

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

**PREAMENDED**

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

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**  
Education

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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  
3rd Reading Unamended  
April 2, 2013

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.



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) ALL STUDENTS ENROLLED IN PUBLIC SCHOOLS, REGARDLESS  
11 OF THE TYPE OF PUBLIC SCHOOL IN WHICH THEY ARE ENROLLED AND  
12 REGARDLESS OF WHETHER THEY ARE ENROLLED IN A PUBLIC SCHOOL OF  
13 THE DISTRICT IN WHICH THEY RESIDE, AND ALL PUBLIC SCHOOLS, WHETHER  
14 THEY ARE INSTITUTE CHARTER SCHOOLS, CHARTER SCHOOLS OF A  
15 DISTRICT, SCHOOLS OF INNOVATION OF A DISTRICT, OR TRADITIONAL  
16 SCHOOLS OF A DISTRICT, SHOULD HAVE EQUITABLE ACCESS TO STATE AND  
17 LOCAL FUNDING;

18 (VI) LEGISLATION IN RECENT YEARS HAS CLEARLY ESTABLISHED  
19 THE GOAL THAT ALL DISTRICTS AND PUBLIC SCHOOLS ENSURE THAT ALL  
20 COLORADO STUDENTS ARE ON TRACK TO ACHIEVE POSTSECONDARY AND  
21 WORKFORCE READINESS BY HIGH SCHOOL GRADUATION. DEFICITS IN  
22 DISTRICT AND PUBLIC SCHOOL PERFORMANCE LEVELS INDICATE THE  
23 INABILITY TO ADEQUATELY SERVE KEY STUDENT GROUPS, INCLUDING  
24 CHILDREN WITH DISABILITIES, GIFTED AND TALENTED STUDENTS, AT-RISK  
25 STUDENTS, AND ENGLISH LANGUAGE LEARNERS, AS WELL AS THE  
26 INABILITY TO ADEQUATELY ADDRESS AREAS OF EARLY CHILDHOOD  
27 EDUCATION, INCLUDING SCHOOL READINESS AND FULL-DAY

1 KINDERGARTEN. RECOGNIZING THESE INABILITIES, THIS ARTICLE MAKES  
2 THE ADDITIONAL INVESTMENTS THAT ARE REQUIRED TO GENERATE  
3 SIGNIFICANT IMPROVEMENTS IN SERVING THESE STUDENTS AND  
4 ADDRESSING THESE AREAS.

5 (VII) RECENT LEGISLATION HAS ALSO CLEARLY ESTABLISHED THE  
6 REQUIREMENT THAT ALL DISTRICTS AND PUBLIC SCHOOLS FOCUS THEIR  
7 EFFORTS ON ELIMINATING THE ACADEMIC ACHIEVEMENT AND GROWTH  
8 GAPS, INCLUDING THE SIGNIFICANT GAPS THAT EXIST AMONG STUDENT  
9 GROUPS WHEN DISAGGREGATED BY RACE. RESEARCH DEMONSTRATES  
10 THAT THESE GAPS IN ACHIEVEMENT AND GROWTH TRANSCEND STUDENTS'  
11 ECONOMIC SITUATIONS, SUGGESTING THE NEED FOR SYSTEMIC CHANGE TO  
12 ENSURE THAT THE LEVEL OF SERVICES THAT A STUDENT RECEIVES IS NOT  
13 AFFECTED BY THE STUDENT'S RACE, RATHER THAT ALL STUDENTS,  
14 REGARDLESS OF RACE, HAVE EQUAL ACCESS, OPPORTUNITY, AND  
15 ENCOURAGEMENT TO ENROLL IN UPPER LEVEL AND ADVANCED  
16 PLACEMENT COURSES AND TO UNDERTAKE OTHER ACADEMIC  
17 CHALLENGES.

18 (VIII) AN IMPORTANT COMPONENT OF ELIMINATING THE  
19 ACADEMIC ACHIEVEMENT AND GROWTH GAPS AMONG STUDENT GROUPS  
20 DISAGGREGATED BY RACE AND STRENGTHENING THE UNIFORMITY AND  
21 THOROUGHNESS OF PUBLIC EDUCATION IN THE STATE IS TO ENSURE THAT  
22 DISTRICTS AND SCHOOLS HAVE THE RESOURCES NEEDED TO DEVELOP,  
23 ATTRACT, AND RETAIN EDUCATORS, INCLUDING TEACHERS,  
24 PARAPROFESSIONALS, PRINCIPALS, AND ADMINISTRATORS, SO THAT THE  
25 RACIAL COMPOSITION OF THE FACULTY AND STAFF OF EACH DISTRICT AND  
26 PUBLIC SCHOOL AND REFLECTS THE RACIAL COMPOSITION OF THE STUDENT  
27 POPULATIONS SERVED IN THE DISTRICTS AND PUBLIC SCHOOLS; AND

1           (IX) TO ENSURE THAT THE STATE CONTINUES TO MAINTAIN A  
2 THOROUGH AND UNIFORM SYSTEM OF PUBLIC EDUCATION REQUIRES NOT  
3 MERELY PICKING A STATIC NUMBER FOR THE LEVEL OF FINANCIAL  
4 INVESTMENT BUT MAKING STRATEGIC AND TARGETED INVESTMENTS IN  
5 KEY AREAS AND CONTINUOUSLY EVALUATING THE EFFICACY OF THAT  
6 SPENDING IN GENERATING THE ACADEMIC OUTCOMES THAT ARE THE  
7 ULTIMATE MEASURE OF THE SUCCESS OF THE PUBLIC EDUCATION SYSTEM.  
8 AN ONGOING ANALYSIS OF ANY ACADEMIC PERFORMANCE DEFICITS AND  
9 OF THE TARGETED FUNDING THAT MAY BE NEEDED TO REMEDIATE THESE  
10 DEFICITS WILL ENSURE THAT THE SYSTEM FOR FINANCING PUBLIC  
11 EDUCATION IN COLORADO IS AND REMAINS RATIONALLY RELATED TO  
12 ESTABLISHING AND MAINTAINING THE THOROUGH AND UNIFORM SYSTEM  
13 OF FREE PUBLIC SCHOOLS IN THE STATE.

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

24           (2) FOLLOWING THE PASSAGE OF A STATEWIDE BALLOT MEASURE  
25 TO INCREASE STATE TAX REVENUES FOR THE PURPOSE OF FUNDING PUBLIC  
26 EDUCATION, AND DEPENDING ON THE AMOUNT OF THE INCREASE IN STATE  
27 TAX REVENUES, IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT ALL OR

1 A PORTION OF THE INCREASE IN STATE TAX REVENUES BE APPROPRIATED  
2 AS FOLLOWS:

3 (a) ONE HUNDRED MILLION DOLLARS ANNUALLY TO THE  
4 EDUCATION INNOVATION GRANT FUND CREATED IN SECTION 22-54.5-311  
5 (9);

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

8 (c);

9 (c) SIX MILLION DOLLARS ANNUALLY TO A STATEWIDE PROGRAM  
10 TO PROVIDE ADDITIONAL CAREER OPPORTUNITIES FOR HIGHLY EFFECTIVE  
11 EDUCATORS;

12 (d) SEVEN MILLION DOLLARS ANNUALLY FOR FUNDING FOR  
13 PROGRAMS FOR GIFTED AND TALENTED STUDENTS PURSUANT TO PART 2 OF  
14 ARTICLE 20 OF THIS TITLE, AT LEAST ONE MILLION DOLLARS OF WHICH  
15 MUST BE USED TO IDENTIFY GIFTED AND TALENTED STUDENTS;

16 (e) FIVE MILLION DOLLARS ANNUALLY TO THE DEPARTMENT TO  
17 OFFSET THE COSTS INCURRED IN IMPLEMENTING A DATA SYSTEM TO  
18 IMPLEMENT THE AVERAGE DAILY MEMBERSHIP COUNT AND THE FINANCIAL  
19 AND HUMAN RESOURCE REPORTING SYSTEM DESCRIBED IN SECTION  
20 22-44-105 (4);

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

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

26 (3) THE GENERAL ASSEMBLY FINDS THAT THE MONEYS  
27 APPROPRIATED FOR THE FOLLOWING PURPOSES WILL BENEFIT THE



1 EDUCATION OF STUDENTS IN KINDERGARTEN THROUGH TWELFTH GRADE  
2 AND PARTICIPANTS IN PRESCHOOL PROGRAMS BY IMPLEMENTING  
3 PROGRAMMATIC ENHANCEMENTS;

4 (a) DISTRIBUTING TEACHER AND LEADERSHIP INVESTMENTS  
5 MONEYS PURSUANT TO SECTION 22-54.5-301 TO ASSIST DISTRICTS AND  
6 INSTITUTE CHARTER SCHOOLS IN IMPLEMENTING EDUCATION REFORM  
7 MEASURES;

8 (b) INCREASING THE ADDITIONAL FUNDING FOR AT-RISK PUPILS;

9 (c) INCREASING THE ADDITIONAL FUNDING FOR ENGLISH  
10 LANGUAGE LEARNERS;

11 (d) FUNDING ALL KINDERGARTEN PUPILS AS FULL-TIME PUPILS;

12 (e) FUNDING ALL ELIGIBLE THREE-, FOUR-, AND FIVE-YEAR-OLD  
13 PUPILS FOR PARTICIPATION IN THE COLORADO PRESCHOOL PROGRAM  
14 PURSUANT TO ARTICLE 28 OF THIS TITLE;

15 (f) FUNDING ALL SECONDARY STUDENTS AS FULL-TIME PUPILS;

16 (g) INCREASING THE FUNDING FOR CHILDREN WITH DISABILITIES AS  
17 PROVIDED IN SECTION 22-20-114;

18 (h) INCREASING THE FUNDING FOR STUDENTS ENROLLED IN  
19 MULTI-DISTRICT ON-LINE SCHOOLS AND STUDENTS WHO PARTICIPATE IN  
20 THE ASCENT PROGRAM;

21 (i) INCREASING THE FUNDING FOR GIFTED AND TALENTED  
22 STUDENTS;

23 (j) DISTRIBUTING PER PUPIL SUPPLEMENTAL PAYMENTS PURSUANT  
24 TO SECTION 22-54.5-303 TO ENSURE THAT ALL DISTRICTS RECEIVE A  
25 MINIMUM LEVEL OF FUNDING;

26 (k) FUNDING THE EDUCATION INNOVATION GRANT PROGRAM  
27 CREATED IN SECTION 22-54.5-312;

1 (l) INCREASING THE SIZE FACTOR FOR DISTRICTS WITH FEWER THAN  
2 FOUR THOUSAND THREE HUNDRED STUDENTS;

3 (m) DISTRIBUTING HOLD-HARMLESS FUNDING TO DISTRICTS TO  
4 HELP ENSURE THEY RECEIVE FULL TOTAL PROGRAM FUNDING;

5 (n) MATCHING A PORTION OF THE VOTER-APPROVED INCREASES IN  
6 THE PROPERTY TAX MILL LEVY FOR DISTRICTS WITH LOW ASSESSED  
7 VALUATION;

8 (o) INCREASING THE FUNDING FOR CHARTER SCHOOL FACILITIES;

9 (p) FUNDING A MILL LEVY EQUALIZATION FACTOR FOR INSTITUTE  
10 CHARTER SCHOOLS TO RAISE THE FUNDING FOR INSTITUTE CHARTER  
11 SCHOOLS TO A LEVEL MORE COMPARABLE TO DISTRICTS;

12 (q) FUNDING A STATEWIDE PROGRAM TO PROVIDE ADDITIONAL  
13 CAREER OPPORTUNITIES FOR HIGHLY EFFECTIVE EDUCATORS;

14 (r) FUNDING THE IMPLEMENTATION OF A DATA SYSTEM THAT WILL  
15 SUPPORT THE DATA COLLECTION FOR AND CALCULATION OF AVERAGE  
16 DAILY MEMBERSHIP; AND

17 (s) FUNDING THE ELECTION COSTS INCURRED BY DISTRICTS THAT  
18 SEEK VOTER APPROVAL FOR AN INCREASE IN THE TOTAL PROGRAM MILL  
19 LEVY.

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

27 (5) (a) THIS ARTICLE DOES NOT PROHIBIT LOCAL GOVERNMENTS

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

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

15 **22-54.5-103. Definitions - repeal.** AS USED IN THIS ARTICLE,  
16 UNLESS THE CONTEXT OTHERWISE REQUIRES:

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

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

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

27 (4) (a) "ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP" MEANS

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

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

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

24 (5) "AT-RISK" MEANS A PUPIL IS ENROLLED IN ONE OF GRADES  
25 KINDERGARTEN THROUGH TWELVE AND IS ELIGIBLE FOR FREE OR  
26 REDUCED-PRICE MEALS PURSUANT TO THE PROVISIONS OF THE FEDERAL  
27 "NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ., OR THE

1 FEDERAL "CHILD NUTRITION ACT OF 1966", 42 U.S.C. SEC. 1771 ET SEQ.

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

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

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

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

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

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

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

27 (B) THE LOCAL EDUCATION PROVIDER'S AT-RISK PUPIL

1 PERCENTAGE MULTIPLIED BY THE LOCAL EDUCATION PROVIDER'S  
2 ADJUSTED AVERAGE DAILY MEMBERSHIP.

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

4 (7) (a) "AT-RISK PUPIL PERCENTAGE" MEANS THE NUMBER OF  
5 AT-RISK PUPILS ENROLLED IN GRADES ONE THROUGH EIGHT 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, THEN DIVIDED BY THE LOCAL EDUCATION PROVIDER'S AVERAGE  
9 DAILY MEMBERSHIP FOR THE SAME AVERAGING PERIOD FOR GRADES ONE  
10 THROUGH EIGHT.

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

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

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

26 (e) (I) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF  
27 THIS SUBSECTION (7) TO THE CONTRARY, FOR PURPOSES OF CALCULATING

1 FUNDING PURSUANT TO THIS ARTICLE FOR THE 2015-16 AND 2016-17  
2 BUDGET YEARS, "AT-RISK PUPIL PERCENTAGE" MEANS THE NUMBER OF  
3 AT-RISK PUPILS INCLUDED IN THE LOCAL EDUCATION PROVIDER'S  
4 MEMBERSHIP IN GRADES ONE THROUGH EIGHT, OR, FOR AN INSTITUTE  
5 CHARTER SCHOOL THAT DOES NOT SERVE GRADES ONE THROUGH EIGHT,  
6 THE NUMBER OF AT-RISK PUPILS ENROLLED IN THE INSTITUTE CHARTER  
7 SCHOOL, ON OCTOBER 1 OF THE BUDGET YEAR FOR WHICH FUNDING IS  
8 CALCULATED.

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

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

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

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

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

26 (10) "BOARD OF EDUCATION" MEANS THE BOARD OF EDUCATION  
27 OF A DISTRICT.

1 (11) "BUDGET YEAR" MEANS THE PERIOD BEGINNING ON JULY 1 OF  
2 EACH YEAR AND ENDING ON THE FOLLOWING JUNE 30 FOR WHICH A  
3 BUDGET FOR A DISTRICT IS ADOPTED.

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

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

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

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

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

16 (a) WHO IS ENROLLED IN AN ELEMENTARY SCHOOL OR SECONDARY  
17 SCHOOL;

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

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

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



1 NUMBER OF SCHOOL DAYS IN THE AVERAGING PERIOD.

2 (b) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO THE  
3 CONTRARY, THE DEPARTMENT SHALL NOT INCLUDE AN ENGLISH  
4 LANGUAGE LEARNER PUPIL IN THE ENGLISH LANGUAGE LEARNER AVERAGE  
5 DAILY MEMBERSHIP OF ONE OR MORE LOCAL EDUCATION PROVIDERS FOR  
6 MORE THAN FIVE BUDGET YEARS.

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

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

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

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

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

27 (19) "FUNDED MEMBERSHIP" MEANS:

1           (a) THE TOTAL OF A DISTRICT'S OR AN INSTITUTE CHARTER  
2 SCHOOL'S PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP FOR THE  
3 FUNDING AVERAGING PERIOD, ON-LINE AVERAGE DAILY MEMBERSHIP FOR  
4 THE FUNDING AVERAGING PERIOD, AND ASCENT PROGRAM AVERAGE  
5 DAILY MEMBERSHIP FOR THE FUNDING AVERAGING PERIOD, AND THE  
6 GREATER OF:

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

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

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

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

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

25           (b) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF THIS  
26 SUBSECTION (19) TO THE CONTRARY, FOR A BUDGET YEAR IN WHICH  
27 AVERAGE DAILY MEMBERSHIP FOR THE FUNDING AVERAGING PERIOD IS

1 NOT AVAILABLE, THE DEPARTMENT SHALL USE THE DISTRICT'S OR THE  
2 INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT, AS DEFINED IN SECTION  
3 22-54-103 (10) AS IT EXISTED PRIOR TO REPEAL, FOR THAT BUDGET YEAR  
4 FOR PURPOSES OF CALCULATING FUNDED MEMBERSHIP.

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

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

20 (20) (a) "FUNDING AVERAGING PERIOD" MEANS THE PERIOD THAT  
21 BEGINS ON THE FIRST DAY OF THE FIRST QUARTER OF THE PRECEDING  
22 BUDGET YEAR AND CONTINUES THROUGH THE LAST DAY OF THE FIRST  
23 QUARTER OF THE THEN-CURRENT BUDGET YEAR.

24 (b) (I) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF  
25 THIS SUBSECTION (20) TO THE CONTRARY, FOR PURPOSES OF CALCULATING  
26 FUNDING PURSUANT TO THIS ARTICLE FOR THE 2015-16 AND 2016-17  
27 BUDGET YEARS, "FUNDING AVERAGING PERIOD" MEANS OCTOBER 1 OF THE

1 BUDGET YEAR FOR WHICH FUNDING IS CALCULATED.

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

3 (21) "INFLATION" MEANS PERCENTAGE CHANGE IN THE CONSUMER  
4 PRICE INDEX FOR THE DENVER-BOULDER-GREELEY CONSOLIDATED  
5 METROPOLITAN STATISTICAL AREA FOR ALL URBAN CONSUMERS, ALL  
6 GOODS, AS PUBLISHED BY THE UNITED STATES DEPARTMENT OF LABOR,  
7 BUREAU OF LABOR STATISTICS, OR ITS SUCCESSOR INDEX.

8 (22) "INSTITUTE CHARTER SCHOOL" MEANS A CHARTER SCHOOL  
9 THAT ENTERS INTO A CHARTER CONTRACT WITH THE STATE CHARTER  
10 SCHOOL INSTITUTE PURSUANT TO THE PROVISIONS OF PART 5 OF ARTICLE  
11 30.5 OF THIS TITLE.

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

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

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

19 (26) (a) "MEMBERSHIP" MEANS THE PUPILS WHO ARE ENROLLED IN  
20 A LOCAL EDUCATION PROVIDER IN PRESCHOOL PURSUANT TO ARTICLE 28  
21 OF THIS TITLE, THE PUPILS WHO ARE ENROLLED IN KINDERGARTEN, WHO  
22 ARE ALL COUNTED AS FULL-TIME PUPILS, THE PUPILS WHO ARE ENROLLED  
23 IN GRADES ONE THROUGH EIGHT, WHO ARE COUNTED AS EITHER FULL-TIME  
24 OR PART-TIME PUPILS, AND THE PUPILS WHO ARE ENROLLED IN GRADES  
25 NINE THROUGH TWELVE, WHO ARE ALL COUNTED AS FULL-TIME PUPILS;  
26 EXCEPT THAT A PUPIL WHO IS PARTICIPATING IN A NONPUBLIC  
27 HOME-BASED EDUCATIONAL PROGRAM PURSUANT TO SECTION 22-33-104.5

1 BUT ALSO ATTENDING A PUBLIC SCHOOL FOR A PORTION OF THE SCHOOL  
2 DAY IS COUNTED AS EITHER FULL-TIME OR PART-TIME, WHICHEVER IS  
3 APPLICABLE BASED ON RULES OF THE STATE BOARD. THE STATE BOARD, BY  
4 RULE, SHALL SPECIFY THE POINT AT WHICH A PUPIL IS ENROLLED IN A  
5 LOCAL EDUCATION PROVIDER AND THE CIRCUMSTANCES UNDER WHICH A  
6 PUPIL CEASES TO BE ENROLLED IN A LOCAL EDUCATION PROVIDER.

