHOOL MUST PROVIDE  
21 THE REQUESTED INFORMATION AS SOON AS POSSIBLE FOLLOWING THE  
22 REQUEST, BUT IN NO EVENT LATER THAN THIRTY DAYS AFTER THE ANNUAL  
23 FINANCIAL AUDIT IS COMPLETED. THE DEPARTMENT MUST FORWARD ITS  
24 REPORT TO THE STATE BOARD WITHIN SIXTY DAYS AFTER RECEIVING ALL  
25 OF THE REQUESTED INFORMATION FROM THE AUTHORIZING SCHOOL  
26 DISTRICT AND THE CHARTER SCHOOL.

27 (c) AT THE NEXT STATE BOARD MEETING AFTER RECEIVING THE

1 DEPARTMENT'S REPORT PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION  
2 (3), THE STATE BOARD SHALL ISSUE ITS DECISION REGARDING WHETHER  
3 THE AUTHORIZING SCHOOL DISTRICT IMPROPERLY WITHHELD ANY PORTION  
4 OF THE AMOUNT DUE TO THE CHARTER SCHOOL. IF THE STATE BOARD  
5 FINDS THAT THE AUTHORIZING SCHOOL DISTRICT IMPROPERLY WITHHELD  
6 ANY PORTION OF THE AMOUNT DUE TO THE CHARTER SCHOOL, THE  
7 AUTHORIZING SCHOOL DISTRICT SHALL PAY TO THE CHARTER SCHOOL,  
8 WITHIN THIRTY DAYS AFTER THE STATE BOARD ISSUES THE DECISION, THE  
9 AMOUNT IMPROPERLY WITHHELD. IN ADDITION, THE AUTHORIZING SCHOOL  
10 DISTRICT SHALL PAY THE DEPARTMENT'S COSTS INCURRED IN REVIEWING  
11 THE NECESSARY INFORMATION TO MAKE ITS REPORT. IF THE STATE BOARD  
12 FINDS THAT THE AUTHORIZING SCHOOL DISTRICT DID NOT IMPROPERLY  
13 WITHHOLD ANY PORTION OF THE AMOUNT DUE TO THE CHARTER SCHOOL,  
14 THE CHARTER SCHOOL SHALL PAY THE DEPARTMENT'S COSTS INCURRED IN  
15 REVIEWING THE NECESSARY INFORMATION TO MAKE ITS REPORT.

16 (d) IF THE AUTHORIZING SCHOOL DISTRICT FAILS WITHIN THE  
17 THIRTY-DAY PERIOD TO PAY THE FULL AMOUNT THAT WAS IMPROPERLY  
18 WITHHELD, THE CHARTER SCHOOL MAY NOTIFY THE DEPARTMENT, AND  
19 THE DEPARTMENT SHALL WITHHOLD FROM THE AUTHORIZING SCHOOL  
20 DISTRICT'S STATE SHARE OF TOTAL PROGRAM THE UNPAID PORTION OF THE  
21 AMOUNT IMPROPERLY WITHHELD BY THE AUTHORIZING SCHOOL DISTRICT  
22 FROM THE CHARTER SCHOOL AND PAY THE WITHHELD AMOUNT DIRECTLY  
23 TO THE CHARTER SCHOOL.

24 (4) (a) IF A CHARTER SCHOOL DETERMINES THAT A SCHOOL  
25 DISTRICT HAS NOT PAID THE TUITION CHARGE FOR THE EXCESS COSTS  
26 INCURRED IN EDUCATING A CHILD WITH A DISABILITY AS REQUIRED IN  
27 SECTION 22-20-109 (5), THE CHARTER SCHOOL MAY SEEK A



1 DETERMINATION FROM THE STATE BOARD IN ACCORDANCE WITH THE  
2 PROVISIONS OF SUBSECTION (3) OF THIS SECTION.

3 (b) IF THE STATE BOARD FINDS THAT THE SCHOOL DISTRICT HAS  
4 IMPROPERLY WITHHELD MONEYS DUE TO THE CHARTER SCHOOL, THE  
5 SCHOOL DISTRICT, WITHIN THIRTY DAYS AFTER THE STATE BOARD ISSUES  
6 THE DECISION, SHALL PAY TO THE CHARTER SCHOOL THE AMOUNT  
7 IMPROPERLY WITHHELD. IN ADDITION, THE SCHOOL DISTRICT SHALL PAY  
8 THE DEPARTMENT'S COSTS INCURRED IN REVIEWING THE NECESSARY  
9 INFORMATION TO MAKE ITS REPORT. IF THE SCHOOL DISTRICT FAILS,  
10 WITHIN THE THIRTY-DAY PERIOD, TO PAY THE FULL AMOUNT THAT WAS  
11 IMPROPERLY WITHHELD, THE CHARTER SCHOOL MAY NOTIFY THE  
12 DEPARTMENT, AND THE DEPARTMENT SHALL WITHHOLD FROM THE SCHOOL  
13 DISTRICT'S STATE SHARE OF TOTAL PROGRAM THE UNPAID PORTION OF THE  
14 AMOUNT IMPROPERLY WITHHELD BY THE DISTRICT AND PAY THE AMOUNT  
15 WITHHELD DIRECTLY TO THE CHARTER SCHOOL.

16 (c) IF THE STATE BOARD FINDS THAT THE SCHOOL DISTRICT DID  
17 NOT IMPROPERLY WITHHOLD ANY PORTION OF THE AMOUNT DUE TO THE  
18 CHARTER SCHOOL, THE CHARTER SCHOOL SHALL PAY THE DEPARTMENT'S  
19 COSTS INCURRED IN REVIEWING THE NECESSARY INFORMATION TO MAKE  
20 ITS REPORT.

21 (5) (a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY  
22 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION AT WHICH  
23 A MAJORITY OF THOSE VOTING APPROVE AN INCREASE IN STATE TAX  
24 REVENUES FOR THE PURPOSE OF FUNDING PUBLIC EDUCATION.

25 (b) THE PROVISIONS OF THIS SECTION APPLY IN THE SECOND  
26 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
27 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE

1 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
2 THEREAFTER.

3 **SECTION 3.** In Colorado Revised Statutes, **add 22-30.5-513.5**  
4 as follows:

5 **22-30.5-513.5. Institute charter schools - funding - definitions.**

6 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
7 REQUIRES:

8 (a) "ADMINISTRATIVE OVERHEAD COSTS" MEANS ALL ACTUAL AND  
9 REASONABLE COSTS INCURRED BY THE INSTITUTE AS A RESULT OF ITS  
10 PERFORMANCE OF ITS OBLIGATIONS PURSUANT TO THIS PART 5.  
11 "ADMINISTRATIVE OVERHEAD COSTS" DOES NOT INCLUDE THE COSTS  
12 INCURRED TO DELIVER SERVICES THAT AN INSTITUTE CHARTER SCHOOL  
13 MAY PURCHASE AT ITS DISCRETION.

14 (b) "ASCENT PROGRAM" HAS THE SAME MEANING AS PROVIDED  
15 IN SECTION 22-54.5-103 (3).

16 (c) "ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP" HAS THE  
17 SAME MEANING AS PROVIDED IN SECTION 22-54.5-103 (4).

18 (d) "AT-RISK" HAS THE SAME MEANING AS PROVIDED IN SECTION  
19 22-54.5-103 (5).

20 (e) "AT-RISK FUNDING" MEANS THE FUNDING CALCULATED FOR AN  
21 INSTITUTE CHARTER SCHOOL PURSUANT TO SECTION 22-54.5-202 (4).

22 (f) "AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP" HAS THE SAME  
23 MEANING AS PROVIDED IN SECTION 22-54.5-103 (6).

24 (g) "AVERAGE DAILY MEMBERSHIP" HAS THE SAME MEANING AS  
25 PROVIDED IN SECTION 22-54.5-103 (8).

26 (h) "ENGLISH LANGUAGE LEARNER" HAS THE SAME MEANING AS  
27 PROVIDED IN SECTION 22-54.5-103 (16).

1           (i) "ENGLISH LANGUAGE LEARNER FUNDING" MEANS THE FUNDING  
2 CALCULATED FOR AN INSTITUTE CHARTER SCHOOL PURSUANT TO SECTION  
3 22-54.5-202 (5).

4           (j) "ENGLISH LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP"  
5 HAS THE SAME MEANING AS PROVIDED IN SECTION 22-54.5-103 (17).

6           (k) "FUNDING AVERAGING PERIOD" HAS THE SAME MEANING AS  
7 PROVIDED IN SECTION 22-54.5-103 (20).

8           (l) "INVESTMENT MONEYS" HAS THE SAME MEANING AS PROVIDED  
9 IN SECTION 22-54.5-103 (23).

10          (m) "MEMBERSHIP" HAS THE SAME MEANING AS PROVIDED IN  
11 SECTION 22-54.5-103 (26).

12          (n) "MULTI-DISTRICT ON-LINE SCHOOL" HAS THE SAME MEANING  
13 AS PROVIDED IN SECTION 22-30.7-102 (6).

14          (o) "QUALIFIED INSTITUTE CHARTER SCHOOL" HAS THE SAME  
15 MEANING AS "QUALIFIED CHARTER SCHOOL" DEFINED IN SECTION  
16 22-54.5-309 (1) (e).

17          (p) "SCHOOL DAY" HAS THE SAME MEANING AS PROVIDED IN  
18 SECTION 22-54.5-103 (30).

19          (q) "TOTAL PROGRAM" MEANS THE TOTAL PROGRAM FOR AN  
20 INSTITUTE CHARTER SCHOOL THAT THE DEPARTMENT CALCULATES  
21 PURSUANT TO SECTION 22-54.5-202.

22          (2) (a) FOR PURPOSES OF THE "PUBLIC SCHOOL FINANCE ACT",  
23 ARTICLE 54.5 OF THIS TITLE, EACH INSTITUTE CHARTER SCHOOL, AS  
24 REQUIRED IN SECTION 22-54.5-405, SHALL REPORT TO THE DEPARTMENT  
25 THE INSTITUTE CHARTER SCHOOL'S MEMBERSHIP FOR EACH SCHOOL DAY,  
26 INCLUDING SPECIFYING THE NUMBER OF PRESCHOOL PUPILS, AT-RISK  
27 PUPILS, AND ENGLISH LANGUAGE LEARNERS, AND THE NUMBER OF PUPILS

1 WHO ARE ENROLLED EACH SCHOOL DAY IN A MULTI-DISTRICT ON-LINE  
2 SCHOOL OR THE ASCENT PROGRAM, AS APPLICABLE. EACH INSTITUTE  
3 CHARTER SCHOOL SHALL ALSO SPECIFY WHETHER IT IS A QUALIFIED  
4 CHARTER SCHOOL. THE DEPARTMENT SHALL USE THE MEMBERSHIP AND  
5 THE MULTI-DISTRICT ON-LINE SCHOOL AND ASCENT PROGRAM  
6 ENROLLMENTS REPORTED TO CALCULATE THE AVERAGE DAILY  
7 MEMBERSHIP, PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP,  
8 AT-RISK AVERAGE DAILY MEMBERSHIP, ENGLISH LANGUAGE LEARNER  
9 AVERAGE DAILY MEMBERSHIP, ON-LINE AVERAGE DAILY MEMBERSHIP,  
10 AND ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP, AS APPLICABLE,  
11 AND THE TOTAL PROGRAM FOR EACH INSTITUTE CHARTER SCHOOL  
12 PURSUANT TO SECTIONS 22-54.5-202 AND 22-54.5-405, AND THE  
13 INVESTMENT MONEYS FOR EACH INSTITUTE CHARTER SCHOOL PURSUANT  
14 TO SECTION 22-54.5-301.

15 (b) A NEW INSTITUTE CHARTER SCHOOL SHALL REPORT TO THE  
16 DEPARTMENT THE PROJECTED MEMBERSHIP, INCLUDING SPECIFYING THE  
17 PROJECTED NUMBER OF PRESCHOOL PUPILS, AT-RISK PUPILS, AND ENGLISH  
18 LANGUAGE LEARNERS, FOR THE FIRST SCHOOL DAY OF THE FIRST SCHOOL  
19 YEAR IN WHICH THE INSTITUTE CHARTER SCHOOL ENROLLS PUPILS. IF THE  
20 NEW INSTITUTE CHARTER SCHOOL IS A MULTI-DISTRICT ON-LINE SCHOOL,  
21 THE INSTITUTE CHARTER SCHOOL SHALL REPORT TO THE DEPARTMENT THE  
22 PROJECTED ON-LINE PUPIL ENROLLMENT, INCLUDING SPECIFYING THE  
23 PROJECTED NUMBER OF AT-RISK PUPILS AND ENGLISH LANGUAGE  
24 LEARNERS, FOR THE FIRST SCHOOL DAY OF THE FIRST SCHOOL YEAR IN  
25 WHICH THE INSTITUTE CHARTER SCHOOL OF THE DISTRICT ENROLLS PUPILS.

26 (3) (a) AS PART OF THE CHARTER CONTRACT, EACH INSTITUTE  
27 CHARTER SCHOOL AND THE INSTITUTE SHALL AGREE ON FUNDING AND ANY

1 SERVICES THAT THE INSTITUTE OR A THIRD PARTY PROVIDES TO THE  
2 INSTITUTE CHARTER SCHOOL. THE INSTITUTE CHARTER SCHOOL AND THE  
3 INSTITUTE SHALL NEGOTIATE FUNDING UNDER THE CHARTER CONTRACT,  
4 STARTING WITH THE AMOUNTS SPECIFIED IN SUBSECTION (4) OF THIS  
5 SECTION.

6 (b) THE INSTITUTE SHALL PAY TO EACH INSTITUTE CHARTER  
7 SCHOOL THE AMOUNTS THAT ARE DUE TO EACH INSTITUTE CHARTER  
8 SCHOOL AS PROVIDED IN THIS SECTION. THE INSTITUTE SHALL PAY THE  
9 AMOUNTS IN TWELVE MONTHLY INSTALLMENTS AS SOON AS PRACTICABLE  
10 AFTER THE INSTITUTE RECEIVES DISTRIBUTIONS OF MONEYS FROM THE  
11 DEPARTMENT PURSUANT TO SECTION 22-30.5-408.

12 (c) IF THE DEPARTMENT RECALCULATES AND ADJUSTS AN  
13 INSTITUTE CHARTER SCHOOL'S FUNDING AS PROVIDED IN SECTION  
14 22-54.5-405 (4) OR (6), THE INSTITUTE SHALL ADJUST ITS PAYMENTS TO  
15 THE INSTITUTE CHARTER SCHOOL PURSUANT TO THIS SECTION  
16 ACCORDINGLY.

17 (d) IN THE FIRST AND SECOND YEARS IN WHICH A NEW INSTITUTE  
18 CHARTER SCHOOL ENROLLS PUPILS AND IN ANY SCHOOL YEAR IN WHICH AN  
19 INSTITUTE CHARTER SCHOOL ADDS GRADE LEVELS, THE INSTITUTE SHALL  
20 CALCULATE THE INSTITUTE CHARTER SCHOOL'S MEMBERSHIP AND, IF  
21 APPLICABLE, ON-LINE PUPIL ENROLLMENT AND ASCENT PROGRAM  
22 ENROLLMENT AS PROVIDED IN SECTION 22-54.5-405 (4) AND (6).