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

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

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

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

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

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

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

27 (B) AT LEAST FIVE YEARS OF AGE ON OR BEFORE OCTOBER 1 OF

1 THE APPLICABLE AVERAGING PERIOD AND THE PUPIL ATTENDED AT LEAST  
2 ONE HUNDRED TWENTY DAYS OF KINDERGARTEN IN A STATE OTHER THAN  
3 COLORADO; OR

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

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

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

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

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

25 (VIII) A JUVENILE WHO IS HELD IN AN ADULT JAIL AND TO WHOM  
26 THE DISTRICT PROVIDES EDUCATIONAL SERVICES PURSUANT TO SECTION  
27 22-32-141.

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

3 (I) A PUPIL WHO IS PLACED IN A FACILITY, AS DEFINED IN SECTION  
4 22-2-402 (3), AND WHO IS RECEIVING SERVICES THROUGH AN APPROVED  
5 FACILITY SCHOOL, AS DEFINED IN SECTION 22-2-402 (1);

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

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

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

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

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

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

1 (29) "PRECEDING BUDGET YEAR" MEANS THE BUDGET YEAR THAT  
2 IMMEDIATELY PRECEDES THE BUDGET YEAR FOR WHICH FUNDING IS  
3 CALCULATED.

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

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

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

20 (31) "SCHOOL DAY" MEANS:


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

25 (b) FOR AN INSTITUTE CHARTER SCHOOL, A DAY ON WHICH THE  
26 INSTITUTE CHARTER SCHOOL IS PROVIDING EDUCATIONAL SERVICES TO  
27 PUPILS ENROLLED IN THE INSTITUTE CHARTER SCHOOL.



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

3 (33) "SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE DISTRICT"  
4 MEANS THE AMOUNT OF SPECIFIC OWNERSHIP TAX REVENUE THAT A  
5 DISTRICT RECEIVES PURSUANT TO SECTION 42-3-107 (24), C.R.S., FOR THE  
6 PRECEDING BUDGET YEAR THAT IS ATTRIBUTABLE TO ALL PROPERTY TAX  
7 LEVIES MADE BY THE DISTRICT EXCEPT THOSE PROPERTY TAX LEVIES MADE  
8 FOR THE PURPOSE OF SATISFYING BONDED INDEBTEDNESS OBLIGATIONS,  
9 BOTH PRINCIPAL AND INTEREST, AND THOSE PROPERTY TAX LEVIES  
10 AUTHORIZED AT ELECTIONS HELD UNDER THE PROVISIONS OF FORMER  
11 SECTION 22-53-117, OR SECTION 22-54-108 OR 22-54-108.5 AS THEY  
12 EXISTED BEFORE REPEAL, OR SECTION 22-54.5-205, 22-54.5-206,  
13 22-54.5-207, OR 22-54.5-208.

14   
15 (34) "STATE BOARD" MEANS THE STATE BOARD OF EDUCATION  
16 CREATED IN SECTION 1 OF ARTICLE IX OF THE STATE CONSTITUTION.

17 (35) "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 (36) "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 (37) (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 (38) "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   
18 

19 (39) "TOTAL PROGRAM" MEANS:

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

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

26 (40) "TOTAL PROGRAM MILL LEVY" MEANS THE NUMBER OF MILLS  
27 SPECIFIED IN SECTION 22-54.5-203 (3) THAT A DISTRICT IS EXPECTED TO

1 LEVY FOR PURPOSES OF THE DISTRICT'S LOCAL SHARE OF TOTAL PROGRAM.

2 **22-54.5-104. Rules - general provisions.** (1) THE STATE BOARD,  
3 PURSUANT TO THE "STATE ADMINISTRATIVE PROCEDURE ACT", ARTICLE  
4 4 OF TITLE 24, C.R.S., SHALL PROMULGATE RULES AS NECESSARY FOR THE  
5 ADMINISTRATION AND ENFORCEMENT OF THIS ARTICLE.

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

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

11 **22-54.5-105. Report - return on investment - cost study -**  
12 **legislative declaration.** (1) THE GENERAL ASSEMBLY FINDS THAT THE  
13 PURPOSE OF INVESTING IN PUBLIC EDUCATION IS TO GENERATE SPECIFIC  
14 EDUCATIONAL OUTCOMES; AS SUCH, THE TWO MUST BE EVALUATED  
15 TOGETHER. IT IS NOT ENOUGH TO KNOW HOW MUCH IS INVESTED IN THE  
16 PRESCHOOL, ELEMENTARY, AND SECONDARY EDUCATION SYSTEM; IT IS  
17 MORE IMPORTANT TO KNOW HOW EFFECTIVE THE INVESTMENT IS IN  
18 ACHIEVING THE STANDARDS-BASED EDUCATION GOALS THE GENERAL  
19 ASSEMBLY HAS ESTABLISHED. THE GENERAL ASSEMBLY FURTHER FINDS  
20 THAT THE PRELIMINARY INVESTMENTS MADE BY THIS ARTICLE, SUPPORTED  
21 BY THE INCREASE IN STATE TAX REVENUES APPROVED BY A STATEWIDE  
22 BALLOT MEASURE, ADDRESS THE MOST SIGNIFICANT DEFICIENCIES  
23 EXISTING AS OF THE EFFECTIVE DATE OF THIS ARTICLE. BUT THE  
24 CONTINUED APPLICATION OF THESE INVESTMENTS MUST BE MONITORED ON  
25 A REGULAR BASIS TO ENSURE THAT THEY GENERATE THE DESIRED RESULTS  
26 AND THAT THE INVESTMENTS ARE SUFFICIENT TO MEET THE STATUTORY  
27 EDUCATION-REFORM REQUIREMENTS. BECAUSE THE ULTIMATE GOAL OF

1 THE STANDARDS-BASED EDUCATION SYSTEM IS MEETING THE  
2 EDUCATIONAL STANDARDS SET FOR EACH LEVEL, FUTURE COST STUDIES  
3 MUST EVALUATE WHERE FAILURE TO MEET THOSE STANDARDS INDICATES  
4 A LACK OF RESOURCES AND TARGET FUTURE RESOURCES TO DIRECTLY  
5 ADDRESS THOSE PROGRAMS, STUDENT GROUPS, OR SCHOOLS THAT  
6 CONTINUE TO UNDERPERFORM.

7 (2) THE DEPARTMENT SHALL PREPARE A REPORT ANALYZING THE  
8 RETURN ON THE INVESTMENT PROVIDED TO DISTRICTS AND INSTITUTE  
9 CHARTER SCHOOLS PURSUANT TO THIS ARTICLE, AS DESCRIBED IN  
10 SUBSECTION (3) OF THIS SECTION, AND A COST STUDY AS DESCRIBED IN  
11 SUBSECTION (4) OF THIS SECTION, TO IDENTIFY ANY FUNDING DEFICITS  
12 WITH REGARD TO SPECIFIC PROGRAMS, STUDENT GROUPS, OR OTHER AREAS  
13 THAT ARE CRITICAL TO DISTRICTS AND INSTITUTE CHARTER SCHOOLS. THE  
14 DEPARTMENT SHALL SUBMIT THE REPORT AND THE COST STUDY TO THE  
15 STATE BOARD, THE GOVERNOR, AND THE EDUCATION COMMITTEES OF THE  
16 SENATE AND THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR  
17 COMMITTEES. THE DEPARTMENT SHALL SUBMIT THE FIRST COST STUDY NO  
18 LATER THAN JANUARY 31, 2016. THE DEPARTMENT SHALL SUBMIT THE  
19 REPORT AND SUBSEQUENT COST STUDIES NO LATER THAN JANUARY 31,  
20 2020, AND NO LATER THAN JANUARY 31 EVERY FOUR YEARS THEREAFTER.  
21 THE DEPARTMENT SHALL MAKE THE REPORT AND THE COST STUDY  
22 AVAILABLE TO THE PUBLIC ON THE DEPARTMENT WEB SITE.

23 (3) (a) THE DEPARTMENT MAY PREPARE THE REPORT OF THE  
24 RETURN ON THE INVESTMENT OF THE FUNDING PROVIDED BY THIS SECTION  
25 EITHER DIRECTLY OR BY CONTRACT WITH ONE OR MORE PROVIDERS. THE  
26 REPORT MUST ANALYZE THE RELATIONSHIP BETWEEN THE FUNDING  
27 INVESTMENTS MADE THROUGH THIS ARTICLE AND THE SUBSEQUENT

1 LEVELS OF STUDENT ACADEMIC GROWTH AND ACHIEVEMENT AS  
2 MEASURED BY, AT A MINIMUM, THE STATEWIDE ASSESSMENTS, SCHOOL  
3 ATTENDANCE RATES, HIGH SCHOOL GRADUATION RATES, AND COLLEGE  
4 REMEDIATION RATES. SPECIFICALLY, THE REPORT, AT A MINIMUM, MUST  
5 ANALYZE THE FOLLOWING:

6 (I) DISTRICT SIZE, SCHOOL SIZE, DISTRICT AND SCHOOL LOCATION,  
7 DISTRICT AND SCHOOL STUDENT DEMOGRAPHICS, AND OTHER DISTRICT  
8 AND SCHOOL ATTRIBUTES, INCLUDING BUT NOT LIMITED TO DISTRICT AND  
9 SCHOOL CALENDARS, STANDARD CLASS SIZES, AND SPECIALIZATION IN  
10 SCHOOLS AND CURRICULA;

11 (II) THE AMOUNT OF FUNDING RECEIVED BY EACH DISTRICT, EACH  
12 DISTRICT CHARTER SCHOOL, EACH NON-CHARTER PUBLIC SCHOOL, AND  
13 EACH INSTITUTE CHARTER SCHOOL PURSUANT TO THIS ARTICLE AND  
14 THROUGH CATEGORICAL PROGRAM FUNDING;

15 (III) STUDENT LEARNING CONDITIONS WITHIN EACH DISTRICT,  
16 EACH SCHOOL THAT IS NOT A CHARTER SCHOOL, EACH DISTRICT CHARTER  
17 SCHOOL, AND EACH INSTITUTE CHARTER SCHOOL USING DATA FROM THE  
18 BIENNIAL TEACHING AND LEARNING CONDITIONS SURVEY ADMINISTERED  
19 BY THE DEPARTMENT PURSUANT TO SECTION 22-2-503, OTHER VALID AND  
20 RELIABLE DATA REGARDING STAFF, PARENT, AND STUDENT PERCEPTIONS,  
21 AND OTHER VALID AND RELIABLE DATA THAT DISTRICTS AND PUBLIC  
22 SCHOOLS MAY PROVIDE;

23 (IV) THE LEVELS OF ACHIEVEMENT ON THE PERFORMANCE  
24 INDICATORS DESCRIBED IN SECTION 22-11-204, INCLUDING EACH OF THE  
25 SPECIFIC MEASURES, BY EACH DISTRICT, EACH DISTRICT CHARTER SCHOOL,  
26 EACH NON-CHARTER PUBLIC SCHOOL, AND EACH INSTITUTE CHARTER  
27 SCHOOL;

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

3           (VI) INVESTMENTS IN TARGETED PROGRAMS, INCLUDING  
4 PROGRAMS TO SERVE AT-RISK PUPILS, ENGLISH LANGUAGE LEARNERS,  
5 STUDENT WITH DISABILITIES, AND GIFTED AND TALENTED STUDENTS, AND  
6 THE ACADEMIC GROWTH AND ACHIEVEMENT LEVELS OF STUDENTS WITHIN  
7 THESE GROUPS;

8           (VII) CONCURRENT ENROLLMENT PURSUANT TO ARTICLE 35 OF  
9 THIS TITLE, INCLUDING PARTICIPATION IN THE ASCENT PROGRAM,  
10 POSTSECONDARY ENROLLMENT BY STUDENTS GRADUATING FROM  
11 COLORADO HIGH SCHOOLS, INCLUDING THE TYPES OF POSTSECONDARY  
12 CERTIFICATE AND DEGREE PROGRAMS, AND THE REMEDIATION RATES FOR  
13 THOSE STUDENTS; AND

14           (VIII) THE POSTSECONDARY PERSISTENCE RATES AND THE  
15 NUMBER OF YEARS TO OBTAIN POSTSECONDARY CREDENTIALS FOR  
16 STUDENTS WHO GRADUATE FROM COLORADO HIGH SCHOOLS.

17           (b) IN ADDITION, THE REPORT MUST CONFIRM THE LEVEL TO WHICH  
18 EACH DISTRICT, EACH DISTRICT CHARTER SCHOOL, AND EACH INSTITUTE  
19 CHARTER SCHOOL IMPLEMENTS THE FOLLOWING STATUTORY  
20 REQUIREMENTS WITH INTEGRITY:

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

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

25           (III) THE "COLORADO READ ACT", PART 12 OF ARTICLE 7 OF THIS  
26 TITLE; ■

27           (IV) THE "EDUCATION ACCOUNTABILITY ACT OF 2009", ARTICLE

1 11 OF THIS TITLE; AND

2 (V) THE "EXCEPTIONAL CHILDREN'S EDUCATIONAL ACT", ARTICLE  
3 20 OF THIS TITLE.

4 (4) (a) THE DEPARTMENT SHALL CONTRACT FOR STUDIES OF THE  
5 AMOUNT OF FUNDING REQUIRED FOR DISTRICTS, DISTRICT CHARTER  
6 SCHOOLS, AND INSTITUTE CHARTER SCHOOLS TO SUCCESSFULLY  
7 IMPLEMENT THE "PRESCHOOL TO POSTSECONDARY EDUCATION  
8 ALIGNMENT ACT", PART 10 OF ARTICLE 7 OF THIS TITLE, THE "COLORADO  
9 READ ACT", PART 12 OF ARTICLE 7 OF THIS TITLE, THE "LICENSED  
10 PERSONNEL PERFORMANCE EVALUATION ACT", ARTICLE 9 OF THIS TITLE,  
11 AND THE "EDUCATION ACCOUNTABILITY ACT OF 2009", ARTICLE 11 OF  
12 THIS TITLE. THE COST STUDY MUST INCLUDE IDENTIFICATION OF SPECIFIC  
13 AREAS OF FUNDING DEFICIT AND THE AMOUNT NEEDED TO REMEDY THE  
14 DEFICIT.

15 (b) IN CONTRACTING FOR THE COST STUDIES, THE DEPARTMENT  
16 SHALL ENSURE THAT THE STUDIES IMPLEMENT MULTIPLE METHODS,  
17 INCLUDING BUT NOT LIMITED TO:

18 (I) THE PROFESSIONAL JUDGEMENT METHOD, WHICH IDENTIFIES  
19 AND MEASURES THE RESOURCES NEEDED TO PROVIDE SERVICES,  
20 ESTIMATES THE PRICES OF RESOURCES ACROSS DISTRICTS, AND TABULATES  
21 THE COSTS FOR ALL DISTRICTS AND INSTITUTE CHARTER SCHOOLS;

22 (II) THE SUCCESSFUL SCHOOL DISTRICT METHOD, WHICH  
23 IDENTIFIES REPRESENTATIVE SCHOOL DISTRICTS AND SCHOOLS THAT MEET  
24 A CHOSEN STANDARD OF SUCCESS AND ASSUMES THAT THE EXPENDITURES  
25 IN THOSE SCHOOL DISTRICTS AND SCHOOLS ARE ADEQUATE; AND

26 (III) THE COST FUNCTION METHOD, WHICH USES A STATISTICAL  
27 METHOD TO MEASURE THE SYSTEMATIC RELATIONSHIP BETWEEN ACTUAL

1 EXPENDITURES AND EDUCATIONAL OUTCOMES AND PREDICTS THE COST OF  
2 ACHIEVING A DESIRED LEVEL OF OUTCOME IN EACH DISTRICT.

3 (c) IN PREPARING THE COST STUDIES, THE PROVIDER MUST  
4 ATTEMPT TO CORRELATE DEFICITS IN PERFORMANCE WITH DEFICITS IN  
5 FUNDING TO ENABLE THE GENERAL ASSEMBLY TO IDENTIFY SPECIFIC  
6 PROGRAMS, STUDENT GROUPS, OR AREAS OF THE STATE THAT SHOULD  
7 RECEIVE STRATEGIC, TARGETED INCREASES IN FUNDING TO IMPROVE  
8 PERFORMANCE.

9 **22-54.5-106. Effectiveness of article - applicability - rules.**

10 (1) THIS ARTICLE TAKES EFFECT UPON THE PROCLAMATION BY THE  
11 GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION HELD NO LATER  
12 THAN NOVEMBER 2017 AT WHICH A MAJORITY OF THOSE VOTING APPROVE  
13 AN INCREASE IN STATE TAX REVENUES FOR THE PURPOSE OF FUNDING  
14 PUBLIC EDUCATION.

15 (2) THE PROVISIONS OF THIS ARTICLE APPLY IN THE SECOND  
16 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
17 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE  
18 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
19 THEREAFTER; EXCEPT THAT, IN THE FIRST BUDGET YEAR COMMENCING  
20 AFTER THE STATEWIDE ELECTION:

21         
22 (a) THE DEPARTMENT SHALL RECALCULATE THE STATE AND LOCAL  
23 SHARES OF TOTAL PROGRAM PURSUANT TO SECTION 22-54.5-203; AND

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

26 PART 2  
27 TOTAL PROGRAM



1 AND LOCAL REVENUES

2 **22-54.5-201. District total program.** (1) THE DEPARTMENT  
3 SHALL APPLY THE PROVISIONS OF THIS SECTION TO CALCULATE FOR EACH  
4 DISTRICT AN AMOUNT THAT REPRESENTS THE FINANCIAL BASE OF SUPPORT  
5 FOR PUBLIC EDUCATION IN THAT DISTRICT, WHICH AMOUNT IS KNOWN AS  
6 THE DISTRICT'S TOTAL PROGRAM. EACH DISTRICT'S TOTAL PROGRAM IS  
7 AVAILABLE TO THE DISTRICT TO FUND THE COSTS OF PROVIDING PUBLIC  
8 EDUCATION, AND, EXCEPT AS OTHERWISE PROVIDED IN SECTION  
9 22-54.5-410, THE DISTRICT HAS DISCRETION CONCERNING THE AMOUNTS  
10 AND PURPOSES FOR WHICH THE MONEYS ARE BUDGETED AND EXPENDED.

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

13 (DISTRICT'S PER PUPIL FUNDING X (DISTRICT'S FUNDED  
14 MEMBERSHIP - DISTRICT'S ON-LINE AVERAGE DAILY  
15 MEMBERSHIP - DISTRICT'S ASCENT PROGRAM AVERAGE  
16 DAILY MEMBERSHIP)) + DISTRICT'S AT-RISK FUNDING +  
17 DISTRICT'S ENGLISH LANGUAGE LEARNER FUNDING +  
18 DISTRICT'S ON-LINE FUNDING + DISTRICT'S ASCENT  
19 PROGRAM FUNDING.