23 (4) (a) NEGOTIATIONS BETWEEN AN INSTITUTE CHARTER SCHOOL  
24 AND THE INSTITUTE BEGIN WITH THE INSTITUTE CHARTER SCHOOL  
25 RECEIVING AN AMOUNT EQUAL TO:

26 (I) (A) THE INSTITUTE CHARTER SCHOOL'S TOTAL PROGRAM MINUS  
27 ONE PERCENT WITHHELD BY THE DEPARTMENT PURSUANT TO SECTION

1 22-54.5-408 (2); PLUS

2 (B) THE INVESTMENT MONEYS IN THE AMOUNT OF THE PER PUPIL  
3 AMOUNT CALCULATED PURSUANT TO SECTION 22-54.5-301 (3) MULTIPLIED  
4 BY THE INSTITUTE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR  
5 THE APPLICABLE FUNDING AVERAGING PERIOD, AS PROVIDED IN SECTION  
6 22-54.5-301; MINUS

7

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8 (II)(A) AN AMOUNT EQUAL TO THREE PERCENT OF THE INSTITUTE  
9 CHARTER SCHOOL'S TOTAL PROGRAM, WHICH AMOUNT THE INSTITUTE  
10 SHALL TRANSFER TO THE STATE TREASURER FOR CREDIT TO THE ACCOUNT  
11 CREATED IN SECTION 22-30.5-506 (4) AND USED TO OFFSET  
12 ADMINISTRATIVE OVERHEAD COSTS; PLUS

13 (B) THE AMOUNT AGREED TO IN THE CHARTER CONTRACT FOR  
14 ADDITIONAL SERVICES AS PROVIDED IN PARAGRAPH (b) OF THIS  
15 SUBSECTION (4); PLUS

16 (C) ANY AMOUNT AGREED TO BY THE INSTITUTE AND THE  
17 INSTITUTE CHARTER SCHOOL FOR REPAYMENT OF A LOAN TO THE  
18 INSTITUTE CHARTER SCHOOL FROM THE INSTITUTE CHARTER SCHOOL  
19 ASSISTANCE FUND CREATED IN SECTION 22-30.5-515.5; PLUS

20 (D) ANY AMOUNT WITHHELD PURSUANT TO SECTION 22-30.5-406  
21 FOR THE DIRECT PAYMENTS MADE BY THE STATE TREASURER OF PRINCIPAL  
22 AND INTEREST DUE ON BONDS ISSUED ON BEHALF OF THE INSTITUTE  
23 CHARTER SCHOOL BY A GOVERNMENTAL ENTITY FOR THE PURPOSE OF  
24 FINANCING INSTITUTE CHARTER SCHOOL CAPITAL CONSTRUCTION.

25 (b) IN NEGOTIATING THE CHARTER CONTRACT, THE INSTITUTE  
26 CHARTER SCHOOL AND THE INSTITUTE BOARD SHALL AGREE ON THE  
27 SERVICES, OTHER THAN NECESSARY ADMINISTRATION, OVERSIGHT, AND

1 MANAGEMENT SERVICES, AND THE COST OF THE SERVICES THAT A THIRD  
2 PARTY WITH WHICH THE INSTITUTE OR INSTITUTE CHARTER SCHOOL  
3 CONTRACTS PROVIDES TO THE INSTITUTE CHARTER SCHOOL.

4 (5) IN ADDITION TO THE MONEYS AN INSTITUTE CHARTER SCHOOL  
5 RECEIVES PURSUANT TO SUBSECTION (4) OF THIS SECTION:

6 (a) (I) THE INSTITUTE SHALL DISTRIBUTE TO EACH QUALIFIED  
7 INSTITUTE CHARTER SCHOOL AN AMOUNT EQUAL TO THE PERCENTAGE OF  
8 THE QUALIFIED INSTITUTE CHARTER SCHOOL'S CERTIFIED AVERAGE DAILY  
9 MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING PERIOD  
10 MULTIPLIED BY THE TOTAL AMOUNT OF STATE EDUCATION FUND MONEYS  
11 DISTRIBUTED TO THE INSTITUTE FOR THE SAME BUDGET YEAR PURSUANT  
12 TO SECTION 22-54.5-309. THE INSTITUTE MUST PROVIDE THE FUNDING TO  
13 EACH QUALIFIED INSTITUTE CHARTER SCHOOL BY MAKING A MONTHLY  
14 PAYMENT TO THE QUALIFIED INSTITUTE CHARTER SCHOOL AS SOON AS  
15 POSSIBLE AFTER THE INSTITUTE RECEIVES A MONTHLY PAYMENT OF  
16 MONEYS PURSUANT TO SECTION 22-54.5-309. THE QUALIFIED INSTITUTE  
17 CHARTER SCHOOL SHALL USE THE MONEYS RECEIVED PURSUANT TO THIS  
18 PARAGRAPH (a) SOLELY FOR CAPITAL CONSTRUCTION AS DEFINED IN  
19 SECTION 22-54.5-309 (1) (a).

20 (II) FOR PURPOSES OF THIS PARAGRAPH (a), "PUPILS" DOES NOT  
21 INCLUDE PUPILS WHO ARE ENROLLED IN AN ON-LINE PROGRAM, AS DEFINED  
22 IN SECTION 22-30.7-102 (9), OR IN AN ON-LINE SCHOOL, AS DEFINED IN  
23 SECTION 22-30.7-102 (9.5).

24 (b) (I) THE INSTITUTE SHALL DISTRIBUTE TO EACH INSTITUTE  
25 CHARTER SCHOOL THE SCHOOL'S PROPORTIONATE SHARE OF MONEYS  
26 RECEIVED PURSUANT TO FEDERAL OR STATE CATEGORICAL AID PROGRAMS  
27 BASED ON THE PUPILS ENROLLED IN EACH INSTITUTE CHARTER SCHOOL.

1           (II) EACH INSTITUTE CHARTER SCHOOL THAT SERVES STUDENTS  
2 WHO MAY BE ELIGIBLE TO RECEIVE SERVICES PROVIDED THROUGH  
3 FEDERAL AID PROGRAMS MUST COMPLY WITH ALL FEDERAL REPORTING  
4 REQUIREMENTS TO RECEIVE THE DISTRIBUTION OF FEDERAL AID FROM THE  
5 INSTITUTE.

6           (c) EACH INSTITUTE CHARTER SCHOOL RETAINS THE FEES  
7 COLLECTED FROM STUDENTS ENROLLED AT THE INSTITUTE CHARTER  
8 SCHOOL.

9           (6) EACH INSTITUTE CHARTER SCHOOL SHALL PAY AN AMOUNT  
10 EQUAL TO THE PER PUPIL COST INCURRED BY THE INSTITUTE IN PROVIDING  
11 FEDERALLY REQUIRED EDUCATIONAL SERVICES, MULTIPLIED BY THE  
12 NUMBER OF STUDENTS ENROLLED IN THE INSTITUTE CHARTER SCHOOL. AT  
13 EITHER PARTY'S REQUEST, THE INSTITUTE CHARTER SCHOOL AND THE  
14 INSTITUTE MAY NEGOTIATE AND INCLUDE IN THE CHARTER CONTRACT  
15 ALTERNATE ARRANGEMENTS FOR THE PROVISION OF AND PAYMENT FOR  
16 FEDERALLY REQUIRED EDUCATIONAL SERVICES, INCLUDING BUT NOT  
17 NECESSARILY LIMITED TO A REASONABLE RESERVE NOT TO EXCEED FIVE  
18 PERCENT OF THE INSTITUTE'S TOTAL BUDGET FOR PROVIDING FEDERALLY  
19 REQUIRED EDUCATIONAL SERVICES. THE INSTITUTE SHALL USE THE  
20 RESERVE ONLY TO OFFSET THE EXCESS COSTS OF PROVIDING SERVICES TO  
21 STUDENTS WITH DISABILITIES WHO ARE ENROLLED IN AN INSTITUTE  
22 CHARTER SCHOOL.

23           (7) EACH INSTITUTE CHARTER SCHOOL THAT RECEIVES AT-RISK  
24 FUNDING SHALL USE THE AT-RISK FUNDING TO PROVIDE PROGRAMS,  
25 ACTIVITIES, AND PERSONNEL THAT PRIMARILY SERVE AT-RISK PUPILS.  
26 EACH INSTITUTE CHARTER SCHOOL THAT RECEIVES ENGLISH LANGUAGE  
27 LEARNER FUNDING SHALL USE THE ENGLISH LANGUAGE LEARNER FUNDING



1 TO PROVIDE PROGRAMS, ACTIVITIES, AND PERSONNEL THAT PRIMARILY  
2 SERVE ENGLISH LANGUAGE LEARNERS.

3 (8) (a) WITHIN NINETY DAYS AFTER THE END OF EACH BUDGET  
4 YEAR, THE INSTITUTE SHALL PROVIDE TO EACH INSTITUTE CHARTER  
5 SCHOOL AN ITEMIZED ACCOUNTING OF ALL THE INSTITUTE'S  
6 ADMINISTRATIVE OVERHEAD COSTS.

7 (b) WITHIN NINETY DAYS AFTER THE END OF EACH BUDGET YEAR,  
8 THE INSTITUTE SHALL PROVIDE TO EACH INSTITUTE CHARTER SCHOOL AN  
9 ITEMIZED ACCOUNTING OF ALL OF THE ACTUAL COSTS OF ANY ADDITIONAL  
10 SERVICES THE INSTITUTE CHARTER SCHOOL CHOSE TO PURCHASE AS  
11 PROVIDED IN PARAGRAPH (b) OF SUBSECTION (4) OF THIS SECTION. THE  
12 INSTITUTE AND THE INSTITUTE CHARTER SCHOOL SHALL RECONCILE ANY  
13 DIFFERENCE BETWEEN THE AMOUNT INITIALLY CHARGED TO THE  
14 INSTITUTE CHARTER SCHOOL AND THE ACTUAL COST OF THE SERVICES,  
15 AND THE OWED PARTY SHALL RECEIVE APPROPRIATE REIMBURSEMENT.

16 (9) (a) THE GOVERNING BODY OF AN INSTITUTE CHARTER SCHOOL  
17 MAY ACCEPT GIFTS, DONATIONS, OR GRANTS OF ANY KIND MADE TO THE  
18 INSTITUTE CHARTER SCHOOL AND EXPEND OR USE THE GIFTS, DONATIONS,  
19 OR GRANTS IN ACCORDANCE WITH THE CONDITIONS PRESCRIBED BY THE  
20 DONOR; HOWEVER, THE GOVERNING BODY SHALL NOT ACCEPT A GIFT,  
21 DONATION, OR GRANT IF THE GIFT, DONATION, OR GRANT IS SUBJECT TO  
22 ANY CONDITION CONTRARY TO LAW OR CONTRARY TO THE TERMS OF THE  
23 CHARTER CONTRACT BETWEEN THE INSTITUTE CHARTER SCHOOL AND THE  
24 INSTITUTE.

25 (b) MONEYS THAT AN INSTITUTE CHARTER SCHOOL RECEIVES FROM  
26 ANY SOURCE AND THAT REMAIN IN THE INSTITUTE CHARTER SCHOOL'S  
27 ACCOUNTS AT THE END OF A BUDGET YEAR MUST REMAIN IN THE

1 INSTITUTE CHARTER SCHOOL'S ACCOUNTS FOR THE INSTITUTE CHARTER  
2 SCHOOL'S USE DURING SUBSEQUENT BUDGET YEARS AND DO NOT REVERT  
3 TO THE STATE. MONEYS REMAINING IN THE INSTITUTE CHARTER SCHOOL'S  
4 ACCOUNTS UPON THE REVOCATION OR NONRENEWAL OF THE CHARTER  
5 CONTRACT REVERT TO THE INSTITUTE; EXCEPT THAT ANY GIFTS MUST BE  
6 DISPOSED OF IN ACCORDANCE WITH ANY CONDITIONS PRESCRIBED BY THE  
7 DONOR THAT ARE NOT CONTRARY TO LAW.

8 (10) (a) ON OR BEFORE DECEMBER 1 OF EACH YEAR, A  
9 REPRESENTATIVE FROM THE GOVERNING BOARD OF EACH INSTITUTE  
10 CHARTER SCHOOL AND THE INSTITUTE BOARD SHALL MEET TO REVIEW THE  
11 LEVEL OF FUNDING RECEIVED BY THE INSTITUTE AS A RESULT OF THE  
12 MONEYS WITHHELD BY THE INSTITUTE FOR THE AMOUNT OF ACTUAL COSTS  
13 INCURRED BY THE INSTITUTE IN PROVIDING NECESSARY ADMINISTRATION,  
14 OVERSIGHT, AND MANAGEMENT SERVICES TO THE INSTITUTE CHARTER  
15 SCHOOLS. THE INSTITUTE CHARTER SCHOOL REPRESENTATIVES AND THE  
16 INSTITUTE BOARD SHALL, AT A MINIMUM, REVIEW FOR EACH BUDGET YEAR  
17 THE AMOUNT OF MONEYS ANNUALLY APPROPRIATED TO THE INSTITUTE,  
18 THE AMOUNT OF COSTS INCURRED BY THE INSTITUTE, AND THE SERVICES  
19 PROVIDED BY THE INSTITUTE.

20 (b) ON OR BEFORE JANUARY 15 OF EACH YEAR, THE INSTITUTE  
21 BOARD SHALL SUBMIT TO THE EDUCATION COMMITTEES OF THE SENATE  
22 AND THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES,  
23 THE FINDINGS OF THE REVIEW DESCRIBED IN PARAGRAPH (a) OF THIS  
24 SUBSECTION (10) AND ANY RECOMMENDATIONS FOR LEGISLATIVE  
25 CHANGES REGARDING THE OPERATIONS OF THE INSTITUTE.

26 (c) THE PROVISIONS OF THIS SUBSECTION (10) DO NOT LIMIT THE  
27 AUTHORITY OF THE INSTITUTE OR THE INSTITUTE BOARD IN MAKING

1 DECISIONS CONCERNING OPERATIONS OF THE INSTITUTE OR THE USE OF  
2 INSTITUTE MONEYS.

3 (11) (a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY  
4 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION AT WHICH  
5 A MAJORITY OF THOSE VOTING APPROVE AN INCREASE IN STATE TAX  
6 REVENUES FOR THE PURPOSE OF FUNDING PUBLIC EDUCATION.