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

23 STATEWIDE BASE PER PUPIL FUNDING X DISTRICT SIZE  
24 FACTOR.

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

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

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

9 <b>If the district's funded</b>	<b>The district's</b>
10 <b>membership count is:</b>	<b>size factor shall be:</b>
11 LESS THAN 276	1.5457 + (0.00376159 X THE
12	DIFFERENCE BETWEEN THE FUNDED
13	MEMBERSHIP AND 276).
14 276 OR MORE	
15 BUT LESS THAN 459	1.2385 + (0.00167869 X THE
16	DIFFERENCE BETWEEN THE FUNDED
17	MEMBERSHIP AND 459).
18 459 OR MORE	
19 BUT LESS THAN 1,027	1.1215 + (0.00020599 X THE
20	DIFFERENCE BETWEEN THE FUNDED
21	MEMBERSHIP AND 1,027).
22 1,027 OR MORE	
23 BUT LESS THAN 2,293	1.0533 + (0.00005387 X THE
24	DIFFERENCE BETWEEN THE FUNDED
25	MEMBERSHIP AND 2,293).
26 2,293 OR MORE	
27 BUT LESS THAN 4,023	1.0297 + (0.00001364 X THE

1		DIFFERENCE BETWEEN THE FUNDED
2		MEMBERSHIP AND 4,023).
3	4,023 OR MORE	
4	BUT LESS THAN 4,300	1.0 + (0.00010722 X THE DIFFERENCE
5		BETWEEN THE FUNDED MEMBERSHIP
6		AND 4,300).
7	4,300 OR MORE	1.0.

8           (II) IF THE REORGANIZATION OF A DISTRICT OR DISTRICTS RESULTS  
9 IN ONE OR MORE OF THE DISTRICTS INVOLVED IN THE REORGANIZATION  
10 HAVING A HIGHER SIZE FACTOR THAN THE ORIGINAL DISTRICT OR  
11 DISTRICTS HAD FOR THE BUDGET YEAR IMMEDIATELY PRECEDING  
12 REORGANIZATION, THE SIZE FACTOR FOR EACH SUBSEQUENT BUDGET YEAR  
13 FOR THE DISTRICTS INVOLVED IN THE REORGANIZATION IS THE SIZE  
14 FACTOR THAT THE ORIGINAL DISTRICT OR DISTRICTS HAD FOR THE BUDGET  
15 YEAR PRECEDING THE REORGANIZATION OR, IF TWO OR MORE DISTRICTS  
16 REORGANIZE INTO A SINGLE DISTRICT, THE SIZE FACTOR OF THE ORIGINAL  
17 DISTRICT WITH THE LOWEST SIZE FACTOR FOR THE BUDGET YEAR  
18 IMMEDIATELY PRECEDING THE REORGANIZATION. A DISTRICT INVOLVED  
19 IN THE REORGANIZATION SHALL NOT, FOR ANY BUDGET YEAR, BE  
20 ALLOWED THE SIZE FACTOR THAT WOULD OTHERWISE BE PROVIDED BY  
21 THIS PARAGRAPH (c).

22           (III) IF THE REORGANIZATION OF A DISTRICT OR DISTRICTS RESULTS  
23 IN ONE OR MORE OF THE DISTRICTS INVOLVED IN THE REORGANIZATION  
24 HAVING A LOWER SIZE FACTOR THAN THE ORIGINAL DISTRICT OR DISTRICTS  
25 HAD FOR THE BUDGET YEAR IMMEDIATELY PRECEDING REORGANIZATION,  
26 THE SIZE FACTOR FOR THE NEW DISTRICT OR DISTRICTS IS DETERMINED AS  
27 FOLLOWS:

1 (A) FOR THE FIRST BUDGET YEAR FOLLOWING REORGANIZATION,  
2 THE SIZE FACTOR OF THE ORIGINAL DISTRICT FOR THE BUDGET YEAR  
3 IMMEDIATELY PRECEDING REORGANIZATION OR, IF TWO OR MORE  
4 DISTRICTS ARE INVOLVED IN THE REORGANIZATION, THE WEIGHTED  
5 AVERAGE SIZE FACTOR OF THE ORIGINAL DISTRICTS FOR THE BUDGET YEAR  
6 IMMEDIATELY PRECEDING REORGANIZATION. FOR PURPOSES OF THIS  
7 SUB-SUBPARAGRAPH (A), THE WEIGHTED AVERAGE SIZE FACTOR IS THE  
8 SUM OF THE AMOUNTS CALCULATED BY MULTIPLYING THE FUNDED  
9 MEMBERSHIP OF THE ORIGINAL DISTRICTS BY THE SIZE FACTOR OF THE  
10 ORIGINAL DISTRICTS AND DIVIDING THAT SUM BY THE TOTAL FUNDED  
11 MEMBERSHIP OF THE ORIGINAL DISTRICTS.

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

17 (C) FOR THE THIRD BUDGET YEAR FOLLOWING REORGANIZATION,  
18 THE SIZE FACTOR FOR THE PRIOR BUDGET YEAR MINUS AN AMOUNT EQUAL  
19 TO ONE-FOURTH OF THE DIFFERENCE BETWEEN THE SIZE FACTOR FOR THE  
20 PRIOR BUDGET YEAR AND THE SIZE FACTOR DETERMINED PURSUANT TO  
21 SUBPARAGRAPH (I) OF THIS PARAGRAPH (c);

22 (D) FOR THE FOURTH BUDGET YEAR FOLLOWING REORGANIZATION,  
23 THE SIZE FACTOR FOR THE PRIOR BUDGET YEAR MINUS AN AMOUNT EQUAL  
24 TO ONE-THIRD OF THE DIFFERENCE BETWEEN THE SIZE FACTOR FOR THE  
25 PRIOR BUDGET YEAR AND THE SIZE FACTOR DETERMINED PURSUANT TO  
26 SUBPARAGRAPH (I) OF THIS PARAGRAPH (c);

27 (E) FOR THE FIFTH BUDGET YEAR FOLLOWING REORGANIZATION,

1 THE SIZE FACTOR FOR THE PRIOR BUDGET YEAR MINUS AN AMOUNT EQUAL  
2 TO ONE-HALF OF THE DIFFERENCE BETWEEN THE SIZE FACTOR FOR THE  
3 PRIOR BUDGET YEAR AND THE SIZE FACTOR DETERMINED PURSUANT TO  
4 SUBPARAGRAPH (I) OF THIS PARAGRAPH (c);

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

8 (IV) THE FUNDED MEMBERSHIP USED TO CALCULATE A DISTRICT'S  
9 SIZE FACTOR PURSUANT TO THIS PARAGRAPH (c) IS THE FUNDED  
10 MEMBERSHIP OF THE DISTRICT REDUCED BY SIXTY-FIVE PERCENT OF THE  
11 NUMBER OF PUPILS INCLUDED IN THE FUNDED MEMBERSHIP WHO ARE  
12 ENROLLED IN CHARTER SCHOOLS OF THE DISTRICT; EXCEPT THAT THE  
13 PROVISIONS OF THIS SUBPARAGRAPH (IV) APPLY ONLY TO THOSE  
14 DISTRICTS WITH A FUNDED MEMBERSHIP OF FIVE HUNDRED OR LESS.

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

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

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

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

26 ((STATEWIDE BASE PER PUPIL FUNDING X 20%) X  
27 (STATEWIDE AVERAGE AT-RISK PUPIL PERCENTAGE X

1 DISTRICT'S ADJUSTED AVERAGE DAILY MEMBERSHIP)) +  
2 ((STATEWIDE BASE PER PUPIL FUNDING X DISTRICT'S  
3 AT-RISK FACTOR) X (DISTRICT'S AT-RISK PUPIL AVERAGE  
4 DAILY MEMBERSHIP - (STATEWIDE AVERAGE AT-RISK PUPIL  
5 PERCENTAGE X DISTRICT'S ADJUSTED AVERAGE DAILY  
6 MEMBERSHIP))).

7 (b) **At-risk factor.** IF THE DISTRICT'S AT-RISK PUPIL PERCENTAGE  
8 IS GREATER THAN THE STATEWIDE AVERAGE AT-RISK PUPIL PERCENTAGE,  
9 THE DISTRICT'S AT-RISK FACTOR IS TWENTY PERCENT PLUS A 0.40  
10 PERCENTAGE POINT FOR EACH PERCENTAGE POINT THAT THE DISTRICT'S  
11 AT-RISK PUPIL PERCENTAGE EXCEEDS THE STATEWIDE AVERAGE AT-RISK  
12 PUPIL PERCENTAGE; EXCEPT THAT A DISTRICT'S AT-RISK FACTOR SHALL  
13 NOT EXCEED FORTY PERCENT.

14 (5) **District English language learner funding.** (a) **Formulas.**  
15 THE DEPARTMENT SHALL CALCULATE A DISTRICT'S ENGLISH LANGUAGE  
16 LEARNER FUNDING USING ONE OF THE FOLLOWING FORMULAS:

17 (I) IF THE DISTRICT'S ENGLISH LANGUAGE LEARNER PERCENTAGE  
18 IS EQUAL TO OR LESS THAN THE STATEWIDE AVERAGE ENGLISH LANGUAGE  
19 LEARNER PERCENTAGE, THE DEPARTMENT SHALL USE THE FOLLOWING  
20 FORMULA:

21 (STATEWIDE BASE PER PUPIL FUNDING X 20%) X DISTRICT'S  
22 ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
23 MEMBERSHIP.

24 (II) IF THE DISTRICT'S ENGLISH LANGUAGE LEARNER PERCENTAGE  
25 IS GREATER THAN THE STATEWIDE AVERAGE ENGLISH LANGUAGE LEARNER  
26 PERCENTAGE, THE DEPARTMENT SHALL USE THE FOLLOWING FORMULA:

27 ((STATEWIDE BASE PER PUPIL FUNDING X 20%) X

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

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

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

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

1           **22-54.5-202. Total program - institute charter schools.** (1) THE  
2           CALCULATION OF TOTAL PROGRAM PURSUANT TO THE PROVISIONS OF THIS  
3           SECTION REPRESENTS THE FINANCIAL BASE OF SUPPORT FOR EACH  
4           INSTITUTE CHARTER SCHOOL, WHICH AMOUNT IS KNOWN AS THE INSTITUTE  
5           CHARTER SCHOOL'S TOTAL PROGRAM. EACH INSTITUTE CHARTER SCHOOL'S  
6           TOTAL PROGRAM IS AVAILABLE TO THE INSTITUTE CHARTER SCHOOL TO  
7           FUND THE COSTS OF PROVIDING PUBLIC EDUCATION TO PUPILS ENROLLED  
8           IN THE INSTITUTE CHARTER SCHOOL. THE INSTITUTE CHARTER SCHOOL HAS  
9           DISCRETION CONCERNING THE AMOUNTS AND PURPOSES FOR WHICH THE  
10          MONEYS ARE BUDGETED AND EXPENDED.

11           (2) **Total program funding.** AN INSTITUTE CHARTER SCHOOL'S  
12          TOTAL PROGRAM IS CALCULATED USING THE PER PUPIL FUNDING OF THE  
13          INSTITUTE CHARTER SCHOOL'S ACCOUNTING DISTRICT AS CALCULATED  
14          PURSUANT TO SECTION 22-54.5-201 (3). THE FORMULA FOR AN INSTITUTE  
15          CHARTER SCHOOL'S TOTAL PROGRAM IS:

16            (AACCOUNTING DISTRICT'S PER PUPIL FUNDING X (INSTITUTE  
17            CHARTER SCHOOL'S FUNDED MEMBERSHIP - INSTITUTE  
18            CHARTER SCHOOL'S ON-LINE AVERAGE DAILY MEMBERSHIP  
19            - INSTITUTE CHARTER SCHOOL'S ASCENT PROGRAM  
20            AVERAGE DAILY MEMBERSHIP)) + INSTITUTE CHARTER  
21            SCHOOL'S MILL LEVY EQUALIZATION FUNDING + INSTITUTE  
22            CHARTER SCHOOL'S AT-RISK FUNDING + INSTITUTE CHARTER  
23            SCHOOL'S ENGLISH LANGUAGE LEARNER FUNDING +  
24            INSTITUTE CHARTER SCHOOL'S ON-LINE FUNDING +  
25            INSTITUTE CHARTER SCHOOL'S ASCENT PROGRAM  
26            FUNDING.

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



1 (a) **Formula.** THE DEPARTMENT SHALL CALCULATE AN INSTITUTE  
2 CHARTER SCHOOL'S MILL LEVY EQUALIZATION FUNDING USING THE  
3 FOLLOWING FORMULA:

4 (ACCOUNTING DISTRICT'S PER PUPIL FUNDING X INSTITUTE  
5 CHARTER SCHOOL'S MILL LEVY EQUALIZATION FACTOR) X  
6 (INSTITUTE CHARTER SCHOOL'S FUNDED MEMBERSHIP -  
7 INSTITUTE CHARTER SCHOOL'S ASCENT PROGRAM  
8 AVERAGE DAILY MEMBERSHIP).

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

12 PER PUPIL MILL LEVY EQUALIZATION ÷ ACCOUNTING  
13 DISTRICT'S PER PUPIL FUNDING

14 (II) THE DEPARTMENT SHALL ANNUALLY CALCULATE THE PER  
15 PUPIL MILL LEVY EQUALIZATION AS AN AMOUNT EQUAL TO THE AMOUNT  
16 OF LOCAL PROPERTY TAX REVENUES THAT THE ACCOUNTING DISTRICT IS  
17 AUTHORIZED TO COLLECT FOR THE PRECEDING BUDGET YEAR THAT ARE IN  
18 ADDITION TO THE ACCOUNTING DISTRICT'S TOTAL PROGRAM MILL LEVY  
19 BUT NOT INCLUDING ANY AMOUNTS AUTHORIZED PURSUANT TO SECTION  
20 22-40-110 OR ARTICLE 42 OR ARTICLE 43 OF THIS TITLE, DIVIDED BY  
21 THE ACCOUNTING DISTRICT'S FUNDED MEMBERSHIP, MINUS ASCENT  
22 PROGRAM AVERAGE DAILY MEMBERSHIP, FOR THE FUNDING AVERAGING  
23 PERIOD FOR THE PRECEDING BUDGET YEAR.

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

27 (I) IF THE INSTITUTE CHARTER SCHOOL'S AT-RISK PUPIL

1 PERCENTAGE IS EQUAL TO OR LESS THAN THE STATEWIDE AVERAGE  
2 AT-RISK PUPIL PERCENTAGE, THE DEPARTMENT SHALL USE THE FOLLOWING  
3 FORMULA:

4 (STATEWIDE BASE PER PUPIL FUNDING X 20%) X INSTITUTE  
5 CHARTER SCHOOL'S AT-RISK PUPIL AVERAGE DAILY  
6 MEMBERSHIP.

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

10 ((STATEWIDE BASE PER PUPIL FUNDING X 20%) X  
11 (STATEWIDE AVERAGE AT-RISK PUPIL PERCENTAGE X  
12 INSTITUTE CHARTER SCHOOL'S ADJUSTED AVERAGE DAILY  
13 MEMBERSHIP)) + ((STATEWIDE BASE PER PUPIL FUNDING X  
14 INSTITUTE CHARTER SCHOOL'S AT-RISK FACTOR) X  
15 (INSTITUTE CHARTER SCHOOL'S AT-RISK PUPIL AVERAGE  
16 DAILY MEMBERSHIP - (STATEWIDE AVERAGE AT-RISK PUPIL  
17 PERCENTAGE X INSTITUTE CHARTER SCHOOL'S ADJUSTED  
18 AVERAGE DAILY MEMBERSHIP))).

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

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

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

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

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

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

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

25 (b) **English language learner factor.** IF THE INSTITUTE CHARTER  
26 SCHOOL'S ENGLISH LANGUAGE LEARNER PERCENTAGE IS GREATER THAN  
27 THE STATEWIDE AVERAGE ENGLISH LANGUAGE LEARNER PERCENTAGE,

1 THE INSTITUTE CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER FACTOR  
2 IS TWENTY PERCENT PLUS A 0.80 PERCENTAGE POINT FOR EACH  
3 PERCENTAGE POINT THAT THE INSTITUTE CHARTER SCHOOL'S ENGLISH  
4 LANGUAGE LEARNER PERCENTAGE EXCEEDS THE STATEWIDE AVERAGE  
5 ENGLISH LANGUAGE LEARNER PERCENTAGE; EXCEPT THAT AN INSTITUTE  
6 CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER FACTOR SHALL NOT  
7 EXCEED FORTY PERCENT.

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

13 (7) **Institute charter school ASCENT program funding.** AN  
14 INSTITUTE CHARTER SCHOOL'S ASCENT PROGRAM FUNDING IS AN  
15 AMOUNT EQUAL TO THE INSTITUTE CHARTER SCHOOL'S ASCENT  
16 PROGRAM AVERAGE DAILY MEMBERSHIP MULTIPLIED BY THE STATEWIDE  
17 BASE PER PUPIL FUNDING SPECIFIED IN SECTION 22-54.5-201 (3) (b) FOR  
18 THE APPLICABLE BUDGET YEAR.

19 **22-54.5-203. Local and state shares of district total program**  
20 **- total program mill levy - calculation.** (1) (a) NO LATER THAN JULY 1,  
21 2015, NO LATER THAN JULY 1, 2020, AND NO LATER THAN JULY 1 EVERY  
22 SIX YEARS THEREAFTER, THE DEPARTMENT SHALL CALCULATE THE LOCAL  
23 SHARE AND STATE SHARE FOR EACH DISTRICT AS PROVIDED IN SUBSECTION  
24 (2) OF THIS SECTION. THE DEPARTMENT SHALL PERFORM THE  
25 CALCULATION USING THE MOST RECENT ASSESSED VALUATIONS OF  
26 PROPERTY, THE MEDIAN FAMILY INCOME LEVELS BASED ON THE MOST  
27 RECENT AMERICAN COMMUNITY SURVEY CONDUCTED BY THE UNITED

1 STATES CENSUS BUREAU, AND THE MEMBERSHIP CALCULATIONS FOR THE  
2 MOST RECENT FUNDING AVERAGING PERIOD.

3 (b) BASED ON EACH DISTRICT'S LOCAL SHARE OF TOTAL PROGRAM  
4 CALCULATED PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (1), THE  
5 DEPARTMENT, AS PROVIDED IN SUBSECTION (3) OF THIS SECTION, SHALL  
6 CALCULATE THE NUMBER OF MILLS THAT EACH DISTRICT IS EXPECTED TO  
7 LEVY BEGINNING IN THE FIRST BUDGET YEAR FOLLOWING RECALCULATION  
8 OF THE LOCAL SHARE AND STATE SHARE AND FOR EACH BUDGET YEAR  
9 THEREAFTER UNTIL THE DEPARTMENT AGAIN RECALCULATES THE LOCAL  
10 SHARE AND STATE SHARE OF TOTAL PROGRAM PURSUANT TO PARAGRAPH  
11 (a) OF THIS SUBSECTION (1).

12 (2) **Calculation of local and state shares.** (a) **Statewide**  
13 **percentage of state and local shares.** FOR THE 2015-16 BUDGET YEAR  
14 AND FOR EACH BUDGET YEAR THEREAFTER THROUGH THE 2019-20  
15 BUDGET YEAR, THE STATEWIDE LOCAL SHARE OF TOTAL PROGRAM IS  
16 FORTY PERCENT, AND THE STATEWIDE STATE SHARE OF TOTAL PROGRAM  
17 IS SIXTY PERCENT FOR PURPOSES OF CALCULATING THE LOCAL SHARE  
18 PURSUANT TO PARAGRAPH (c) OF THIS SUBSECTION (2).

19 (b) **Calculation of state share for each district.** EACH DISTRICT'S  
20 STATE SHARE OF TOTAL PROGRAM IS THE DIFFERENCE BETWEEN THE  
21 DISTRICT'S TOTAL PROGRAM AND AN AMOUNT EQUAL TO THE AMOUNT OF  
22 SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE DISTRICT FOR THE  
23 APPLICABLE BUDGET YEAR PLUS THE AMOUNT OF PROPERTY TAX REVENUE  
24 THAT THE DISTRICT IS ENTITLED TO RECEIVE FROM LEVYING THE NUMBER  
25 OF MILLS IDENTIFIED AS THE DISTRICT'S TOTAL PROGRAM MILL LEVY  
26 PURSUANT TO SUBSECTION (3) OF THIS SECTION, ASSUMING ONE HUNDRED  
27 PERCENT COLLECTION, FOR THE APPLICABLE BUDGET YEAR.