7 (b) THE PROVISIONS OF THIS SECTION APPLY IN THE SECOND  
8 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
9 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE  
10 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
11 THEREAFTER; EXCEPT THAT, IN THE FIRST BUDGET YEAR COMMENCING  
12 AFTER THE STATEWIDE ELECTION, EACH INSTITUTE CHARTER SCHOOL  
13 SHALL BEGIN REPORTING TO THE DEPARTMENT THE SCHOOL'S  
14 MEMBERSHIP, INCLUDING SPECIFYING AT-RISK PUPILS AND ENGLISH  
15 LANGUAGE LEARNERS, AND THE INSTITUTE CHARTER SCHOOL'S ON-LINE  
16 PROGRAM, INCLUDING SPECIFYING AT-RISK PUPILS AND ENGLISH  
17 LANGUAGE LEARNERS, AND ASCENT PROGRAM ENROLLMENT AS  
18 REQUIRED IN SECTION 22-54.5-405.

19 **SECTION 4.** In Colorado Revised Statutes, **add** 22-28-104.1 and  
20 22-28-107.1 as follows:

21 **22-28-104.1. Establishment of public preschool programs.**

22 (1) THE COLORADO PRESCHOOL PROGRAM IS ESTABLISHED IN THE  
23 DEPARTMENT AND AS A LOCAL PROGRAM IN EACH SCHOOL DISTRICT. THE  
24 PURPOSES OF THE PROGRAM ARE:

25 (a) TO SERVE THREE-, FOUR-, AND FIVE-YEAR-OLD CHILDREN WHO  
26 LACK OVERALL LEARNING READINESS DUE TO SIGNIFICANT FAMILY RISK  
27 FACTORS, WHO ARE IN NEED OF LANGUAGE DEVELOPMENT, OR WHO ARE

1 RECEIVING SERVICES FROM THE DEPARTMENT OF HUMAN SERVICES  
2 PURSUANT TO ARTICLE 5 OF TITLE 26, C.R.S., AS NEGLECTED OR  
3 DEPENDENT CHILDREN AND WHO WOULD BENEFIT FROM PARTICIPATION IN  
4 THE COLORADO PRESCHOOL PROGRAM;

5 (b) TO ESTABLISH CRITERIA THAT SCHOOL DISTRICTS AND  
6 INSTITUTE CHARTER SCHOOLS MUST FOLLOW TO ESTABLISH DISTRICT AND  
7 INSTITUTE CHARTER SCHOOL PRESCHOOL PROGRAMS; AND

8 (c) TO ENCOURAGE PARENTS TO PARTICIPATE WITH THEIR  
9 CHILDREN IN DISTRICT OR INSTITUTE CHARTER SCHOOL PRESCHOOL  
10 PROGRAMS.

11 (2) ALL CHILDREN WHO MEET THE ELIGIBILITY REQUIREMENTS  
12 SPECIFIED IN SECTION 22-28-106 MAY PARTICIPATE IN THE COLORADO  
13 PRESCHOOL PROGRAM AS HALF-TIME PUPILS.

14 (3) EACH SCHOOL DISTRICT AND EACH INSTITUTE CHARTER  
15 SCHOOL SHALL INCLUDE IN THE MEMBERSHIP REPORTED TO THE  
16 DEPARTMENT PURSUANT TO SECTION 22-54.5-405 THE PUPILS ENROLLED  
17 IN THE COLORADO PRESCHOOL PROGRAM TO RECEIVE FUNDING FOR THOSE  
18 PUPILS THROUGH THE "PUBLIC SCHOOL FINANCE ACT", ARTICLE 54.5 OF  
19 THIS TITLE.

20 (4) THIS ARTICLE DOES NOT PROHIBIT A SCHOOL DISTRICT FROM  
21 ESTABLISHING AND MAINTAINING OTHER PRESCHOOL PROGRAMS USING  
22 ANY FUNDS AVAILABLE FOR THAT PURPOSE, BUT THE SCHOOL DISTRICT  
23 SHALL NOT COUNT CHILDREN ENROLLED IN ANOTHER PRESCHOOL  
24 PROGRAM FOR PURPOSES OF DETERMINING AVERAGE DAILY MEMBERSHIP  
25 UNDER THE "PUBLIC SCHOOL FINANCE ACT", ARTICLE 54.5 OF THIS TITLE.

26 (5) (a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY  
27 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION AT WHICH

1 A MAJORITY OF THOSE VOTING APPROVE AN INCREASE IN STATE TAX  
2 REVENUES FOR THE PURPOSE OF FUNDING PUBLIC EDUCATION.

3 (b) THE PROVISIONS OF THIS SECTION APPLY IN THE SECOND  
4 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
5 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE  
6 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
7 THEREAFTER; EXCEPT THAT, IN THE FIRST BUDGET YEAR COMMENCING  
8 AFTER THE STATEWIDE ELECTION, EACH SCHOOL DISTRICT AND EACH  
9 INSTITUTE CHARTER SCHOOL SHALL BEGIN REPORTING TO THE  
10 DEPARTMENT THE SCHOOL DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S  
11 PRESCHOOL PROGRAM ENROLLMENT FOR EACH SCHOOL DAY AS REQUIRED  
12 IN SECTION 22-54.5-405.

13 **22-28-107.1. District and institute charter school preschool**  
14 **programs - plans.** (1) EACH SCHOOL DISTRICT THAT HAS NOT SUBMITTED  
15 A PLAN TO THE DEPARTMENT BY THE EFFECTIVE DATE OF THIS SECTION TO  
16 IMPLEMENT A DISTRICT PRESCHOOL PROGRAM SHALL DO SO WITHIN SIX  
17 MONTHS AFTER THAT DATE. AN INSTITUTE CHARTER SCHOOL THAT  
18 CHOOSES TO OFFER A PRESCHOOL PROGRAM PURSUANT TO THIS SECTION  
19 SHALL SUBMIT A PLAN TO IMPLEMENT THE PRESCHOOL PROGRAM TO THE  
20 DEPARTMENT AT LEAST SIX MONTHS BEFORE THE PRESCHOOL PROGRAM  
21 BEGINS OPERATION. A SCHOOL DISTRICT'S OR INSTITUTE CHARTER  
22 SCHOOL'S PLAN MUST INCLUDE, BUT NEED NOT BE LIMITED TO, THE  
23 FOLLOWING INFORMATION REQUESTED BY THE DEPARTMENT:

24 (a) THE NUMBER OF ELIGIBLE CHILDREN THAT THE PRESCHOOL  
25 PROGRAM IS EXPECTED TO SERVE;

26 (b) WHETHER THE PRESCHOOL PROGRAM WILL BE A  
27 FOUR-AND-ONE-HALF-MONTH, NINE-MONTH, OR TWELVE-MONTH

1 PROGRAM;

2 (c) WHETHER THE SCHOOL DISTRICT OR INSTITUTE CHARTER  
3 SCHOOL ITSELF WILL PROVIDE THE PRESCHOOL PROGRAM OR WHETHER A  
4 HEAD START AGENCY OR ONE OR MORE CHILD CARE AGENCIES UNDER  
5 CONTRACT WITH THE SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL  
6 WILL PROVIDE THE PRESCHOOL PROGRAM IN WHOLE OR IN PART;

7 (d) IF THE SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL WILL  
8 PROVIDE THE PRESCHOOL PROGRAM:

9 (I) THE NUMBER OF SCHOOLS IN THE SCHOOL DISTRICT THAT WILL  
10 BE INVOLVED IF IT IS A DISTRICT PRESCHOOL PROGRAM;

11 (II) THE NUMBER OF ADDITIONAL PERSONNEL NEEDED TO STAFF  
12 THE PRESCHOOL PROGRAM; AND

13 (III) THE TRAINING PROGRAM FOR PRESCHOOL TEACHERS;

14 (e) IF A HEAD START AGENCY OR CHILD CARE AGENCIES UNDER  
15 CONTRACT WITH THE SCHOOL DISTRICT OR THE INSTITUTE CHARTER  
16 SCHOOL WILL PROVIDE THE PRESCHOOL PROGRAM, IN WHOLE OR IN PART:

17 (I) THE HEAD START AGENCY OR CHILD CARE AGENCIES WITH  
18 WHICH THE SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL WILL  
19 CONTRACT;

20 (II) THE TERMS OF THE CONTRACTS; AND

21 (III) THE PROCEDURE THE SCHOOL DISTRICT OR INSTITUTE  
22 CHARTER SCHOOL WILL USE TO MONITOR THE PRESCHOOL PROGRAM THAT  
23 THE HEAD START AGENCY OR CHILD CARE AGENCIES ARE PROVIDING;

24 (f) THE EXTENDED DAY SERVICES, IF ANY, TO BE PROVIDED IN  
25 CONNECTION WITH THE PRESCHOOL PROGRAM;

26 (g) THE PLAN FOR COORDINATING THE PRESCHOOL PROGRAM WITH  
27 FAMILY SUPPORT SERVICES FOR CHILDREN PARTICIPATING IN THE

1 PROGRAM AND THEIR FAMILIES;

2 (h) THE PLAN FOR INVOLVING THE PARENT OR PARENTS OF EACH  
3 CHILD ENROLLED IN THE PRESCHOOL PROGRAM IN PARTICIPATION IN THE  
4 PROGRAM;

5 (i) THE PLAN FOR COORDINATING THE PRESCHOOL PROGRAM WITH  
6 A PARENTING PROGRAM;

7 (j) THE PLAN FOR INVOLVING PARENTS AND THE COMMUNITY IN  
8 THE PRESCHOOL PROGRAM; AND

9 (k) THE PROCEDURE THE SCHOOL DISTRICT OR INSTITUTE CHARTER  
10 SCHOOL WILL FOLLOW TO EVALUATE THE CURRENT AND CONTINUING  
11 EFFECTIVENESS OF THE PRESCHOOL PROGRAM.

12 (2) A SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL THAT  
13 PARTICIPATES IN THE COLORADO PRESCHOOL PROGRAM BY OFFERING A  
14 NINE-MONTH PROGRAM MAY, IN THE FIRST YEAR OF OPERATION, APPLY  
15 FOR PERMISSION FROM THE DEPARTMENT TO RECEIVE FUNDING FOR A  
16 NINE-MONTH PROGRAM BUT TO USE UP TO HALF OF THE MONEYS  
17 ALLOCATED FOR THE PROGRAM TO PREPARE, DURING THE FIRST HALF OF  
18 THE SCHOOL YEAR, TO OFFER A PRESCHOOL PROGRAM AND TO USE THE  
19 REMAINDER OF THE MONEYS TO OFFER, DURING THE SECOND HALF OF THE  
20 SCHOOL YEAR, A FOUR-AND-ONE-HALF-MONTH PRESCHOOL PROGRAM.

21 (3) (a) UPON THE REQUEST OF A SCHOOL DISTRICT OR AN  
22 INSTITUTE CHARTER SCHOOL, THE DEPARTMENT SHALL PROVIDE, SUBJECT  
23 TO AVAILABLE RESOURCES, SUCH TECHNICAL ASSISTANCE AS MAY BE  
24 NECESSARY FOR THE SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL TO  
25 SUBMIT ITS PLAN FOR IMPLEMENTING THE PRESCHOOL PROGRAM AND FOR  
26 ONGOING TRAINING OF PERSONNEL FOR THE SUCCESSFUL IMPLEMENTATION  
27 OF THE PROGRAM.

1 (b) THE DEPARTMENT SHALL ANNUALLY CONDUCT ON-SITE VISITS  
2 AT A REASONABLE NUMBER OF SCHOOL DISTRICTS AND INSTITUTE  
3 CHARTER SCHOOLS TO DETERMINE WHETHER:

4 (I) EACH SCHOOL DISTRICT'S AND INSTITUTE CHARTER SCHOOL'S  
5 SCREENING PROCESS AND THE ELIGIBILITY CRITERIA FOR CHILDREN  
6 PARTICIPATING IN THE PRESCHOOL PROGRAM COMPLY WITH ALL  
7 APPLICABLE STATE LAWS;

8 (II) THE DISTRICT ADVISORY COUNCIL ESTABLISHED PURSUANT TO  
9 SECTION 22-28-105 FOR A DISTRICT PRESCHOOL PROGRAM COMPLIES WITH  
10 ALL APPLICABLE STATE LAWS; AND

11 (III) THE SCHOOL DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S  
12 QUALITY ASSURANCE ACTIVITIES, EVALUATION EFFORTS, AND FINANCIAL  
13 ACTIVITIES REGARDING THE PRESCHOOL PROGRAM COMPLY WITH ALL  
14 APPLICABLE STATE LAWS.

15 (4) (a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY  
16 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION AT WHICH  
17 A MAJORITY OF THOSE VOTING APPROVE AN INCREASE IN STATE TAX  
18 REVENUES FOR THE PURPOSE OF FUNDING PUBLIC EDUCATION.

19 (b) THE PROVISIONS OF THIS SECTION APPLY IN THE SECOND  
20 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
21 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE  
22 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
23 THEREAFTER.

24 **SECTION 5.** In Colorado Revised Statutes, 22-45-103, **add** (1)  
25 (i) as follows:

26 **22-45-103. Funds.** (1) The following funds are created for each  
27 school district for purposes specified in this article:



1           **(i) Technology and building maintenance and operation fund.**

2           **(I)** THE REVENUES FROM A TAX LEVIED PURSUANT TO SECTION  
3           22-54.5-207 FOR THE PURPOSES OF TECHNOLOGY AND BUILDING  
4           MAINTENANCE AND OPERATION SHALL BE DEPOSITED IN THE TECHNOLOGY  
5           AND BUILDING MAINTENANCE AND OPERATION FUND. EXPENDITURES  
6           FROM THE FUND ARE LIMITED TO PAYMENT OF THE COSTS OF ACQUIRING  
7           AND MAINTAINING TECHNOLOGY AND THE COSTS OF BUILDING  
8           MAINTENANCE AND OPERATION FOR THE BUILDINGS OF THE DISTRICT AS  
9           AUTHORIZED IN THE BUDGET OF THE DISTRICT. ANY MONEYS REMAINING  
10          IN THE FUND AT THE END OF A FISCAL YEAR MUST REMAIN IN THE FUND  
11          AND MUST BE USED TO REDUCE THE LEVY FOR TECHNOLOGY AND BUILDING  
12          MAINTENANCE AND OPERATION IN FUTURE YEARS.

13          **(II) (A)** THIS PARAGRAPH **(i)** TAKES EFFECT UPON THE  
14          PROCLAMATION BY THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE  
15          ELECTION AT WHICH A MAJORITY OF THOSE VOTING APPROVE AN INCREASE  
16          IN STATE TAX REVENUES FOR THE PURPOSE OF FUNDING PUBLIC  
17          EDUCATION.

18          **(B)** THE PROVISIONS OF THIS PARAGRAPH (i) APPLY IN THE SECOND  
19          BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
20          THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE  
21          PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
22          THEREAFTER.