1           (c) **Calculation of local share for each district.** (I) FOR  
2 PURPOSES OF CALCULATING EACH DISTRICT'S TOTAL PROGRAM MILL LEVY,  
3 EACH DISTRICT'S LOCAL SHARE OF TOTAL PROGRAM IS AN AMOUNT EQUAL  
4 TO THE DISTRICT'S TOTAL PROGRAM FOR THE BUDGET YEAR IN WHICH THE  
5 DEPARTMENT CALCULATES THE LOCAL SHARE MULTIPLIED BY THE  
6 DISTRICT'S LOCAL SHARE RATIO. A DISTRICT'S LOCAL SHARE RATIO IS AN  
7 AMOUNT EQUAL TO ONE MINUS THE SQUARE ROOT OF:

8           (DISTRICT'S EQUALIZATION RATIO SQUARED + (DISTRICT'S  
9 AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP ÷ DISTRICT'S  
10 ADJUSTED AVERAGE DAILY MEMBERSHIP) SQUARED) ÷ 2.

11           (II) EACH DISTRICT'S EQUALIZATION RATIO IS EQUAL TO:  
12 1 - (0.4 X ((DISTRICT'S NORMALIZED ADJUSTED ASSESSED  
13 VALUATION ÷ DISTRICT'S AVERAGE DAILY MEMBERSHIP) ÷  
14 (STATEWIDE ASSESSED VALUATION ÷ STATEWIDE AVERAGE  
15 DAILY MEMBERSHIP))).

16           (III) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (II)  
17 OF THIS PARAGRAPH (c), IF THE CALCULATION OF A DISTRICT'S  
18 EQUALIZATION RATIO RESULTS IN A NEGATIVE NUMBER, THE DISTRICT'S  
19 EQUALIZATION RATIO IS ZERO.

20           (IV) THE ADJUSTED ASSESSED VALUATION IS AN AMOUNT EQUAL  
21 TO THE ASSESSED VALUATION FOR A DISTRICT MULTIPLIED BY THE RATIO  
22 THAT THE MEDIAN FAMILY INCOME OF THE DISTRICT BEARS TO THE  
23 STATEWIDE MEDIAN FAMILY INCOME. TO ENSURE THAT THE TOTAL  
24 STATEWIDE ADJUSTED ASSESSED VALUATION EQUALS THE TOTAL  
25 STATEWIDE ASSESSED VALUATION, A DISTRICT'S NORMALIZED ADJUSTED  
26 ASSESSED VALUATION IS AN AMOUNT EQUAL TO:

27           STATEWIDE ASSESSED VALUATION X (DISTRICT'S ADJUSTED

1 ASSESSED VALUATION ÷ STATEWIDE ADJUSTED ASSESSED  
2 VALUATION).

3 (3) **Total program mill levy.** (a) USING EACH DISTRICT'S LOCAL  
4 SHARE CALCULATED PURSUANT TO SUBSECTION (2) OF THIS SECTION, THE  
5 DEPARTMENT SHALL CALCULATE FOR EACH DISTRICT THE NUMBER OF  
6 MILLS NECESSARY TO PRODUCE PROPERTY TAX REVENUES IN AN AMOUNT  
7 EQUAL TO THE DISTRICT'S CALCULATED LOCAL SHARE OF TOTAL PROGRAM  
8 MINUS THE AMOUNT OF SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE  
9 DISTRICT FOR THE PROPERTY TAX YEAR IN WHICH THE DEPARTMENT  
10 CALCULATED THE DISTRICT'S LOCAL SHARE. THE DEPARTMENT SHALL  
11 CALCULATE THE NUMBER OF MILLS USING THE DISTRICT'S ASSESSED  
12 VALUATION OF PROPERTY FOR THE PROPERTY TAX YEAR IN WHICH THE  
13 DEPARTMENT CALCULATED THE DISTRICT'S LOCAL SHARE.

14 (b) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPHS (c) AND (d)  
15 OF THIS SUBSECTION (3), BEGINNING WITH THE FIRST BUDGET YEAR  
16 FOLLOWING THE CALCULATION OF STATE AND LOCAL SHARES PURSUANT  
17 TO THIS SECTION AND IN EACH OF THE FOLLOWING BUDGET YEARS UNTIL  
18 THE DEPARTMENT RECALCULATES THE STATE AND LOCAL SHARES, EACH  
19 DISTRICT SHALL LEVY THE GREATER OF:

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

23 (II) THE NUMBER OF MILLS THAT THE DISTRICT LEVIED IN THE  
24 PRECEDING BUDGET YEAR.

25 (c) IF THE TOTAL PROGRAM MILL LEVY UNDER PARAGRAPH (b) OF  
26 THIS SUBSECTION (3) FOR A DISTRICT THAT HAS NOT OBTAINED VOTER  
27 APPROVAL TO RETAIN AND SPEND REVENUES IN EXCESS OF THE

1 CONSTITUTIONAL PROPERTY TAX REVENUE LIMITATION IS GREATER THAN  
2 THE NUMBER OF MILLS ALLOWABLE UNDER THE CONSTITUTIONAL  
3 PROPERTY TAX REVENUE LIMITATION, THE DISTRICT'S TOTAL PROGRAM  
4 MILL LEVY IS THE MAXIMUM NUMBER OF MILLS ALLOWABLE UNDER THE  
5 CONSTITUTIONAL PROPERTY TAX REVENUE LIMITATION. IN CALCULATING  
6 LOCAL GROWTH FOR PURPOSES OF DETERMINING THE CONSTITUTIONAL  
7 PROPERTY TAX REVENUE LIMITATION IMPOSED ON A DISTRICT UNDER THIS  
8 PARAGRAPH (c), A DISTRICT'S STUDENT ENROLLMENT IS THE DISTRICT'S  
9 FUNDED MEMBERSHIP.

10 (d) IF A DISTRICT'S TOTAL PROGRAM AS CALCULATED BEFORE  
11 APPLICATION OF THE NEGATIVE FACTOR PURSUANT TO SECTION 22-54-104  
12 (5) (g), AS IT EXISTED PRIOR TO REPEAL, FOR THE 2014-15 BUDGET YEAR  
13 IS GREATER THAN THE DISTRICT'S TOTAL PROGRAM CALCULATED  
14 PURSUANT TO SECTION 22-54.5-201 FOR THE 2015-16 BUDGET YEAR, AND  
15 THE AMOUNT OF PROPERTY TAX REVENUE GENERATED BY THE DISTRICT'S  
16 TOTAL PROGRAM MILL LEVY PLUS THE AMOUNT OF SPECIFIC OWNERSHIP  
17 TAX REVENUE PAID TO THE DISTRICT IS GREATER THAN THE DISTRICT'S  
18 TOTAL PROGRAM AS CALCULATED PURSUANT TO SECTION 22-54.5-201 FOR  
19 THE 2015-16 BUDGET YEAR, THEN THE DISTRICT'S TOTAL PROGRAM MILL  
20 LEVY IS REDUCED BY THE NUMBER OF MILLS REQUIRED TO GENERATE  
21 PROPERTY TAX REVENUE IN AN AMOUNT EQUAL TO THE DIFFERENCE  
22 BETWEEN THE DISTRICT'S TOTAL PROGRAM AS CALCULATED BEFORE  
23 APPLICATION OF THE NEGATIVE FACTOR PURSUANT TO SECTION 22-54-104  
24 (5) (g), AS IT EXISTED PRIOR TO REPEAL, FOR THE 2014-15 BUDGET YEAR  
25 AND THE DISTRICT'S TOTAL PROGRAM CALCULATED PURSUANT TO SECTION  
26 22-54.5-201 FOR THE 2015-16 BUDGET YEAR. THE AMOUNT BY WHICH  
27 PROPERTY TAX REVENUE IS REDUCED PURSUANT TO THIS PARAGRAPH (d)



1 IS COUNTED TOWARD THE LIMITATION ON ADDITIONAL LOCAL REVENUES  
2 FOR COST OF LIVING EXPENSES AS PROVIDED IN SECTION 22-54.5-208 (4).

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

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

11 (4) (a) IF A DISTRICT'S TOTAL PROGRAM MILL LEVY, AS  
12 CALCULATED PURSUANT TO SUBSECTION (3) OF THIS SECTION, IS GREATER  
13 THAN THE MILL LEVY REQUIRED FOR THE PRECEDING BUDGET YEAR, ■ ■ ■  
14 ■ THE DISTRICT MAY SEEK VOTER APPROVAL FOR A MILL LEVY INCREASE  
15 ■ DURING THE PERIOD FOR WHICH THE TOTAL PROGRAM MILL LEVY  
16 APPLIES.

17 (b) IF FOR ANY REASON, INCLUDING THE OUTCOME OF AN  
18 ELECTION, A DISTRICT DOES NOT CERTIFY THE FULL TOTAL PROGRAM MILL  
19 LEVY, THE DEPARTMENT SHALL ANNUALLY CALCULATE THE AMOUNT OF  
20 THE DISTRICT'S STATE SHARE OF TOTAL PROGRAM AS IF THE DISTRICT  
21 RECEIVES LOCAL REVENUES IN THE AMOUNT THAT WOULD BE RAISED BY  
22 THE DISTRICT'S TOTAL PROGRAM MILL LEVY, ASSUMING  
23 ONE-HUNDRED-PERCENT COLLECTION, PLUS THE AMOUNT OF SPECIFIC  
24 OWNERSHIP TAX REVENUES PAID TO THE DISTRICT.

25 (c) IF A DISTRICT THAT HAS OBTAINED VOTER APPROVAL TO  
26 RETAIN AND SPEND REVENUES IN EXCESS OF THE CONSTITUTIONAL  
27 PROPERTY TAX REVENUE LIMITATION OBTAINS VOTER APPROVAL AFTER

1 MARCH 16, 2009, TO AGAIN BECOME SUBJECT TO THE CONSTITUTIONAL  
2 PROPERTY TAX REVENUE LIMITATION, THE DEPARTMENT SHALL  
3 CALCULATE THE DISTRICT'S STATE SHARE OF TOTAL PROGRAM AS IF THE  
4 DISTRICT LEVIED THE NUMBER OF MILLS THAT IT WOULD HAVE LEVIED IN  
5 THE APPLICABLE BUDGET YEAR IF THE DISTRICT HAD MAINTAINED ITS  
6 AUTHORITY TO RETAIN AND SPEND REVENUES IN EXCESS OF THE PROPERTY  
7 TAX REVENUE LIMITATION.

8 (d) IF A DISTRICT BEFORE, ON, OR AFTER THE EFFECTIVE DATE OF  
9 THIS SECTION REDUCES OR ENDS BUSINESS PERSONAL PROPERTY TAXES  
10 THROUGH ACTION TAKEN PURSUANT TO SECTION 20 (8) (b) OF ARTICLE X  
11 OF THE STATE CONSTITUTION, THE STATE SHARE OF THE DISTRICT'S TOTAL  
12 PROGRAM FOR THE BUDGET YEAR IN WHICH THE ACTION IS TAKEN AND  
13 ANY BUDGET YEAR THEREAFTER IS THE AMOUNT BY WHICH THE DISTRICT'S  
14 TOTAL PROGRAM EXCEEDS THE AMOUNT OF SPECIFIC OWNERSHIP TAX  
15 REVENUE PAID TO THE DISTRICT AND THE AMOUNT OF PROPERTY TAX  
16 REVENUE THAT THE DISTRICT WOULD HAVE BEEN ENTITLED TO RECEIVE IF  
17 THE DISTRICT HAD NOT TAKEN THE ACTION.

18 (5) (a) EXCEPT AS OTHERWISE PROVIDED IN SECTIONS 22-54.5-205  
19 TO 22-54.5-208, A DISTRICT SHALL NOT CERTIFY A LEVY FOR ITS GENERAL  
20 FUND IN EXCESS OF THAT AUTHORIZED BY THIS SECTION; EXCEPT THAT, IF  
21 A DISTRICT'S CERTIFIED LEVY BEFORE THE EFFECTIVE DATE OF THIS  
22 SECTION INCLUDED A LEVY AUTHORIZED BY SECTION 22-53-117,  
23 22-54-106 (2) (b), 22-54-107, 22-54-107.5, 22-54-108, OR 22-54-108.5,  
24 AS THESE SECTIONS EXISTED PRIOR TO REPEAL, THE DISTRICT MAY  
25 CONTINUE TO CERTIFY A LEVY THAT INCLUDES THOSE LEVIES.

26 (b) A DISTRICT SHALL NOT SEEK VOTER APPROVAL TO IMPOSE  
27 ADDITIONAL MILL LEVIES FOR ITS GENERAL FUND IN EXCESS OF THAT

1 AUTHORIZED BY THIS SECTION AND SECTIONS 22-54.5-205 TO 22-54.5-208.  
2 VOTER APPROVAL OBTAINED BY A DISTRICT UNDER SECTION 20 OF  
3 ARTICLE X OF THE STATE CONSTITUTION TO BE CAPABLE OF RECEIVING  
4 ADDITIONAL REVENUES WITHIN THE LIMITATIONS ON THE DISTRICT'S  
5 FISCAL YEAR SPENDING FOR ANY BUDGET YEAR DOES NOT CONSTITUTE  
6 VOTER APPROVAL FOR THE DISTRICT TO CERTIFY A LEVY FOR ITS GENERAL  
7 FUND IN EXCESS OF THAT AUTHORIZED BY THIS SECTION AND SECTIONS  
8 22-54.5-205 TO 22-54.5-208.

9 (6) EACH DISTRICT SHALL USE THE PROPERTY TAX REVENUE THAT  
10 IT IS ENTITLED TO RECEIVE FROM THE TOTAL PROGRAM MILL LEVY TO  
11 FUND THE DISTRICT'S LOCAL SHARE OF TOTAL PROGRAM FOR THE BUDGET  
12 YEAR BEGINNING ON JULY 1 OF THE PROPERTY TAX YEAR. THE TOTAL  
13 AMOUNT OF THE REVENUE IS CONSIDERED TO BE COLLECTED DURING THE  
14 BUDGET YEAR FOR PURPOSES OF DETERMINING THE STATE SHARE OF THE  
15 DISTRICT'S TOTAL PROGRAM.

16 (7) (a) IF A NEW DISTRICT IS CREATED THROUGH A  
17 DECONSOLIDATION AS DESCRIBED IN SECTION 22-30-102 (2) (a), THE  
18 SPECIFIC OWNERSHIP TAX REVENUE PAYABLE TO THE NEW DISTRICT IN THE  
19 FIRST YEAR OF OPERATION IS AN AMOUNT EQUAL TO THE RATIO OF THE  
20 TOTAL VALUATION FOR ASSESSMENT OF TAXABLE PROPERTY LOCATED IN  
21 THE NEW DISTRICT TO THE TOTAL VALUATION FOR ASSESSMENT OF  
22 TAXABLE PROPERTY LOCATED IN THE OLD DISTRICT MULTIPLIED BY THE  
23 SPECIFIC OWNERSHIP TAX REVENUE PAYABLE TO THE OLD DISTRICT.

24 (b) BEGINNING WITH THE FIRST JULY SPECIFIC OWNERSHIP TAX  
25 PAYMENT DUE AFTER THE NEW DISTRICT IS ESTABLISHED AND CONTINUING  
26 UNTIL THE NEW DISTRICT RECEIVES ITS FIRST PAYMENT OF SPECIFIC  
27 OWNERSHIP TAX REVENUES FROM THE COUNTY TREASURER, THE

1 DEPARTMENT SHALL:

2 (I) INCREASE THE STATE'S SHARE OF THE NEW DISTRICT'S TOTAL  
3 PROGRAM BY AN AMOUNT EQUAL TO THE RATIO OF THE TOTAL VALUATION  
4 FOR ASSESSMENT OF TAXABLE PROPERTY LOCATED IN THE NEW DISTRICT  
5 TO THE TOTAL VALUATION FOR ASSESSMENT OF TAXABLE PROPERTY  
6 LOCATED IN THE OLD DISTRICT MULTIPLIED BY THE SPECIFIC OWNERSHIP  
7 TAX REVENUE PAYABLE TO THE OLD DISTRICT; AND

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

10 **22-54.5-204. Buy-out of categorical programs.** (1) IF A  
11 DISTRICT'S TOTAL PROGRAM MILL LEVY, AS REDUCED PURSUANT TO  
12 SECTION 22-54.5-203 (3) (d), IF APPLICABLE, RESULTS IN AN AMOUNT OF  
13 PROPERTY TAX REVENUE THAT EXCEEDS THE DISTRICT'S TOTAL PROGRAM,  
14 THE DISTRICT SHALL USE THE EXCESS REVENUE TO REPLACE, ON A PRO  
15 RATA BASIS, ANY CATEGORICAL PROGRAM SUPPORT MONEYS THAT THE  
16 DISTRICT WOULD OTHERWISE BE ELIGIBLE TO RECEIVE FROM THE STATE.  
17 THE DEPARTMENT SHALL USE THE AMOUNT OF CATEGORICAL PROGRAM  
18 SUPPORT MONEYS REPLACED BY LOCAL PROPERTY TAX REVENUE  
19 PURSUANT TO THE PROVISIONS OF THIS SUBSECTION (1) TO MAKE  
20 PAYMENTS OF CATEGORICAL PROGRAM SUPPORT MONEYS TO ELIGIBLE  
21 DISTRICTS. IF THE APPROPRIATIONS FOR CATEGORICAL PROGRAMS ARE  
22 LESS THAN THE TOTAL CATEGORICAL PROGRAM SUPPORT MONEYS TO  
23 WHICH DISTRICTS ARE ENTITLED UNDER APPLICABLE PROVISIONS OF LAW,  
24 THE DEPARTMENT SHALL APPLY THE MONEYS THAT ARE REPLACED BY  
25 LOCAL PROPERTY TAX REVENUE TO CATEGORICAL PROGRAMS IN THE  
26 FOLLOWING ORDER:

27 (a) FIRST, TRANSPORTATION AID PURSUANT TO ARTICLE 51 OF THIS

1 TITLE;

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

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

6 (2) FOR PURPOSES OF THIS SECTION, "CATEGORICAL PROGRAM  
7 SUPPORT MONEYS THAT THE DISTRICT WOULD OTHERWISE BE ELIGIBLE TO  
8 RECEIVE FROM THE STATE" MEANS AMOUNTS THAT THE DISTRICT WOULD  
9 HAVE RECEIVED FROM THE STATE BUT THAT WILL BE RECEIVED INSTEAD  
10 FROM PROPERTY TAX REVENUES BY REASON OF THIS SECTION AND  
11 INCLUDES MONEYS PURSUANT TO THE "EXCEPTIONAL CHILDREN'S  
12 EDUCATIONAL ACT", ARTICLE 20 OF THIS TITLE, TRANSPORTATION AID  
13 PURSUANT TO ARTICLE 51 OF THIS TITLE, SMALL ATTENDANCE CENTER AID  
14 PURSUANT TO SECTION 22-54.5-306, AND VOCATIONAL EDUCATION AID  
15 PURSUANT TO ARTICLE 8 OF TITLE 23, C.R.S. MONEYS RECEIVED BY AN  
16 ADMINISTRATIVE UNIT UNDER THE "EXCEPTIONAL CHILDREN'S  
17 EDUCATIONAL ACT", ARTICLE 20 OF THIS TITLE, AS REIMBURSEMENT FOR  
18 SERVICES PROVIDED TO CHILDREN COUNTED IN THE AVERAGE DAILY  
19 MEMBERSHIP OF A DISTRICT ARE CONSIDERED TO BE CATEGORICAL  
20 PROGRAM SUPPORT MONEYS THAT THE DISTRICT WOULD OTHERWISE BE  
21 ELIGIBLE TO RECEIVE FROM THE STATE FOR PURPOSES OF THIS SUBSECTION  
22 (2).