23          **SECTION 6.** In Colorado Revised Statutes, 22-44-105, **amend**  
24          (4) as follows:

25          **22-44-105. Budget - contents - mandatory.** (4) (a) ~~Not later than~~  
26          ~~July 1, 1998;~~ The state board of education, with input from the financial  
27          policies and procedures advisory committee, shall establish, ~~and~~

1 implement, AND MAINTAIN a statewide financial, student management,  
2 and human resource electronic data communications and reporting system  
3 that is based on a ~~redesigned~~ standard chart of accounts, a standard  
4 information system, and a standard personnel classification system AND  
5 THAT INCLUDES TO THE FULLEST EXTENT POSSIBLE COMPARABLE  
6 REPORTING OF EXPENDITURES AT THE SCHOOL-SITE LEVEL AS WELL AS AT  
7 THE SCHOOL DISTRICT LEVEL, AT THE BOARD OF COOPERATIVE SERVICES  
8 LEVEL, AND BY THE STATE CHARTER SCHOOL INSTITUTE. The department  
9 of education, THE STATE CHARTER SCHOOL INSTITUTE, and all DISTRICT  
10 CHARTER SCHOOLS, INSTITUTE CHARTER SCHOOLS, school districts, and  
11 boards of cooperative services in the state shall use the system to report  
12 and obtain necessary financial information.

13 (b) In ~~redesigning~~ IMPLEMENTING AND MAINTAINING the financial  
14 and human resource reporting system pursuant to paragraph (a) of this  
15 section, the state board of education shall adhere to, but is not limited to,  
16 the following guidelines:

17 (I) The ~~financial and human resource~~ reporting system ~~shall~~ MUST  
18 be based on a ~~redesigned~~ STANDARD chart of accounts that ~~will make~~  
19 MAKES school-to-school and school district-to-school district comparisons  
20 ~~more~~ accurate and meaningful;

21 (II) THE REPORTING SYSTEM, INCLUDING THE STANDARD CHART OF  
22 ACCOUNTS, MUST REQUIRE THE REPORTING OF EXPENDITURES, INCLUDING  
23 BUT NOT LIMITED TO SALARY AND BENEFIT EXPENDITURES, AT THE SCHOOL  
24 SITE LEVEL;

25 ~~(H)~~ (III) The ~~financial and human resource~~ reporting system ~~shall~~  
26 MUST provide standard definitions for employment positions such that  
27 full, accurate disclosure of administrative costs is made within the

1 budgets and the financial statements of every school district;

2 ~~(HH)~~ (IV) The financial reporting system shall MUST make it  
3 possible to collect comparable data by program and school site; ==

4 (V) THE REPORTING SYSTEM MUST REQUIRE EACH CHARTER  
5 SCHOOL, EACH SCHOOL DISTRICT, EACH BOARD OF COOPERATIVE SERVICES,  
6 AND THE INSTITUTE TO REPORT ACTUAL SALARY AMOUNTS WHEN  
7 REPORTING SALARY EXPENDITURES AND REQUIRE EACH CHARTER SCHOOL,  
8 EACH SCHOOL DISTRICT, EACH BOARD OF COOPERATIVE SERVICES, AND  
9 THE INSTITUTE TO REPORT BENEFIT EXPENDITURES BY TYPE OF BENEFIT;

10 AND

11 (VI) THE REPORTING SYSTEM MUST REQUIRE EACH DISTRICT TO  
12 REPORT THE TOTAL AMOUNT OF ADDITIONAL LOCAL PROPERTY TAX  
13 REVENUES THE DISTRICT IS AUTHORIZED TO COLLECT IN ADDITION TO THE  
14 DISTRICT'S TOTAL PROGRAM MILL LEVY, BUT NOT INCLUDING AMOUNTS  
15 AUTHORIZED PURSUANT TO SECTION 22-40-110 OR ARTICLE 42 OR ARTICLE  
16 43 OF THIS TITLE, AND THE AMOUNT OF THE ADDITIONAL LOCAL PROPERTY  
17 TAX REVENUES THAT THE DISTRICT DISTRIBUTES TO CHARTER SCHOOLS OF  
18 THE SCHOOL DISTRICT, STATED AS A DOLLAR AMOUNT AND A PERCENTAGE.

19 (c) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION (4) TO  
20 THE CONTRARY, IF A SCHOOL DISTRICT'S AVERAGE DAILY MEMBERSHIP FOR  
21 THE MOST RECENT FUNDING AVERAGING PERIOD IS ONE THOUSAND OR  
22 FEWER STUDENTS, THE SCHOOL DISTRICT MAY DECIDE WHETHER TO  
23 REPORT EXPENDITURES AT THE SCHOOL-SITE LEVEL.

24 (d) THE REQUIREMENTS SPECIFIED IN THIS SUBSECTION (4) TO  
25 REPORT INFORMATION AT THE SCHOOL-SITE LEVEL APPLY TO THE 2014-15  
26 BUDGET YEAR AND BUDGET YEARS THEREAFTER.

27 (e) (e) ~~Nothing in this section shall be interpreted to require~~

1 ~~accounting of salary and benefit costs by school site.~~ THE DEPARTMENT  
2 SHALL CREATE OR CONTRACT FOR THE CREATION OF A WEB SITE VIEW  
3 THAT, AT A MINIMUM, TRANSLATES THE REPORTED EXPENDITURES FOR  
4 SCHOOL SITES, SCHOOL DISTRICTS, THE STATE CHARTER SCHOOL  
5 INSTITUTE, AND BOARDS OF COOPERATIVE SERVICES INTO A FORMAT THAT  
6 IS READABLE BY A LAYPERSON. IN ADDITION, THE DEPARTMENT SHALL  
7 COLLECT, REVIEW, AND STANDARDIZE THE DATA REPORTED BY THE STATE  
8 CHARTER SCHOOL INSTITUTE, CHARTER SCHOOLS, DISTRICTS, AND BOARDS  
9 OF COOPERATIVE SERVICES PURSUANT TO THIS SUBSECTION (4) TO ENSURE  
10 THE GREATEST LEVEL OF TRANSPARENCY AND COMPARABILITY OF  
11 EXPENDITURES AMONG SCHOOL SITES, SCHOOL DISTRICTS, THE STATE  
12 CHARTER SCHOOL INSTITUTE, AND BOARDS OF COOPERATIVE SERVICES.

13 ~~(d) Repealed.~~

14 **SECTION 7.** In Colorado Revised Statutes, 22-24-104, **add** (7)  
15 as follows:

16 **22-24-104. English language proficiency program established**  
17 **- funding.** (7) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO  
18 THE CONTRARY, BEGINNING IN THE 2015-16 BUDGET YEAR AND FOR  
19 BUDGET YEARS THEREAFTER, THE GENERAL ASSEMBLY SHALL NOT  
20 APPROPRIATE MONEYS SPECIFICALLY TO FUND THIS ARTICLE. FOR THE  
21 2015-16 BUDGET YEAR AND BUDGET YEARS THEREAFTER, A DISTRICT, THE  
22 STATE CHARTER SCHOOL INSTITUTE, OR A FACILITY SCHOOL MAY RECEIVE  
23 MONEYS FOR THE IMPLEMENTATION OF THIS SECTION THROUGH THE  
24 "PUBLIC SCHOOL FINANCE ACT", ARTICLE 54.5 OF THIS TITLE.

25 **SECTION 8.** In Colorado Revised Statutes, 22-33-205, **add** (5)  
26 as follows:

27 **22-33-205. Services for expelled and at-risk students - grants**

1 - **criteria.** (5) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO  
2 THE CONTRARY, BEGINNING IN THE 2015-16 BUDGET YEAR AND FOR  
3 BUDGET YEARS THEREAFTER, THE GENERAL ASSEMBLY SHALL NOT  
4 APPROPRIATE MONEYS SPECIFICALLY TO FUND THIS SECTION. FOR THE  
5 2015-16 BUDGET YEAR AND BUDGET YEARS THEREAFTER, A DISTRICT, A  
6 CHARTER SCHOOL, OR A FACILITY SCHOOL MAY RECEIVE MONEYS FOR THE  
7 IMPLEMENTATION OF THIS SECTION THROUGH THE "PUBLIC SCHOOL  
8 FINANCE ACT", ARTICLE 54.5 OF THIS TITLE.