23 (3) A DISTRICT THAT LEVIED ADDITIONAL MILLS PURSUANT TO  
24 SECTION 22-54-107, AS IT EXISTED PRIOR TO REPEAL, TO GENERATE  
25 PROPERTY TAX REVENUES IN AN AMOUNT EQUAL TO THE AMOUNT OF  
26 CATEGORICAL PROGRAM SUPPORT MONEYS THAT THE DISTRICT WOULD  
27 OTHERWISE BE ELIGIBLE TO RECEIVE FROM THE STATE SHALL CONTINUE

1 COLLECTING THOSE PROPERTY TAX REVENUES AND USING THE REVENUES  
2 TO REPLACE CATEGORICAL SUPPORT MONEYS AS PROVIDED IN THIS  
3 SECTION.

4 **22-54.5-205. Authorization of additional local revenues -**  
5 **operating moneys.** (1) (a) THE BOARD OF EDUCATION OF A DISTRICT

6 MAY SEEK TO RAISE AND EXPEND LOCAL PROPERTY TAX REVENUES IN  
7 EXCESS OF THE DISTRICT'S TOTAL PROGRAM BY SUBMITTING TO THE  
8 ELIGIBLE ELECTORS OF THE DISTRICT THE QUESTION OF WHETHER THE  
9 DISTRICT SHOULD BE AUTHORIZED TO RAISE AND EXPEND ADDITIONAL  
10 LOCAL PROPERTY TAX REVENUES, SUBJECT TO THE LIMITATIONS OF  
11 SUBSECTION (3) OF THIS SECTION. IN ADDITION, IF A DISTRICT  
12 RECEIVES BY PROPER SUBMITTAL A VALID INITIATIVE PETITION TO RAISE  
13 AND EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE  
14 DISTRICT'S TOTAL PROGRAM, SUBJECT TO THE LIMITATIONS OF SUBSECTION  
15 (3) OF THIS SECTION, THE BOARD OF EDUCATION OF THE DISTRICT MUST  
16 SUBMIT THE QUESTION TO THE ELIGIBLE ELECTORS OF THE DISTRICT. AN  
17 INITIATIVE PETITION SUBMITTED PURSUANT TO THIS SUBSECTION (1) MUST  
18 BE SIGNED BY AT LEAST FIVE PERCENT OF THE ELIGIBLE ELECTORS IN THE  
19 DISTRICT AT THE TIME THE PETITION IS FILED.

20 (b) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF THIS  
21 SUBSECTION (1) TO THE CONTRARY, A DISTRICT THAT DOES NOT RECEIVE  
22 PER PUPIL SUPPLEMENTAL PAYMENTS PURSUANT TO SECTION 22-54.5-303  
23 MUST LEVY ITS FULL TOTAL PROGRAM MILL LEVY BEFORE IT MAY SEEK  
24 VOTER APPROVAL, WHETHER BY ACTION OF THE BOARD OF EDUCATION OR  
25 BY INITIATIVE PETITION, TO RAISE AND EXPEND LOCAL PROPERTY TAX  
26 REVENUES PURSUANT TO THIS SECTION.

27 (2) A DISTRICT MUST SUBMIT THE QUESTION TO RAISE AND EXPEND

1 ADDITIONAL LOCAL PROPERTY TAXES PURSUANT TO THIS SECTION TO THE  
2 ELIGIBLE ELECTORS AT AN ELECTION HELD IN ACCORDANCE WITH SECTION  
3 20 OF ARTICLE X OF THE STATE CONSTITUTION AND TITLE 1, C.R.S. IF THE  
4 QUESTION IS APPROVED BY A MAJORITY OF THE ELIGIBLE ELECTORS  
5 VOTING IN THE ELECTION, THE DISTRICT IS AUTHORIZED TO COLLECT THE  
6 ADDITIONAL LEVY IN EXCESS OF THE DISTRICT'S TOTAL PROGRAM MILL  
7 LEVY FOR THE DISTRICT'S GENERAL FUND FOR THE THEN-CURRENT BUDGET  
8 YEAR AND EACH BUDGET YEAR THEREAFTER.

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

15 (b) THE TOTAL ADDITIONAL LOCAL PROPERTY TAX REVENUES THAT  
16 A DISTRICT MAY RECEIVE PURSUANT TO ELECTIONS HELD PURSUANT TO  
17 THIS SECTION SHALL NOT EXCEED UNDER ANY CIRCUMSTANCES THE  
18 GREATER OF:

19 (I) TWENTY-FIVE PERCENT OF THE DISTRICT'S TOTAL PROGRAM,  
20 PLUS THE AMOUNT OF INVESTMENT MONEYS THE DISTRICT RECEIVES, FOR  
21 THE APPLICABLE BUDGET YEAR;

22 (II) TWENTY-FIVE PERCENT OF THE SUM OF:

23 (A) THE DISTRICT'S TOTAL PROGRAM AS CALCULATED FOR THE  
24 2014-15 BUDGET YEAR PURSUANT TO SECTION 22-54-104, AS IT EXISTED  
25 PRIOR TO REPEAL, BEFORE APPLICATION OF THE NEGATIVE FACTOR  
26 PURSUANT TO SECTION 22-54-104 (5) (g) AS IT EXISTED PRIOR TO REPEAL;  
27 PLUS

1 (B) THE TOTAL PER PUPIL SUPPLEMENTAL PAYMENTS THE DISTRICT  
2 RECEIVES PURSUANT TO SECTION 22-54.5-303 FOR THE APPLICABLE  
3 BUDGET YEAR; PLUS

4 (C) THE AMOUNT, IF ANY, OF ADDITIONAL LOCAL REVENUES THE  
5 DISTRICT RECEIVES FOR THE APPLICABLE BUDGET YEAR AS A RESULT OF A  
6 MILL LEVY INCREASE FOR A COST OF LIVING ADJUSTMENT APPROVED  
7 BEFORE JUNE 7, 2002, PURSUANT TO SECTION 22-54-107.5, AS IT EXISTED  
8 PRIOR TO REPEAL; PLUS

9 (D) THE AMOUNT OF INVESTMENT MONEYS THE DISTRICT RECEIVES  
10 FOR THE APPLICABLE BUDGET YEAR; PLUS

11 (E) THE AMOUNT, IF ANY, OF EXCESS REVENUE THE DISTRICT  
12 EXPENDS PURSUANT TO SECTION 22-54.5-204 FOR THE APPLICABLE  
13 BUDGET YEAR TO REPLACE CATEGORICAL PROGRAM SUPPORT MONEYS;  
14 PLUS

15 (F) THE AMOUNT, IF ANY, THE DISTRICT RECEIVES FROM THE STATE  
16 IN CATEGORICAL PROGRAM SUPPORT MONEYS FOR THE APPLICABLE  
17 BUDGET YEAR; OR

18 (III) TWO HUNDRED THOUSAND DOLLARS.

19 (c) THE FOLLOWING REVENUES APPLY TO CALCULATING THE  
20 LIMITATION IN THIS SUBSECTION (3):

21 (I) ANY ADDITIONAL LOCAL PROPERTY TAX REVENUES  
22 AUTHORIZED FOR A DISTRICT AT ELECTIONS HELD PURSUANT TO SECTION  
23 22-53-117, 22-54-107, 22-54-107.5, OR 22-54-108, AS EACH SECTION  
24 EXISTED PRIOR TO REPEAL;

25 (II) THE DIFFERENCE BETWEEN THE DISTRICT'S TOTAL PROGRAM  
26 FOR THE 1994-95 BUDGET YEAR, AS CALCULATED PURSUANT TO SECTION  
27 22-54-104.3 (3), AS IT EXISTED PRIOR TO REPEAL, AND THE DISTRICT'S



1 TOTAL PROGRAM FOR THE 1994-95 BUDGET YEAR, AS CALCULATED  
2 PURSUANT TO SECTION 22-54-104 (2), AS IT EXISTED PRIOR TO REPEAL;  
3 AND

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

6 (d) THE FOLLOWING AUTHORIZATIONS FOR ADDITIONAL LOCAL  
7 PROPERTY TAX REVENUES DO NOT APPLY IN CALCULATING THE DISTRICT'S  
8 LIMITATION UNDER THIS SUBSECTION (3):

9 (I) ANY ADDITIONAL LOCAL PROPERTY TAX REVENUES  
10 AUTHORIZED TO REPLACE CATEGORICAL SUPPORT FUNDS WITH LOCAL  
11 PROPERTY TAX REVENUES AS PROVIDED IN SECTION 22-54-107, AS IT  
12 EXISTED PRIOR TO REPEAL;

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

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

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

22 (V) ANY ADDITIONAL LOCAL PROPERTY TAX REVENUES  
23 AUTHORIZED FOR COST OF LIVING EXPENSES AS PROVIDED IN SECTION  
24 22-54.5-208.

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

1 (f) IF THE ADDITIONAL LOCAL PROPERTY TAX REVENUES ALREADY  
2 AUTHORIZED EXCEEDS THE LIMITATION, THE DISTRICT SHALL NOT HOLD AN  
3 ELECTION PURSUANT TO THE PROVISIONS OF THIS SECTION UNTIL THE  
4 LIMITATION IS GREATER THAN THE ADDITIONAL LOCAL PROPERTY TAX  
5 REVENUES ALREADY AUTHORIZED AND THE SPECIFIC OWNERSHIP TAX  
6 REVENUE, IF ANY.

7 (4) IF A DISTRICT RECEIVED VOTER APPROVAL FOR ADDITIONAL  
8 LOCAL PROPERTY TAX REVENUES PURSUANT TO SECTION 22-53-117,  
9 22-54-107.5, 22-54-108, OR 22-54-108.5, AS THESE SECTIONS EXISTED  
10 PRIOR TO REPEAL, THE DISTRICT MAY CONTINUE COLLECTING THE  
11 APPROVED ADDITIONAL LOCAL PROPERTY TAX REVENUES AND USING THE  
12 REVENUES FOR THE PURPOSES AND TIME PERIOD AUTHORIZED BY THE  
13 VOTERS.

14 == ==

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

1 (b) IN ADDITION, IF A DISTRICT [REDACTED] [REDACTED] RECEIVES BY PROPER  
2 SUBMITTAL A VALID INITIATIVE PETITION TO RAISE AND EXPEND LOCAL  
3 PROPERTY TAX REVENUES IN EXCESS OF THE DISTRICT'S TOTAL PROGRAM  
4 TO PROVIDE FUNDING FOR EARLY CHILDHOOD EDUCATION PROGRAMS,  
5 WHICH INITIATIVE PETITION MAY INCLUDE FUNDING OF A STATED AMOUNT  
6 AND LIMITED DURATION TO MEET THE INITIAL CAPITAL CONSTRUCTION  
7 NEEDS ASSOCIATED WITH AN EARLY CHILDHOOD EDUCATION PROGRAM,  
8 THE BOARD OF EDUCATION OF THE DISTRICT MUST SUBMIT THE QUESTION  
9 TO THE ELIGIBLE ELECTORS OF THE DISTRICT. AN INITIATIVE PETITION  
10 SUBMITTED PURSUANT TO THIS PARAGRAPH (b) MUST BE SIGNED BY AT  
11 LEAST FIVE PERCENT OF THE ELIGIBLE ELECTORS IN THE DISTRICT AT THE  
12 TIME THE PETITION IS FILED.

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

20 (d) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OR (b)  
21 OF THIS SUBSECTION (1) TO THE CONTRARY, A DISTRICT THAT DOES NOT  
22 RECEIVE PER PUPIL SUPPLEMENTAL PAYMENTS PURSUANT TO SECTION  
23 22-54.5-303 MUST LEVY ITS FULL TOTAL PROGRAM MILL LEVY BEFORE IT  
24 MAY SEEK VOTER APPROVAL, WHETHER BY ACTION OF THE BOARD OF  
25 EDUCATION OR BY INITIATIVE PETITION, TO RAISE AND EXPEND LOCAL  
26 PROPERTY TAX REVENUES PURSUANT TO THIS SECTION.

27 (2) A DISTRICT MUST SUBMIT THE QUESTION TO RAISE AND EXPEND

1 ADDITIONAL LOCAL PROPERTY TAXES PURSUANT TO THIS SECTION TO THE  
2 ELIGIBLE ELECTORS AT AN ELECTION HELD IN ACCORDANCE WITH SECTION  
3 20 OF ARTICLE X OF THE STATE CONSTITUTION AND TITLE 1, C.R.S. IF THE  
4 QUESTION IS APPROVED BY A MAJORITY OF THE ELIGIBLE ELECTORS  
5 VOTING IN THE ELECTION, THE DISTRICT IS AUTHORIZED TO COLLECT THE  
6 ADDITIONAL LEVY FOR THE THEN-CURRENT BUDGET YEAR AND EACH  
7 BUDGET YEAR THEREAFTER FOR THE PURPOSES SPECIFIED IN SUBSECTION  
8 (1) OF THIS SECTION, WHICH ADDITIONAL LEVY IS IN EXCESS OF THE  
9 DISTRICT'S TOTAL PROGRAM MILL LEVY AND IN EXCESS OF ANY OTHER  
10 AUTHORIZED ADDITIONAL LOCAL PROPERTY TAX LEVIES.

11 (3) IF A MAJORITY OF THE VOTES CAST IN AN ELECTION HELD  
12 PURSUANT TO SUBSECTION (2) OF THIS SECTION ARE IN FAVOR OF THE  
13 QUESTION, THE DISTRICT SHALL LEVY THE ADDITIONAL MILL LEVY EACH  
14 YEAR AND DEPOSIT THE REVENUES RECEIVED FROM THE ADDITIONAL MILL  
15 LEVY IN THE EARLY CHILDHOOD EDUCATION FUND OF THE DISTRICT  
16 CREATED IN SECTION 22-45-103 (1) (h). IF THE DISTRICT OBTAINS VOTER  
17 APPROVAL FOR AN ADDITIONAL MILL LEVY TO MEET THE CAPITAL  
18 CONSTRUCTION NEEDS ASSOCIATED WITH THE DISTRICT'S EARLY  
19 CHILDHOOD EDUCATION PROGRAM, THE DISTRICT SHALL DEPOSIT THE  
20 REVENUES GENERATED FROM THAT MILL LEVY IN THE CAPITAL  
21 CONSTRUCTION ACCOUNT OF THE DISTRICT'S EARLY CHILDHOOD  
22 EDUCATION FUND.

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

1 TOTAL PROGRAM.

2 (5) A DISTRICT THAT OBTAINS VOTER APPROVAL PURSUANT TO  
3 THIS SECTION TO IMPOSE AN ADDITIONAL MILL LEVY TO FUND EARLY  
4 CHILDHOOD EDUCATION PROGRAMS IN THE DISTRICT MUST ESTABLISH ITS  
5 EARLY CHILDHOOD EDUCATION PROGRAM USING EVIDENCE-BASED  
6 RESEARCH DEMONSTRATING THE TYPES OF PROGRAMS AND METHODS  
7 APPROPRIATE FOR AN EARLY CHILDHOOD EDUCATION PROGRAM.

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9 **22-54.5-207. Authorization of additional local revenues -**  
10 **technology and building maintenance and operation.** (1) (a) THE  
11 BOARD OF EDUCATION OF A DISTRICT [REDACTED] MAY SEEK TO RAISE AND  
12 EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE DISTRICT'S  
13 TOTAL PROGRAM TO PROVIDE FUNDING FOR TECHNOLOGY AND BUILDING  
14 MAINTENANCE AND OPERATION 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. IN ADDITION, IF A DISTRICT  
18 [REDACTED] RECEIVES BY PROPER SUBMITTAL A VALID INITIATIVE PETITION TO  
19 RAISE AND EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE  
20 DISTRICT'S TOTAL PROGRAM TO PROVIDE FUNDING FOR TECHNOLOGY AND  
21 BUILDING MAINTENANCE AND OPERATION, THE BOARD OF EDUCATION OF  
22 THE DISTRICT MUST SUBMIT THE QUESTION TO THE ELIGIBLE ELECTORS OF  
23 THE DISTRICT. AN INITIATIVE PETITION SUBMITTED PURSUANT TO THIS  
24 SUBSECTION (1) MUST BE SIGNED BY AT LEAST FIVE PERCENT OF THE  
25 ELIGIBLE ELECTORS IN THE DISTRICT AT THE TIME THE PETITION IS FILED.  
26 (b) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF THIS  
27 SUBSECTION (1) TO THE CONTRARY, A DISTRICT THAT DOES NOT RECEIVE

1 PER PUPIL SUPPLEMENTAL PAYMENTS PURSUANT TO SECTION 22-54.5-303  
2 MUST LEVY ITS FULL TOTAL PROGRAM MILL LEVY BEFORE IT MAY SEEK  
3 VOTER APPROVAL, WHETHER BY ACTION OF THE BOARD OF EDUCATION OR  
4 BY INITIATIVE PETITION, TO RAISE AND EXPEND LOCAL PROPERTY TAX  
5 REVENUES PURSUANT TO THIS SECTION.

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

17 (3) IF A MAJORITY OF THE VOTES CAST IN AN ELECTION HELD  
18 PURSUANT TO SUBSECTION (2) OF THIS SECTION ARE IN FAVOR OF THE  
19 QUESTION, THE DISTRICT SHALL LEVY THE ADDITIONAL MILL LEVY EACH  
20 YEAR AND DEPOSIT THE REVENUES RECEIVED FROM THE ADDITIONAL MILL  
21 LEVY IN THE TECHNOLOGY AND BUILDING MAINTENANCE AND OPERATION  
22 FUND OF THE DISTRICT CREATED IN SECTION 22-45-103 (1) (i).

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

1 TOTAL PROGRAM.

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3

**22-54.5-208. Authorization of additional local revenues - cost**

4

**of living expenses.** (1) (a) THE BOARD OF EDUCATION OF A DISTRICT

5

MAY SEEK TO RAISE AND EXPEND LOCAL PROPERTY TAX REVENUES IN

6

EXCESS OF THE DISTRICT'S TOTAL PROGRAM, SUBJECT TO THE LIMITATIONS

7

SPECIFIED IN SUBSECTION (4) OF THIS SECTION, TO PROVIDE FUNDING FOR

8

COST OF LIVING EXPENSES FOR DISTRICT EMPLOYEES BY SUBMITTING TO

9

THE ELIGIBLE ELECTORS OF THE DISTRICT THE QUESTION OF WHETHER THE

10

DISTRICT SHOULD BE AUTHORIZED TO RAISE AND EXPEND ADDITIONAL

11

LOCAL PROPERTY TAX REVENUES FOR THAT PURPOSE. IN ADDITION, IF A

12

DISTRICT RECEIVES BY PROPER SUBMITTAL A VALID INITIATIVE

13

PETITION TO RAISE AND EXPEND LOCAL PROPERTY TAX REVENUES IN

14

EXCESS OF THE DISTRICT'S TOTAL PROGRAM, SUBJECT TO THE LIMITATIONS

15

SPECIFIED IN SUBSECTION (4) OF THIS SECTION, TO PROVIDE FUNDING FOR

16

COST OF LIVING EXPENSES FOR DISTRICT EMPLOYEES, THE BOARD OF

17

EDUCATION OF THE DISTRICT MUST SUBMIT THE QUESTION TO THE

18

ELIGIBLE ELECTORS OF THE DISTRICT. AN INITIATIVE PETITION SUBMITTED

19

PURSUANT TO THIS SUBSECTION (1) MUST BE SIGNED BY AT LEAST FIVE

20

PERCENT OF THE ELIGIBLE ELECTORS IN THE DISTRICT AT THE TIME THE

21

PETITION IS FILED.