9 **SECTION 9. In Colorado Revised Statutes, 22-20-114, amend**  
10 **(1) introductory portion; and add (7) and (8) as follow:**

11 **22-20-114. Funding of programs - legislative intent -**  
12 **definition.** (1) Subject to the provisions of ~~subsection (3)~~ **SUBSECTIONS**  
13 **(3), (7), AND (8) of this section, for the 2005-06 budget year and each**  
14 **budget year thereafter, the total amount appropriated to the department for**  
15 **the payment of costs incurred by administrative units for the provision of**  
16 **special education programs shall be distributed to each administrative unit**  
17 **that provides educational services for children with disabilities as follows:**

18 **(7) (a) FOR THE 2015-16 BUDGET YEAR AND BUDGET YEARS**  
19 **THEREAFTER, IN A BUDGET YEAR FOR WHICH THE STATE RECEIVES**  
20 **GROWTH TAX REVENUES, IF THERE IS A PORTION OF THE GROWTH TAX**  
21 **REVENUES REMAINING AFTER FULLY FUNDING THE STATE SHARE OF TOTAL**  
22 **PROGRAM FOR ALL DISTRICTS AND TOTAL PROGRAM FOR ALL INSTITUTE**  
23 **CHARTER SCHOOLS, AS CALCULATED PURSUANT TO ARTICLE 54.5 OF THIS**  
24 **TITLE, THE GENERAL ASSEMBLY SHALL INCREASE THE AMOUNT**  
25 **APPROPRIATED FOR DISTRIBUTION PURSUANT TO THIS SECTION BY THE**  
26 **REMAINING AMOUNT OF GROWTH TAX REVENUES, UP TO THE AMOUNT**  
27 **REQUIRED TO INCREASE THE PER PUPIL ALLOCATION PURSUANT TO**

1 PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION TO TWO THOUSAND  
2 FIVE HUNDRED DOLLARS FOR EACH CHILD WITH DISABILITIES RECEIVING  
3 SPECIAL EDUCATION SERVICES FROM AN ADMINISTRATIVE UNIT.

4 (b) AS USED IN THIS SUBSECTION (7), "GROWTH TAX REVENUES"  
5 MEANS THE AMOUNT OF STATE REVENUES GENERATED IN THE APPLICABLE  
6 INCOME TAX YEAR AS A RESULT OF A STATEWIDE BALLOT QUESTION THAT  
7 INCREASES STATE TAX REVENUES FOR THE PURPOSE OF FUNDING PUBLIC  
8 EDUCATION, WHICH AMOUNT OF STATE REVENUES EXCEEDS THE AMOUNT  
9 SPECIFIED IN THE STATEWIDE BALLOT QUESTION.

10 (8) (a) FOR THE 2015-16 BUDGET YEAR AND BUDGET YEARS  
11 THEREAFTER, IN ADDITION TO ANY AMOUNT OF THE TOTAL ANNUAL  
12 APPROPRIATION MONEYS THAT ARE DISTRIBUTED PURSUANT TO  
13 PARAGRAPH (c) OF SUBSECTION (1) OF THIS SECTION, THE GENERAL  
14 ASSEMBLY SHALL APPROPRIATE AT LEAST EIGHTY MILLION DOLLARS TO  
15 INCREASE THE PERCENTAGE OF CHILDREN FOR WHICH AN ADMINISTRATIVE  
16 UNIT MAY RECEIVE ADDITIONAL FUNDING PURSUANT TO PARAGRAPH (c)  
17 OF SUBSECTION (1) OF THIS SECTION.

18 (b) THE GENERAL ASSEMBLY SHALL APPROPRIATE THE AMOUNT  
19 DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (8) FROM THE  
20 INCREASE IN STATE TAX REVENUES RECEIVED AS THE RESULT OF PASSAGE  
21 OF A STATEWIDE BALLOT MEASURE TO INCREASE STATE TAX REVENUES  
22 FOR THE PURPOSE OF FUNDING PUBLIC EDUCATION.

23 (9) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT, BEGINNING  
24 IN THE 2015-16 BUDGET YEAR AND FOR BUDGET YEARS THEREAFTER, IN  
25 ADDITION TO ANY OTHER APPROPRIATIONS FOR PURPOSES OF THIS  
26 SECTION, THE GENERAL ASSEMBLY SHALL APPROPRIATE FOR DISTRIBUTION  
27 PURSUANT TO PARAGRAPH (c) OF SUBSECTION (1) OF THIS SECTION AN

1 AMOUNT EQUAL TO THE AMOUNTS APPROPRIATED IN BUDGET YEARS  
2 BEFORE THE 2015-16 BUDGET YEAR TO FUND THE "ENGLISH LANGUAGE  
3 PROFICIENCY ACT", ARTICLE 24 OF THIS TITLE, AND THE SERVICES FOR  
4 EXPELLED AND AT-RISK STUDENTS GRANT PROGRAM PURSUANT TO  
5 SECTION 22-33-205.

6 (10) IT IS FURTHER THE GENERAL ASSEMBLY'S INTENT THAT, AS A  
7 RESULT OF RECEIVING AN INCREASE IN THE DISTRIBUTION OF STATE  
8 MONEYS PURSUANT TO SUBSECTION (7), (8), OR (9) OF THIS SECTION, AN  
9 ADMINISTRATIVE UNIT, IN COMPLYING WITH THE MAINTENANCE OF EFFORT  
10 REQUIREMENT SPECIFIED IN THE FEDERAL "NO CHILD LEFT BEHIND ACT  
11 OF 2001", 20 U.S.C. SEC. 6381 ET SEQ., SHALL NOT REDUCE THE LEVEL OF  
12 STATE AND LOCAL EXPENDITURES BELOW THE LEVEL OF STATE AND LOCAL  
13 EXPENDITURES FOR THE PRECEDING BUDGET YEAR. ANY ADDITIONAL  
14 APPROPRIATION OF MONEYS FOR DISTRIBUTION PURSUANT TO THIS  
15 SECTION IS INTENDED TO ALTER THE RATIO BETWEEN STATE AND LOCAL  
16 EXPENDITURES, BUT THE OVERALL LEVEL OF EXPENDITURES MAY REMAIN  
17 THE SAME, THEREBY SATISFYING THE FEDERAL MAINTENANCE OF EFFORT  
18 REQUIREMENTS.

19 == == ==  
20 **SECTION 10.** In Colorado Revised Statutes, 2-3-1203, **add** (3)  
21 (jj.5) as follows:

22 **2-3-1203. Sunset review of advisory committees.** (3) The  
23 following dates are the dates for which the statutory authorization for the  
24 designated advisory committees is scheduled for repeal:

25 (jj.5) SEPTEMBER 1, 2023:

26 (I) THE EDUCATION INNOVATION BOARD CREATED IN SECTION  
27 22-54.5-311 (8), C.R.S.

1           **SECTION 11. Effective date.** This act takes effect upon the  
2 proclamation by the governor of the vote cast in a statewide election at  
3 which a majority of those voting approve an increase in state tax revenues  
4 for the purpose of funding public education.

5           **SECTION 12. Safety clause.** The general assembly hereby finds,  
6 determines, and declares that this act is necessary for the immediate  
7 preservation of the public peace, health, and safety.