22

(b) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF THIS

23

SUBSECTION (1) TO THE CONTRARY, A DISTRICT THAT DOES NOT RECEIVE

24

PER PUPIL SUPPLEMENTAL PAYMENTS PURSUANT TO SECTION 22-54.5-303

25

MUST LEVY ITS FULL TOTAL PROGRAM MILL LEVY BEFORE IT MAY SEEK

26

VOTER APPROVAL, WHETHER BY ACTION OF THE BOARD OF EDUCATION OR

27

BY INITIATIVE PETITION, TO RAISE AND EXPEND LOCAL PROPERTY TAX

1 REVENUES PURSUANT TO THIS SECTION.

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

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

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

25 (b) (I) THE TOTAL ADDITIONAL LOCAL PROPERTY TAX REVENUES  
26 THAT A DISTRICT MAY RECEIVE PURSUANT TO ELECTIONS HELD PURSUANT  
27 TO THIS SECTION SHALL NOT EXCEED UNDER ANY CIRCUMSTANCES AN



1 AMOUNT EQUAL TO THE PORTION OF THE DISTRICT'S TOTAL PROGRAM  
2 GENERATED BY APPLICATION OF THE DISTRICT'S COST OF LIVING FACTOR,  
3 CALCULATED FOR THE 2014-15 BUDGET YEAR PURSUANT TO SECTION  
4 22-54-104 (5) (c), AS IT EXISTED PRIOR TO REPEAL, BEFORE APPLICATION  
5 OF THE NEGATIVE FACTOR REQUIRED IN SECTION 22-54-104 (5) (g), AS IT  
6 EXISTED PRIOR TO REPEAL.

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

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

18 (d) ANY PORTION OF THE SPECIFIC OWNERSHIP TAX PAID TO THE  
19 DISTRICT DOES NOT APPLY IN CALCULATING THE LIMITATION UNDER THIS  
20 SUBSECTION (4).

21 (e) IF THE ADDITIONAL LOCAL PROPERTY TAX REVENUES ALREADY  
22 AUTHORIZED EXCEEDS THE LIMITATION SPECIFIED IN THIS SUBSECTION (4),  
23 THE DISTRICT SHALL NOT HOLD AN ELECTION PURSUANT TO THE  
24 PROVISIONS OF THIS SECTION UNTIL THE LIMITATION IS GREATER THAN THE  
25 ADDITIONAL LOCAL PROPERTY TAX REVENUES ALREADY AUTHORIZED AND  
26 THE SPECIFIC 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 RECEIVES A PER-PUPIL SUPPLEMENTAL PAYMENT FOR WHICH THE PER  
2 PUPIL AMOUNT FOR THE APPLICABLE BUDGET YEAR IS LESS THAN ONE  
3 HUNDRED FIFTY-NINE DOLLARS.

4 (b) "ELIGIBLE INSTITUTE CHARTER SCHOOL" MEANS AN INSTITUTE  
5 CHARTER SCHOOL THAT IS NOT A MULTI-DISTRICT ON-LINE SCHOOL AND  
6 THAT DOES NOT RECEIVE A PER-PUPIL SUPPLEMENTAL PAYMENT PURSUANT  
7 TO SECTION 22-54.5-303 OR RECEIVES A PER-PUPIL SUPPLEMENTAL  
8 PAYMENT FOR WHICH THE PER PUPIL AMOUNT FOR THE APPLICABLE  
9 BUDGET YEAR IS LESS THAN ONE HUNDRED FIFTY-NINE DOLLARS.

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

16 (d) "SUPPLEMENTAL PAYMENT RECIPIENT" MEANS A DISTRICT, OR  
17 AN INSTITUTE CHARTER SCHOOL THAT IS NOT A MULTI-DISTRICT ON-LINE  
18 SCHOOL, FOR WHICH THE PER PUPIL AMOUNT OF THE PER-PUPIL  
19 SUPPLEMENTAL PAYMENT RECEIVED PURSUANT TO SECTION 22-54.5-303  
20 FOR THE APPLICABLE BUDGET YEAR IS EQUAL TO OR GREATER THAN ONE  
21 HUNDRED FIFTY-NINE DOLLARS.

22 (e) "TOTAL INVESTMENT MONEYS" MEANS AN AMOUNT EQUAL TO  
23 ANY AMOUNT OF THE GROWTH TAX REVENUES REMAINING AFTER THE  
24 APPROPRIATION OF GROWTH TAX REVENUES REQUIRED IN SECTION  
25 22-20-114 (7) FOR THE APPLICABLE BUDGET YEAR.

26 (2) IN ADDITION TO THE STATE SHARE CALCULATED PURSUANT TO  
27 SECTION 22-54.5-203 FOR DISTRICTS AND SUPPLEMENTAL PAYMENT

1 RECIPIENTS THAT ARE DISTRICTS AND THE TOTAL PROGRAM FUNDING FOR  
2 ELIGIBLE INSTITUTE CHARTER SCHOOLS AND SUPPLEMENTAL PAYMENT  
3 RECIPIENTS THAT ARE INSTITUTE CHARTER SCHOOLS, EACH DISTRICT,  
4 SUPPLEMENTAL PAYMENT RECIPIENT, AND ELIGIBLE INSTITUTE CHARTER  
5 SCHOOL SHALL ANNUALLY RECEIVE THE PER PUPIL AMOUNT OF TEACHING  
6 AND LEADERSHIP INVESTMENT MONEYS DESCRIBED IN SUBSECTION (3) OF  
7 THIS SECTION, MULTIPLIED BY THE DISTRICT'S, THE SUPPLEMENTAL  
8 PAYMENT RECIPIENT'S, OR THE ELIGIBLE INSTITUTE CHARTER SCHOOL'S  
9 AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING  
10 PERIOD. THE DEPARTMENT SHALL DISTRIBUTE THE INVESTMENT MONEYS  
11 WITH THE STATE SHARE FOR EACH DISTRICT AND SUPPLEMENTAL PAYMENT  
12 RECIPIENT THAT IS A DISTRICT AND WITH THE FUNDING FOR EACH ELIGIBLE  
13 INSTITUTE CHARTER SCHOOL AND SUPPLEMENTAL PAYMENT RECIPIENT  
14 THAT IS AN INSTITUTE CHARTER SCHOOL AS PROVIDED IN SECTION  
15 22-54.5-408. IF A DISTRICT OR SUPPLEMENTAL PAYMENT RECIPIENT THAT  
16 IS A DISTRICT DOES NOT RECEIVE STATE SHARE, THE DEPARTMENT SHALL  
17 DISTRIBUTE THE INVESTMENT MONEYS FOR THE DISTRICT OR SUPPLEMENT  
18 PAYMENT RECIPIENT THAT IS A DISTRICT IN ACCORDANCE WITH THE  
19 PROVISIONS OF SECTION 22-54.5-408.

20 (3) (a) FOR THE 2015-16 BUDGET YEAR, THE PER PUPIL AMOUNT OF  
21 INVESTMENT MONEYS FOR EACH DISTRICT, EACH SUPPLEMENTAL PAYMENT  
22 RECIPIENT, AND EACH ELIGIBLE INSTITUTE CHARTER SCHOOL IS FOUR  
23 HUNDRED FORTY-ONE DOLLARS.

24 (b) (I) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (C) OF THIS  
25 SUBSECTION (3), FOR THE 2016-17 BUDGET YEAR AND EACH BUDGET YEAR  
26 THEREAFTER, THE DEPARTMENT SHALL ANNUALLY CALCULATE THE PER  
27 PUPIL AMOUNT OF INVESTMENT MONEYS FOR EACH DISTRICT AND EACH

1 ELIGIBLE INSTITUTE CHARTER SCHOOL AS THE GREATER OF FOUR HUNDRED  
2 FORTY-ONE DOLLARS OR AN AMOUNT EQUAL TO:

3 (TOTAL INVESTMENT MONEYS - (\$441 x TOTAL AVERAGE  
4 DAILY MEMBERSHIP OF SUPPLEMENTAL PAYMENT  
5 RECIPIENTS)) ÷ (TOTAL AVERAGE DAILY MEMBERSHIP OF  
6 DISTRICTS + TOTAL AVERAGE DAILY MEMBERSHIP OF  
7 ELIGIBLE INSTITUTE CHARTER SCHOOLS).

8 (II) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (c) OF THIS  
9 SUBSECTION (3), FOR THE 2016-17 BUDGET YEAR AND EACH BUDGET YEAR  
10 THEREAFTER, THE DEPARTMENT SHALL ANNUALLY CALCULATE THE PER  
11 PUPIL AMOUNT OF INVESTMENT MONEYS FOR EACH SUPPLEMENTAL  
12 PAYMENT RECIPIENT AS THE GREATER OF FOUR HUNDRED FORTY-ONE  
13 DOLLARS OR AN AMOUNT EQUAL TO:

14 \$441 + ((TOTAL INVESTMENT MONEYS - (\$600 x (TOTAL  
15 AVERAGE DAILY MEMBERSHIP OF DISTRICTS + TOTAL  
16 AVERAGE DAILY MEMBERSHIP OF ELIGIBLE INSTITUTE  
17 CHARTER SCHOOLS)) ÷ TOTAL AVERAGE DAILY MEMBERSHIP  
18 OF SUPPLEMENTAL PAYMENT RECIPIENTS).

19 (III) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPHS (I)  
20 AND (II) OF THIS PARAGRAPH (b), THE PER PUPIL AMOUNT OF INVESTMENT  
21 MONEYS FOR A DISTRICT, A SUPPLEMENTAL PAYMENT RECIPIENT, OR AN  
22 ELIGIBLE INSTITUTE CHARTER SCHOOL, SHALL NOT EXCEED SIX HUNDRED  
23 DOLLARS IN A BUDGET YEAR, EXCEPT AS OTHERWISE PROVIDED IN  
24 PARAGRAPH (c) OF THIS SUBSECTION (3).

25 (c) IN A BUDGET YEAR IN WHICH THE PER PUPIL AMOUNT OF  
26 INVESTMENT MONEYS CALCULATED PURSUANT TO PARAGRAPH (b) OF THIS  
27 SUBSECTION (3) FOR EACH DISTRICT, SUPPLEMENTAL PAYMENT RECIPIENT,

1 AND ELIGIBLE INSTITUTE CHARTER SCHOOL EXCEEDS SIX HUNDRED  
2 DOLLARS, THE DEPARTMENT SHALL CALCULATE THE PER PUPIL AMOUNT OF  
3 INVESTMENT MONEYS FOR EACH DISTRICT, SUPPLEMENTAL PAYMENT  
4 RECIPIENT, AND ELIGIBLE INSTITUTE CHARTER SCHOOL AS AN AMOUNT  
5 EQUAL TO THE TOTAL INVESTMENT MONEYS DIVIDED BY THE COMBINED  
6 TOTAL AVERAGE DAILY MEMBERSHIP OF ALL DISTRICTS, ALL  
7 SUPPLEMENTAL PAYMENT RECIPIENTS, AND ALL ELIGIBLE INSTITUTE  
8 CHARTER SCHOOLS.

9 (4) EACH DISTRICT, DISTRICT CHARTER SCHOOL, SUPPLEMENT  
10 PAYMENT RECIPIENT, AND ELIGIBLE INSTITUTE CHARTER SCHOOL SHALL  
11 USE THE INVESTMENT MONEYS RECEIVED PURSUANT TO THIS SECTION TO  
12 PAY THE COSTS INCURRED IN PROVIDING STAFF SUPPORT AND  
13 PROFESSIONAL DEVELOPMENT NECESSARY TO IMPLEMENT:

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

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

20 (c) ACCREDITATION AS PROVIDED IN ARTICLE 11 OF THIS TITLE,  
21 INCLUDING EFFORTS THAT ARE SPECIFICALLY DIRECTED AT ELIMINATING  
22 THE ACHIEVEMENT AND GROWTH GAPS AMONG STUDENT GROUPS  
23 DISAGGREGATED BY RACE.

24 **22-54.5-302. Hold-harmless moneys - state share**  
25 **hold-harmless fund - created - definitions. (1) FOR PURPOSES OF THIS**  
26 **SECTION:**

27 (a) "DISTRICT'S 2014-15 STATE SHARE" MEANS THE AMOUNT OF

1 STATE SHARE THAT A DISTRICT RECEIVES FOR THE 2014-15 BUDGET YEAR  
2 PURSUANT TO SECTION 22-54-106, AS IT EXISTED PRIOR TO REPEAL.

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

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

7 (2) (a) IF THE RECALCULATION OF STATE AND LOCAL SHARES OF  
8 TOTAL PROGRAM PURSUANT TO SECTION 22-54.5-203 RESULTS IN A  
9 DISTRICT RECEIVING A LOWER AMOUNT OF STATE FUNDING, THE DISTRICT  
10 IS ELIGIBLE TO RECEIVE HOLD-HARMLESS MONEYS AS PROVIDED IN THIS  
11 SECTION. THE DEPARTMENT SHALL ANNUALLY CALCULATE A DISTRICT'S  
12 HOLD-HARMLESS MONEYS USING THE DISTRICT'S STATE FUNDING, TOTAL  
13 PROGRAM, AND INVESTMENT MONEYS FOR THE APPLICABLE BUDGET YEAR  
14 IN THE FOLLOWING FORMULA:

15 (DISTRICT'S 2014-15 STATE SHARE - DISTRICT'S STATE  
16 FUNDING) + (0.02 x (DISTRICT'S TOTAL PROGRAM +  
17 DISTRICT'S INVESTMENT MONEYS)

18 (b) A DISTRICT THAT IS ELIGIBLE TO RECEIVE HOLD-HARMLESS  
19 MONEYS AS THE RESULT OF A RECALCULATION OF STATE AND LOCAL  
20 SHARES CONTINUES TO BE ELIGIBLE TO RECEIVE THE HOLD-HARMLESS  
21 MONEYS IN EACH SUBSEQUENT BUDGET YEAR IN WHICH THE CALCULATION  
22 OF THE HOLD-HARMLESS MONEYS RESULTS IN A POSITIVE NUMBER.

23 (c) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE  
24 CONTRARY, THE DEPARTMENT SHALL REDUCE A DISTRICT'S  
25 HOLD-HARMLESS MONEYS AS NECESSARY TO ENSURE THAT, IN ANY  
26 BUDGET YEAR, THE DISTRICT'S HOLD-HARMLESS MONEYS PLUS THE  
27 DISTRICT'S LOCAL SHARE AND STATE SHARE DO NOT EXCEED THE GREATER

1 OF THE DISTRICT'S TOTAL PROGRAM FOR THE APPLICABLE BUDGET YEAR OR  
2 THE DISTRICT'S TOTAL PROGRAM FOR THE 2014-15 BUDGET YEAR  
3 CALCULATED PURSUANT TO SECTION 22-54-104, AS IT EXISTED PRIOR TO  
4 REPEAL.

5 (3) (a) THERE IS CREATED IN THE STATE TREASURY THE STATE  
6 SHARE HOLD-HARMLESS FUND CONSISTING OF SUCH MONEYS AS THE  
7 GENERAL ASSEMBLY MAY APPROPRIATE TO THE FUND. THE MONEYS IN THE  
8 FUND ARE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL  
9 ASSEMBLY TO THE DEPARTMENT FOR DISTRIBUTION AS HOLD-HARMLESS  
10 MONEYS TO ELIGIBLE DISTRICTS AS PROVIDED IN THIS SECTION.

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

19 (4) IN A BUDGET YEAR IN WHICH THE GENERAL ASSEMBLY DOES  
20 NOT APPROPRIATE A SUFFICIENT AMOUNT TO FULLY FUND THE  
21 HOLD-HARMLESS MONEYS AUTHORIZED IN THIS SECTION, THE  
22 DEPARTMENT SHALL REDUCE THE AMOUNT OF EACH ELIGIBLE DISTRICT'S  
23 HOLD-HARMLESS MONEYS BY THE SAME PERCENTAGE THAT THE DEFICIT  
24 BEARS TO THE AMOUNT REQUIRED TO FULLY FUND THE HOLD-HARMLESS  
25 MONEYS AUTHORIZED BY THIS SECTION.

26 **22-54.5-303. Per pupil supplemental payment - per pupil**  
27 **supplemental fund - created - definitions.** (1) FOR PURPOSES OF THIS

1     SECTION:

2             (a) "DISTRICT'S PER PUPIL REVENUE" MEANS, FOR EACH BUDGET  
3     YEAR, THE SUM OF THE AMOUNT OF LOCAL PROPERTY TAX REVENUES  
4     GENERATED FROM THE NUMBER OF MILLS A DISTRICT LEVIES FOR TOTAL  
5     PROGRAM PLUS THE SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE  
6     DISTRICT PLUS THE STATE SHARE PAID TO THE DISTRICT PLUS ANY  
7     HOLD-HARMLESS MONEYS PAID TO THE DISTRICT PURSUANT TO SECTION  
8     22-54.5-302, DIVIDED BY THE DISTRICT'S FUNDED MEMBERSHIP FOR THE  
9     APPLICABLE BUDGET YEAR.

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

12            (c) "INSTITUTE CHARTER SCHOOL'S PER PUPIL REVENUE" MEANS,  
13     FOR EACH BUDGET YEAR, THE AMOUNT OF STATE FUNDING PAID TO THE  
14     INSTITUTE CHARTER SCHOOL DIVIDED BY THE INSTITUTE CHARTER  
15     SCHOOL'S FUNDED MEMBERSHIP FOR THE APPLICABLE BUDGET YEAR.

16            (d) "STATE AVERAGE PER PUPIL REVENUE" MEANS THE TOTAL  
17     PROGRAM OF ALL DISTRICTS AND ALL INSTITUTE CHARTER SCHOOLS FOR  
18     A BUDGET YEAR PLUS THE TOTAL AMOUNT OF HOLD-HARMLESS MONEYS  
19     PAID BY THE STATE PURSUANT TO SECTION 22-54.5-302 FOR THE BUDGET  
20     YEAR, DIVIDED BY THE TOTAL FUNDED MEMBERSHIP OF ALL DISTRICTS AND  
21     ALL INSTITUTE CHARTER SCHOOLS FOR THE BUDGET YEAR.

22            (2) (a) SUBJECT TO AVAILABLE APPROPRIATIONS, THE  
23     DEPARTMENT SHALL ANNUALLY PAY PER PUPIL SUPPLEMENTAL PAYMENTS  
24     TO DISTRICTS AND INSTITUTE CHARTER SCHOOLS TO ENSURE THAT, FOR  
25     EACH BUDGET YEAR, EACH DISTRICT'S PER PUPIL REVENUE AND EACH  
26     INSTITUTE CHARTER SCHOOL'S PER PUPIL REVENUE IS AT LEAST EQUAL TO  
27     NINETY-FIVE PERCENT OF THE STATE AVERAGE PER PUPIL REVENUE. THE



1 DEPARTMENT SHALL ANNUALLY IDENTIFY THE DISTRICTS AND INSTITUTE  
2 CHARTER SCHOOLS THAT MAY RECEIVE PER PUPIL SUPPLEMENTAL  
3 PAYMENTS AS PROVIDED IN THIS SECTION.

4 (b) THE DEPARTMENT SHALL CALCULATE THE AMOUNT PAYABLE  
5 TO EACH DISTRICT BY SUBTRACTING THE DISTRICT'S PER PUPIL REVENUE  
6 FOR THE APPLICABLE BUDGET YEAR FROM AN AMOUNT EQUAL TO  
7 NINETY-FIVE PERCENT OF THE STATE AVERAGE PER PUPIL REVENUE FOR  
8 THE APPLICABLE BUDGET YEAR AND MULTIPLYING THE DIFFERENCE BY THE  
9 DISTRICT'S FUNDED MEMBERSHIP FOR THE APPLICABLE BUDGET YEAR.

10 (c) THE DEPARTMENT SHALL CALCULATE THE AMOUNT PAYABLE  
11 TO EACH INSTITUTE CHARTER SCHOOL BY SUBTRACTING THE INSTITUTE  
12 CHARTER SCHOOL'S PER PUPIL REVENUE FOR THE APPLICABLE BUDGET  
13 YEAR FROM AN AMOUNT EQUAL TO NINETY-FIVE PERCENT OF THE STATE  
14 AVERAGE PER PUPIL REVENUE FOR THE APPLICABLE BUDGET YEAR AND  
15 MULTIPLYING THE DIFFERENCE BY THE INSTITUTE CHARTER SCHOOL'S  
16 FUNDED MEMBERSHIP FOR THE APPLICABLE BUDGET YEAR.

17 (d) A DISTRICT OR AN INSTITUTE CHARTER SCHOOL IS NOT ELIGIBLE  
18 FOR PER PUPIL SUPPLEMENTAL PAYMENTS IN ANY BUDGET YEAR IN WHICH  
19 THE CALCULATION DESCRIBED IN THIS SUBSECTION (2) RESULTS IN A  
20 NEGATIVE NUMBER.

21 (3) (a) THERE IS CREATED IN THE STATE TREASURY THE PER PUPIL  
22 SUPPLEMENTAL FUND CONSISTING OF SUCH MONEYS AS THE GENERAL  
23 ASSEMBLY MAY APPROPRIATE TO THE FUND. THE MONEYS IN THE FUND  
24 ARE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY TO  
25 THE DEPARTMENT FOR DISTRIBUTION TO DISTRICTS AND INSTITUTE  
26 CHARTER SCHOOLS 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 PER PUPIL  
10 SUPPLEMENTAL PAYMENTS AUTHORIZED IN SUBSECTION (2) OF THIS  
11 SECTION, THE DEPARTMENT SHALL REDUCE EACH DISTRICT'S AND EACH  
12 INSTITUTE CHARTER SCHOOL'S PAYMENT BY THE SAME PERCENTAGE THAT  
13 THE DEFICIT BEARS TO THE AMOUNT REQUIRED TO FULLY FUND THE PER  
14 PUPIL SUPPLEMENTAL PAYMENTS AUTHORIZED BY SUBSECTION (2) OF THIS  
15 SECTION.

16 **22-54.5-304. Mill levy equalization - mill levy equalization**  
17 **fund - created - definitions.** (1) FOR PURPOSES OF THIS SECTION:

18 (a) "DISTRICT MILL LEVY EQUALIZATION PAYMENT" MEANS AN  
19 AMOUNT EQUAL TO:

20 (I) THE AVERAGE DAILY MEMBERSHIP PLUS THE ON-LINE AVERAGE  
21 DAILY MEMBERSHIP OF AN ELIGIBLE DISTRICT FOR THE FUNDING  
22 AVERAGING PERIOD FOR THE BUDGET YEAR IN WHICH THE ELIGIBLE  
23 DISTRICT RECEIVES VOTER APPROVAL FOR AN INCREASE IN PROPERTY TAX  
24 REVENUES MULTIPLIED BY THE DISTRICT PER PUPIL EQUALIZATION; MINUS

25 (II) THE AMOUNT OF PROPERTY TAX REVENUES RECEIVED FROM  
26 THE LEVY OF TWO AND FIVE-TENTHS MILLS BY THE ELIGIBLE DISTRICT FOR  
27 THE PROPERTY TAX YEAR IN WHICH THE ELIGIBLE DISTRICT APPLIES FOR

1 THE MILL LEVY EQUALIZATION PAYMENT.

2 (b) "DISTRICT PER PUPIL EQUALIZATION" MEANS AN AMOUNT  
3 EQUAL TO THE AMOUNT OF PROPERTY TAX REVENUE THAT WOULD BE  
4 GENERATED BY A LEVY OF TWO AND FIVE-TENTHS MILLS ON THE  
5 STATEWIDE ASSESSED PROPERTY VALUATION FOR THE BUDGET YEAR IN  
6 WHICH AN ELIGIBLE DISTRICT RECEIVES VOTER APPROVAL FOR AN  
7 INCREASE IN PROPERTY TAX REVENUES, DIVIDED BY THE TOTAL AVERAGE  
8 DAILY MEMBERSHIP PLUS TOTAL ON-LINE AVERAGE DAILY MEMBERSHIP  
9 FOR ALL DISTRICTS FOR THE FUNDING AVERAGING PERIOD FOR THAT  
10 BUDGET YEAR.

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

12 (I) HAS A COMBINED AVERAGE DAILY MEMBERSHIP AND ON-LINE  
13 AVERAGE DAILY MEMBERSHIP OF FEWER THAN TEN THOUSAND PUPILS;  
14 AND

15 (II) RECEIVES VOTER APPROVAL ON OR AFTER NOVEMBER 1, 2013,  
16 FOR AN INCREASE OF AT LEAST TWO AND FIVE-TENTHS IN THE NUMBER OF  
17 PROPERTY TAX MILLS THAT THE DISTRICT LEVIES FOR PURPOSES OF TOTAL  
18 PROGRAM OR IN THE NUMBER OF PROPERTY TAX MILLS THAT THE DISTRICT  
19 IS AUTHORIZED TO LEVY PURSUANT TO SECTION 22-54.5-205, 22-54.5-206,  
20 22-54.5-207, OR 22-54.5-208. FOR A DISTRICT TO QUALIFY AS AN  
21 "ELIGIBLE DISTRICT", THE BALLOT MEASURE MUST BE WORDED AS A  
22 SPECIFIC INCREASE IN THE NUMBER OF MILLS LEVIED AND NOT AS AN  
23 INCREASE IN THE AMOUNT OF PROPERTY TAX REVENUES COLLECTED.

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

26 ==

27 (2) (a) AN ELIGIBLE DISTRICT MAY APPLY TO THE DEPARTMENT

1 FOR A MILL LEVY EQUALIZATION PAYMENT IN EACH BUDGET YEAR IN  
2 WHICH THE MILL LEVY EQUALIZATION PAYMENT FOR THE ELIGIBLE  
3 DISTRICT WOULD BE GREATER THAN ZERO AND THE DISTRICT MEETS THE  
4 DEFINITION OF AN ELIGIBLE DISTRICT.

5 (b) IN EACH BUDGET YEAR, SUBJECT TO AVAILABLE  
6 APPROPRIATIONS, THE DEPARTMENT SHALL DISTRIBUTE FROM THE FUND  
7 THE APPLICABLE MILL LEVY EQUALIZATION PAYMENT TO EACH ELIGIBLE  
8 DISTRICT THAT APPLIES PURSUANT TO THIS SECTION. AN ELIGIBLE  
9 DISTRICT MAY QUALIFY FOR ONLY ONE MILL LEVY EQUALIZATION  
10 PAYMENT PER BUDGET YEAR.

11 == ==  
12 (3) A MILL LEVY EQUALIZATION PAYMENT THAT A DISTRICT  
13 RECEIVES PURSUANT TO THIS SECTION IS IN ADDITION TO ANY OTHER  
14 STATE MONEYS THAT THE DISTRICT RECEIVES FOR THE APPLICABLE  
15 BUDGET YEAR.

16 (4) (a) THERE IS CREATED IN THE STATE TREASURY THE MILL LEVY  
17 EQUALIZATION FUND CONSISTING OF SUCH MONEYS AS THE GENERAL  
18 ASSEMBLY MAY APPROPRIATE TO THE FUND. THE MONEYS IN THE FUND  
19 ARE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY TO  
20 THE DEPARTMENT FOR DISTRIBUTION TO ELIGIBLE DISTRICTS AS PROVIDED  
21 IN THIS SECTION.

22 (b) THE STATE TREASURER MAY INVEST ANY MONEYS IN THE FUND  
23 NOT EXPENDED FOR THE PURPOSE OF THIS SECTION AS PROVIDED BY LAW.  
24 THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED  
25 FROM THE INVESTMENT AND DEPOSIT OF MONEYS IN THE FUND TO THE  
26 FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN  
27 THE FUND AT THE END OF A FISCAL YEAR MUST REMAIN IN THE FUND AND

1 SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR  
2 ANOTHER FUND.

3 (5) IN A BUDGET YEAR IN WHICH THE GENERAL ASSEMBLY DOES  
4 NOT APPROPRIATE A SUFFICIENT AMOUNT TO FULLY FUND THE DISTRICT  
5 MILL LEVY EQUALIZATION PAYMENTS AUTHORIZED IN SUBSECTION (2) OF  
6 THIS SECTION, THE DEPARTMENT SHALL REDUCE EACH ELIGIBLE DISTRICT'S  
7 MILL LEVY EQUALIZATION PAYMENT BY THE SAME PERCENTAGE THAT THE  
8 DEFICIT BEARS TO THE AMOUNT REQUIRED TO FULLY FUND THE PAYMENTS  
9 AUTHORIZED BY SUBSECTION (2) OF THIS SECTION.

10 **22-54.5-305. Mill levy elections - administrative costs.** (1) A  
11 DISTRICT THAT, PURSUANT TO SECTION 22-54.5-203 (4) (a), CHOOSES TO  
12 SEEK VOTER APPROVAL FOR A MILL LEVY INCREASE MAY APPLY TO THE  
13 DEPARTMENT FOR REIMBURSEMENT OF ELECTION COSTS IF:

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

17 (b) THE COUNTY CLERK AND RECORDER'S OFFICE THAT  
18 ADMINISTERS THE ELECTION REQUIRES THE DISTRICT TO PAY THE  
19 ADMINISTRATION COSTS FOR THE ELECTION.

20 (2) UPON RECEIVING AN APPLICATION FOR REIMBURSEMENT OF  
21 MILL LEVY ELECTION COSTS, INCLUDING DOCUMENTATION OF THE AMOUNT  
22 OF ELECTION ADMINISTRATION COSTS THAT THE DISTRICT PAID TO THE  
23 COUNTY CLERK AND RECORDER, THE DEPARTMENT SHALL REIMBURSE TO  
24 THE DISTRICT THE DOCUMENTED AMOUNT OF ADMINISTRATION COSTS.

25 (3) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE TO  
26 THE DEPARTMENT THE AMOUNT NECESSARY TO REIMBURSE DISTRICTS FOR  
27 ELECTION COSTS PURSUANT TO THIS SECTION. IF THE AMOUNT

1 APPROPRIATED IN A BUDGET YEAR IS LESS THAN THE AMOUNT REQUIRED  
2 TO FULLY REIMBURSE DISTRICTS PURSUANT TO THIS SECTION, THE  
3 DEPARTMENT SHALL REDUCE EACH DISTRICT'S REIMBURSEMENT BY THE  
4 PERCENTAGE OF THE OVERALL DEFICIT.

5 **22-54.5-306. Small attendance center aid.** (1) A DISTRICT IS  
6 ELIGIBLE FOR AID PURSUANT TO THIS SECTION IF:

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

9 (b) THE DISTRICT OPERATES ONE OR MORE ELEMENTARY OR  
10 SECONDARY ATTENDANCE CENTERS THAT EACH HAS AN AVERAGE DAILY  
11 MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING PERIOD OF FEWER  
12 THAN TWO HUNDRED AND THAT ARE LOCATED TWENTY OR MORE MILES  
13 FROM ANY SIMILAR SCHOOL ATTENDANCE CENTER IN THE SAME DISTRICT;  
14 AND


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

17 (2) A DISTRICT THAT MEETS THE ELIGIBILITY REQUIREMENTS OF  
18 SUBSECTION (1) OF THIS SECTION MAY RECEIVE AID FOR EACH SMALL  
19 ATTENDANCE CENTER AS CALCULATED BY: MULTIPLYING THE AVERAGE  
20 DAILY MEMBERSHIP OF THE SMALL ATTENDANCE CENTER FOR THE  
21 APPLICABLE FUNDING AVERAGING PERIOD BY AN AMOUNT EQUAL TO  
22 THIRTY-FIVE PERCENT OF THE DIFFERENCE BETWEEN THE DISTRICT PER  
23 PUPIL FUNDING, AS CALCULATED PURSUANT TO SECTION 22-54.5-201, AND  
24 THE DISTRICT PER PUPIL FUNDING, AS CALCULATED PURSUANT TO SECTION  
25 22-54.5-201, EXCEPT USING A SIZE FACTOR BASED ON THE AVERAGE DAILY  
26 MEMBERSHIP OF THE SMALL ATTENDANCE CENTER FOR THE APPLICABLE  
27 FUNDING AVERAGING PERIOD; AND THEN MULTIPLYING THAT AMOUNT BY

1 THE PERCENTAGE CALCULATED BY SUBTRACTING THE AVERAGE DAILY  
2 MEMBERSHIP OF THE SMALL ATTENDANCE CENTER FOR THE APPLICABLE  
3 FUNDING AVERAGING PERIOD FROM TWO HUNDRED AND DIVIDING THAT  
4 DIFFERENCE BY TWO HUNDRED.

5 (3) THE GENERAL ASSEMBLY SHALL APPROPRIATE ANNUALLY AN  
6 AMOUNT FOR SMALL ATTENDANCE CENTER AID THAT THE DEPARTMENT  
7 SHALL DISTRIBUTE USING THE FORMULAS IN SUBSECTION (2) OF THIS  
8 SECTION. IF THE AMOUNT OF MONEY THAT THE GENERAL ASSEMBLY  
9 APPROPRIATES IS LESS THAN THE AMOUNT OF AID AUTHORIZED BY THIS  
10 SECTION TO ALL ELIGIBLE DISTRICTS, THE AMOUNT THAT THE DEPARTMENT  
11 DISTRIBUTES TO EACH ELIGIBLE SCHOOL DISTRICT MUST BE IN THE SAME  
12 PROPORTION THAT THE AMOUNT OF THE APPROPRIATION BEARS TO THE  
13 TOTAL AMOUNT OF AID AUTHORIZED FOR ALL ELIGIBLE DISTRICTS.

14 (4) IF A SCHOOL DISTRICT RECEIVES SMALL ATTENDANCE CENTER  
15 AID PURSUANT TO THIS SECTION FOR A SMALL ATTENDANCE CENTER THAT  
16 IS A DISTRICT CHARTER SCHOOL, THE SCHOOL DISTRICT MUST FORWARD  
17 THE ENTIRE AMOUNT OF THE AID TO THE DISTRICT CHARTER SCHOOL FOR  
18 WHICH IT WAS RECEIVED.

19   
20 **22-54.5-307. National school meal programs - appropriation**  
21 **of state matching funds - definitions.** (1) AS USED IN THIS SECTION,  
22 UNLESS THE CONTEXT OTHERWISE REQUIRES:

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

27 (b) "SCHOOL FOOD AUTHORITY" MEANS:

1 (I) A SCHOOL DISTRICT OR THE STATE CHARTER SCHOOL  
2 INSTITUTE;

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

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

8 (IV) A DISTRICT CHARTER SCHOOL OR AN INSTITUTE CHARTER  
9 SCHOOL THAT:

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

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

15 (2) THE GENERAL ASSEMBLY SHALL APPROPRIATE BY SEPARATE  
16 LINE ITEM AN AMOUNT TO COMPLY WITH THE REQUIREMENTS FOR STATE  
17 MATCHING FUNDS UNDER THE FEDERAL "NATIONAL SCHOOL LUNCH ACT",  
18 42 U.S.C. SEC. 1751 ET SEQ. THE DEPARTMENT SHALL DEVELOP  
19 PROCEDURES TO ALLOCATE AND DISBURSE THE FUNDS AMONG  
20 PARTICIPATING SCHOOL FOOD AUTHORITIES EACH YEAR IN AN EQUITABLE  
21 MANNER SO AS TO COMPLY WITH THE REQUIREMENTS OF THE FEDERAL  
22 ACT.

23 (3) (a) THE GENERAL ASSEMBLY MAY APPROPRIATE BY SEPARATE  
24 LINE ITEM AN AMOUNT TO ASSIST SCHOOL FOOD AUTHORITIES THAT ARE  
25 PROVIDING A SCHOOL BREAKFAST PROGRAM THROUGH PARTICIPATION IN  
26 PROGRAMS AUTHORIZED UNDER THE FEDERAL "NATIONAL SCHOOL LUNCH  
27 ACT", 42 U.S.C. SEC. 1751 ET SEQ., OR THE FEDERAL "CHILD NUTRITION



1 ACT OF 1966", 42 U.S.C. SEC. 1771 ET SEQ. THE DEPARTMENT SHALL  
2 DEVELOP PROCEDURES TO APPROPRIATELY ALLOCATE AND DISBURSE THE  
3 FUNDS AMONG PARTICIPATING SCHOOL FOOD AUTHORITIES.

4 (b) EACH SCHOOL DISTRICT THAT RECEIVES MONEYS PURSUANT TO  
5 THIS SUBSECTION (3) MUST USE THE MONEYS TO CREATE, EXPAND, OR  
6 ENHANCE THE SCHOOL BREAKFAST PROGRAM IN EACH LOW-PERFORMING  
7 SCHOOL OF THE RECEIVING DISTRICT WITH THE GOAL OF IMPROVING THE  
8 ACADEMIC PERFORMANCE OF THE STUDENTS ATTENDING THE SCHOOLS.

9 (c) A DISTRICT CHARTER SCHOOL, AN INSTITUTE CHARTER SCHOOL,  
10 OR A CHARTER SCHOOL COLLABORATIVE THAT IS A SCHOOL FOOD  
11 AUTHORITY IS ELIGIBLE TO RECEIVE MONEYS PURSUANT TO THIS  
12 SUBSECTION (3) ONLY IF IT IS A LOW-PERFORMING SCHOOL. A DISTRICT  
13 CHARTER SCHOOL OR AN INSTITUTE CHARTER SCHOOL THAT IS A SCHOOL  
14 FOOD AUTHORITY THAT RECEIVES MONEYS PURSUANT TO THIS SECTION  
15 MUST USE THE MONEYS TO CREATE, EXPAND, OR ENHANCE ITS SCHOOL  
16 BREAKFAST PROGRAM WITH THE GOAL OF IMPROVING THE ACADEMIC  
17 PERFORMANCE OF THE STUDENTS ATTENDING THE DISTRICT CHARTER  
18 SCHOOL OR THE INSTITUTE CHARTER SCHOOL.

19 **22-54.5-308. Declining enrollment districts with new charter**  
20 **schools - additional aid - definitions.** (1) AS USED IN THIS SECTION,  
21 UNLESS THE CONTEXT OTHERWISE REQUIRES:

22 (a) "DECLINING ENROLLMENT DISTRICT" MEANS A DISTRICT WHOSE  
23 FUNDED MEMBERSHIP IS GREATER THAN THE SUM OF THE DISTRICT'S  
24 AVERAGE DAILY MEMBERSHIP, ON-LINE AVERAGE DAILY MEMBERSHIP,  
25 AND ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP FOR THE FUNDING  
26 AVERAGING PERIOD FOR THE APPLICABLE BUDGET YEAR.

27 (b) "NEW CHARTER SCHOOL ENROLLMENT" MEANS THE AVERAGE

1 DAILY MEMBERSHIP OF A CHARTER SCHOOL FOR THE FUNDING AVERAGING  
2 PERIOD FOR THE FIRST BUDGET YEAR IN WHICH THE CHARTER SCHOOL  
3 OPERATES.

4 (2) IN A BUDGET YEAR IN WHICH A NEW DISTRICT CHARTER SCHOOL  
5 THAT IS NOT A MULTI-DISTRICT ON-LINE SCHOOL IS OPENED IN A DECLINING  
6 ENROLLMENT DISTRICT, THE DECLINING ENROLLMENT DISTRICT MUST  
7 RECEIVE ADDITIONAL AID AS SPECIFIED IN THIS SECTION TO HELP MITIGATE  
8 THE IMPACT OF THE ENROLLMENT OF PUPILS IN THE NEW DISTRICT  
9 CHARTER SCHOOL WHO MIGHT OTHERWISE HAVE ATTENDED A  
10 TRADITIONAL SCHOOL IN THE DECLINING ENROLLMENT DISTRICT. THE  
11 ADDITIONAL AID IS AVAILABLE ONLY FOR THE FIRST YEAR OF OPERATION  
12 OF A NEW DISTRICT CHARTER SCHOOL IN A DECLINING ENROLLMENT  
13 DISTRICT.

14 (3) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE  
15 MONEYS FROM THE GENERAL FUND OR ANY OTHER SOURCE FOR  
16 ADDITIONAL AID TO A DECLINING ENROLLMENT DISTRICT IN WHICH A NEW  
17 CHARTER SCHOOL IS OPENED. THE DEPARTMENT SHALL DISTRIBUTE THE  
18 ADDITIONAL AID TO ALL DECLINING ENROLLMENT DISTRICTS IN WHICH  
19 NEW CHARTER SCHOOLS ARE OPENED IN THE BUDGET YEAR FOR WHICH THE  
20 AID IS APPROPRIATED. THE DEPARTMENT SHALL DISTRIBUTE THE  
21 ADDITIONAL AID AMONG THE DECLINING ENROLLMENT DISTRICTS IN WHICH  
22 NEW CHARTER SCHOOLS ARE OPENED IN THE PROPORTION THAT THE  
23 DECLINING ENROLLMENT DISTRICT'S NEW CHARTER SCHOOL ENROLLMENT  
24 BEARS TO THE TOTAL NEW CHARTER SCHOOL ENROLLMENT IN ALL  
25 DECLINING ENROLLMENT DISTRICTS STATEWIDE IN WHICH NEW CHARTER  
26 SCHOOLS ARE OPENED IN THE BUDGET YEAR FOR WHICH THE ADDITIONAL  
27 AID IS APPROPRIATED; EXCEPT THAT A DECLINING ENROLLMENT DISTRICT

1 SHALL NOT RECEIVE MORE THAN THREE HUNDRED THOUSAND DOLLARS OF  
2 ADDITIONAL AID PURSUANT TO THIS SECTION.

3 **22-54.5-309. State assistance for charter schools - use of state**  
4 **education fund moneys - definitions.** (1) AS USED IN THIS SECTION,  
5 UNLESS THE CONTEXT OTHERWISE REQUIRES:

6 (a) "CAPITAL CONSTRUCTION" MEANS CONSTRUCTION,  
7 DEMOLITION, REMODELING, FINANCING, PURCHASING, OR LEASING OF  
8 LAND, BUILDINGS, OR FACILITIES USED TO EDUCATE PUPILS ENROLLED IN  
9 OR TO BE ENROLLED IN A CHARTER SCHOOL.

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

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

24 (d) "INSTITUTE CHARTER SCHOOLS' CERTIFIED AVERAGE DAILY  
25 MEMBERSHIP" MEANS THE PROJECTED TOTAL AVERAGE DAILY  
26 MEMBERSHIP OF PUPILS WHO ARE NOT ON-LINE PUPILS, AS DEFINED IN  
27 SECTION 22-30.5-502 (9), FOR ALL QUALIFIED INSTITUTE CHARTER

1       SCHOOLS THAT RECEIVE FUNDING PURSUANT TO SECTION 22-30.5-513.5  
2       FOR THE FUNDING AVERAGING PERIOD FOR THE BUDGET YEAR FOR WHICH  
3       STATE EDUCATION FUND MONEYS ARE APPROPRIATED AND DISTRIBUTED  
4       PURSUANT TO SUBSECTION (4) OF THIS SECTION, AS CERTIFIED BY THE  
5       DEPARTMENT PURSUANT TO PARAGRAPH (b) OF SUBSECTION (3) OF THIS  
6       SECTION DURING THE BUDGET YEAR THAT IMMEDIATELY PRECEDES THE  
7       APPLICABLE BUDGET YEAR.

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

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

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

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

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

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

22              (B) A CHARTER SCHOOL THAT DOES NOT HAVE CAPITAL  
23              CONSTRUCTION COSTS; OR

24              (C) A CHARTER SCHOOL THAT IS OPERATING OR WILL OPERATE IN  
25              THE NEXT BUDGET YEAR IN A FACILITY THAT IS LISTED ON THE STATE  
26              INVENTORY OF REAL PROPERTY AND IMPROVEMENTS AND OTHER CAPITAL  
27              ASSETS MAINTAINED BY THE DEPARTMENT OF PERSONNEL PURSUANT TO

1 SECTION 24-30-1303.5, C.R.S., AND THAT IS NOT OBLIGATED TO MAKE  
2 LEASE PAYMENTS FOR USE OF THE FACILITY.

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

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

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

21 (II) FROM THE MONEYS APPROPRIATED PURSUANT TO  
22 SUBPARAGRAPH (I) OF THIS PARAGRAPH (a), THE DEPARTMENT SHALL  
23 DISTRIBUTE TO EACH ELIGIBLE DISTRICT AND EACH ELIGIBLE INSTITUTE  
24 CHARTER SCHOOL AN AMOUNT EQUAL TO THE PERCENTAGE OF THE SUM OF  
25 THE DISTRICT'S CERTIFIED CHARTER SCHOOL AVERAGE DAILY MEMBERSHIP  
26 AND THE INSTITUTE CHARTER SCHOOL'S CERTIFIED AVERAGE DAILY  
27 MEMBERSHIP FOR ALL ELIGIBLE DISTRICTS AND ELIGIBLE INSTITUTE

1 CHARTER SCHOOLS IN THE STATE THAT IS ATTRIBUTABLE TO THE ELIGIBLE  
2 DISTRICT OR ELIGIBLE INSTITUTE CHARTER SCHOOL, MULTIPLIED BY THE  
3 TOTAL AMOUNT OF STATE EDUCATION FUND MONEYS APPROPRIATED FOR  
4 THE APPLICABLE BUDGET YEAR PURSUANT TO SUBPARAGRAPH (I) OF THIS  
5 PARAGRAPH (a).

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

20 (4) THE DEPARTMENT SHALL DISTRIBUTE THE TOTAL AMOUNT TO  
21 BE DISTRIBUTED PURSUANT TO THIS SECTION TO EACH ELIGIBLE SCHOOL  
22 DISTRICT AND ELIGIBLE INSTITUTE CHARTER SCHOOL IN TWELVE  
23 APPROXIMATELY EQUAL MONTHLY PAYMENTS DURING THE APPLICABLE  
24 BUDGET YEAR IN CONJUNCTION WITH THE DISTRIBUTION OF THE STATE'S  
25 SHARE OF DISTRICT TOTAL PROGRAM PURSUANT TO SECTION 22-54.5-408.

26 (5) A DISTRICT THAT RECEIVES STATE EDUCATION FUND MONEYS  
27 PURSUANT TO THIS SECTION MUST DISTRIBUTE ALL MONEYS RECEIVED TO



1 QUALIFIED CHARTER SCHOOLS AS REQUIRED BY SECTION 22-30.5-111.5  
2 AND MAY NOT RETAIN ANY OF THE MONEYS TO DEFRAY ADMINISTRATIVE  
3 EXPENSES OR FOR ANY OTHER PURPOSE.

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

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

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

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

25  

26 **22-54.5-310. Contingency reserve fund - created -**  
27 **supplemental assistance.** (1) (a) THERE IS CREATED IN THE STATE

1       TREASURY THE CONTINGENCY RESERVE FUND, WHICH CONSISTS OF SUCH  
2       MONEYS AS THE GENERAL ASSEMBLY MAY ANNUALLY APPROPRIATE TO  
3       THE FUND. IN DECIDING THE AMOUNT TO APPROPRIATE TO THE  
4       CONTINGENCY RESERVE FUND, THE GENERAL ASSEMBLY MAY TAKE INTO  
5       CONSIDERATION ANY RECOMMENDATIONS THE DEPARTMENT MAY MAKE,  
6       BUT THE GENERAL ASSEMBLY IS NOT OBLIGATED TO PROVIDE  
7       SUPPLEMENTAL ASSISTANCE TO ALL DISTRICTS THAT MAY BE IN NEED OR  
8       TO FULLY FUND THE TOTAL AMOUNT OF THE NEED. ANY UNEXPENDED  
9       BALANCE IN THE CONTINGENCY RESERVE FUND AT THE END OF A FISCAL  
10      YEAR MUST REMAIN IN THE FUND AND DOES NOT REVERT TO THE STATE  
11      GENERAL FUND AND SHALL NOT BE TRANSFERRED TO ANOTHER FUND.

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

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

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

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

27           (IV) A CONTINGENCY THAT A DISTRICT BOARD OF EDUCATION



1 COULD NOT HAVE REASONABLY FORESEEN AT THE TIME IT ADOPTED THE  
2 ANNUAL BUDGET, INCLUDING BUT NOT LIMITED TO REDUCTIONS IN  
3 VALUATION OF THE DISTRICT IN EXCESS OF TWENTY PERCENT AS  
4 DESCRIBED IN SECTION 39-10-114 (1) (a) (I) (B.5), C.R.S.;

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

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

18 (VII) UNUSUAL FINANCIAL BURDEN CAUSED BY A SIGNIFICANT  
19 DECLINE IN AVERAGE DAILY MEMBERSHIP AS A RESULT OF DETACHMENT  
20 AND ANNEXATION PURSUANT TO A REORGANIZATION PLAN APPROVED  
21 PURSUANT TO ARTICLE 30 OF THIS TITLE.

22 (c) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (b) OF  
23 THIS SUBSECTION (1) CONCERNING CIRCUMSTANCES UNDER WHICH THE  
24 STATE BOARD MAY APPROVE AND ORDER PAYMENTS FROM THE  
25 CONTINGENCY RESERVE FUND, THE STATE BOARD, IN CASES OF EXTREME  
26 EMERGENCY, MAY TAKE INTO CONSIDERATION SUCH OTHER FACTORS AS  
27 IT FINDS NECESSARY AND PROPER IN GRANTING SUPPLEMENTAL

1 ASSISTANCE FROM THE CONTINGENCY RESERVE FUND TO DISTRICTS THAT  
2 CANNOT MAINTAIN THEIR SCHOOLS WITHOUT ADDITIONAL FINANCIAL  
3 ASSISTANCE.

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

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

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

23 (3) THE STATE BOARD SHALL INVESTIGATE EACH APPLICATION, AS  
24 IT DEEMS NECESSARY, AND, IF IT FINDS THAT AN APPLICATION SHOULD BE  
25 APPROVED, IT SHALL DETERMINE THE AMOUNT OF SUPPLEMENTAL  
26 ASSISTANCE THAT THE DISTRICT RECEIVES. IN DETERMINING WHICH  
27 DISTRICTS RECEIVE SUPPLEMENTAL ASSISTANCE PURSUANT TO THIS

1 SECTION AND THE AMOUNT OF THE ASSISTANCE, THE STATE BOARD SHALL  
2 CONSIDER THE AMOUNT OF THE SUPPLEMENTAL ASSISTANCE REQUESTED  
3 BY THE DISTRICT AS A PERCENTAGE OF THE DISTRICT'S TOTAL PROGRAM.  
4 BY ORDER UPON THE STATE TREASURER, THE STATE BOARD SHALL DIRECT  
5 PAYMENT OF THE SPECIFIED AMOUNT OF SUPPLEMENTAL ASSISTANCE FROM  
6 THE CONTINGENCY RESERVE FUND TO THE TREASURER OF THE ELIGIBLE  
7 DISTRICT FOR CREDIT TO THE GENERAL FUND OF THE DISTRICT.

8 **22-54.5-311. Education innovation grant program - board**  
9 **created - fund created - rules - report - definitions - repeal.** (1) AS  
10 USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

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

13 (b) "EDUCATORS" MEANS TEACHERS, PRINCIPALS, AND  
14 ADMINISTRATORS.

15 (c) "EXPANDED LEARNING TIME" MEANS AN INITIATIVE TO EXTEND  
16 THE LENGTH OF THE SCHOOL DAY OR TO INCREASE THE NUMBER OF  
17 SCHOOL DAYS FOR ALL STUDENTS ATTENDING THE SCHOOL AND TO  
18 IMPROVE THE USE OF LEARNING TIME THROUGHOUT THE SCHOOL DAY AND  
19 IMPROVE ACADEMIC ACHIEVEMENT, ELIMINATE THE ACHIEVEMENT AND  
20 GROWTH GAPS AMONG STUDENT GROUPS DISAGGREGATED BY RACE, AND  
21 INCREASE STUDENT ENGAGEMENT. THE ADDITIONAL TIME MUST ALLOW  
22 FOR MORE TIME FOR A COMBINATION OF CORE ACADEMICS, ENGAGING  
23 ENRICHMENT PROGRAMS, AND TEACHER COLLABORATION AND  
24 PROFESSIONAL DEVELOPMENT.

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

27 (2) THE EDUCATION INNOVATION GRANT PROGRAM IS CREATED IN

1 THE DEPARTMENT TO PROVIDE MONEYS TO EDUCATORS, LOCAL  
2 EDUCATION PROVIDERS, AND BOARDS OF COOPERATIVE SERVICES TO  
3 IMPLEMENT INNOVATIONS IN THE DELIVERY OF PUBLIC PRESCHOOL,  
4 ELEMENTARY, AND SECONDARY EDUCATION IN THE STATE. THE  
5 DEPARTMENT SHALL RECOMMEND GRANT RECIPIENTS TO THE BOARD, AND  
6 THE BOARD SHALL AWARD GRANTS FOR EDUCATION INNOVATION  
7 INITIATIVES OUT OF ANY MONEYS AVAILABLE IN THE FUND.

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

15 (b) EACH APPLICATION MUST INCLUDE A DESCRIPTION OF THE  
16 EDUCATION INNOVATION INITIATIVE THE APPLICANT WILL IMPLEMENT  
17 USING THE GRANT MONEYS AND THE MANNER IN WHICH THE APPLICANT  
18 WILL MEASURE WHETHER THE INITIATIVE IS EFFECTIVE IN ELIMINATING  
19 THE ACHIEVEMENT AND GROWTH GAPS AMONG STUDENT GROUPS  
20 DISAGGREGATED BY RACE AND IN IMPROVING STUDENT RETENTION,  
21 REDUCING DROPOUT RATES, AND INCREASING GRADUATION RATES.  
22 APPLICANTS ARE ENCOURAGED TO APPLY FOR GRANTS TO IMPLEMENT  
23 EXPANDED LEARNING TIME INITIATIVES AND OTHER INITIATIVES THAT ARE  
24 LIKELY TO RESULT IN SIGNIFICANT STUDENT ACADEMIC GROWTH.

25 (4) (a) THE DEPARTMENT SHALL ACCEPT AND EVALUATE GRANT  
26 APPLICATIONS AND, FOR EACH APPLICATION RECEIVED, RECOMMEND TO  
27 THE BOARD WHETHER A GRANT SHOULD BE AWARDED AND THE AMOUNT

1 AND DURATION OF THE GRANT. TO EVALUATE GRANT APPLICATIONS, THE  
2 DEPARTMENT SHALL CREATE A RUBRIC OF MEASUREMENTS DESIGNED TO  
3 IDENTIFY EDUCATION INNOVATION INITIATIVES THAT ARE MOST LIKELY TO  
4 RESULT IN ELIMINATING THE ACHIEVEMENT AND GROWTH GAPS AMONG  
5 STUDENT GROUPS DISAGGREGATED BY RACE AND IN IMPROVING STUDENT  
6 RETENTION, REDUCING DROPOUT RATES, AND INCREASING GRADUATION  
7 RATES AND MAY RESULT IN IMPROVING STUDENT ACADEMIC  
8 ACHIEVEMENT. IN ADDITION, IN EVALUATING GRANT APPLICATIONS, THE  
9 DEPARTMENT SHALL:

10 (I) GIVE PRIORITY TO APPLICATIONS TO IMPLEMENT EDUCATION  
11 INNOVATION INITIATIVES FOR SCHOOLS AND DISTRICTS THAT ARE  
12 IMPLEMENTING IMPROVEMENT, PRIORITY IMPROVEMENT, OR TURNAROUND  
13 PLANS;

14 (II) GIVE PREFERENCE TO GRANT APPLICATIONS TO IMPLEMENT  
15 EXPANDED LEARNING TIME INITIATIVES OR OTHER EDUCATION INITIATIVES  
16 THAT ARE LIKELY TO ELIMINATE THE ACHIEVEMENT AND GROWTH GAPS  
17 AMONG STUDENT GROUPS DISAGGREGATED BY RACE, IMPROVE STUDENT  
18 RETENTION, REDUCE DROPOUT RATES, AND INCREASE GRADUATION RATES  
19 AND MAY IMPROVE STUDENT ACADEMIC ACHIEVEMENT;

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

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

24 (b) SUBJECT TO AVAILABLE APPROPRIATIONS, THE BOARD SHALL  
25 AWARD THE EDUCATION INNOVATION GRANTS, TAKING INTO ACCOUNT:

26 (I) THE RECOMMENDATIONS OF THE DEPARTMENT;

27 (II) EACH APPLICANT'S DEMONSTRATED ABILITY TO SUSTAIN THE

1 PROPOSED INITIATIVE AFTER GRANT MONEYS ARE NO LONGER AVAILABLE;  
2 AND

3 (III) THE NUMBER OF YEARS, IF ANY, THAT EACH APPLICANT HAS  
4 ALREADY RECEIVED EDUCATION INNOVATION GRANT FUNDING AND THE  
5 SUCCESS ACHIEVED BY IMPLEMENTING THE INITIATIVE.

6 (c) AN APPLICANT THAT RECEIVES AN EDUCATION INNOVATION  
7 GRANT MAY APPLY TO RENEW THE GRANT IN SUBSEQUENT YEARS; EXCEPT  
8 THAT AN APPLICANT MAY RECEIVE EDUCATION INNOVATION GRANT  
9 MONEYS FOR THE SAME INITIATIVE FOR NO MORE THAN FIVE SCHOOL  
10 YEARS.

11 (d) AN APPLICANT THAT RECEIVES AN EDUCATION INNOVATION  
12 GRANT AND APPLIES FOR A SECOND OR SUBSEQUENT EDUCATION  
13 INNOVATION GRANT FOR THE SAME INITIATIVE MUST, WITH EACH  
14 APPLICATION, SUBMIT A REPORT THAT SETS FORTH THE SUCCESS OF THE  
15 INITIATIVE IN IMPROVING STUDENT RETENTION, REDUCING DROPOUT  
16 RATES, INCREASING GRADUATION RATES, AND IMPROVING STUDENT  
17 ACADEMIC ACHIEVEMENT.

18 (5) THE DEPARTMENT SHALL ADOPT METHODS OF MEASURING THE  
19 SUCCESS OF EACH EDUCATION INNOVATION INITIATIVE IN ELIMINATING  
20 THE ACHIEVEMENT AND GROWTH GAPS AMONG STUDENT GROUPS  
21 DISAGGREGATED BY RACE, IMPROVING STUDENT RETENTION, REDUCING  
22 DROPOUT RATES, AND INCREASING GRADUATION RATES AND IN IMPROVING  
23 STUDENT ACADEMIC ACHIEVEMENT. EACH GRANT RECIPIENT SHALL  
24 REPORT THE INFORMATION REQUIRED BY THE DEPARTMENT TO APPLY THE  
25 METHODS. THE DEPARTMENT SHALL COMMUNICATE TO LOCAL EDUCATION  
26 PROVIDERS AND BOARDS OF COOPERATIVE SERVICES DESCRIPTIONS OF THE  
27 SUCCESSFUL EDUCATION INNOVATION INITIATIVES, INCLUDING BEST

1 PRACTICES AND STRATEGIES.

2 (6) WITHIN SIX MONTHS AFTER THE END OF EACH BUDGET YEAR IN  
3 WHICH THE BOARD AWARDS EDUCATION INNOVATION GRANTS, THE  
4 DEPARTMENT SHALL SUBMIT TO THE EDUCATION COMMITTEES OF THE  
5 SENATE AND THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR  
6 COMMITTEES, A REPORT DESCRIBING AT A MINIMUM THE EDUCATION  
7 INNOVATION INITIATIVES THAT RECEIVED GRANTS, THE AMOUNT  
8 AWARDED TO EACH INITIATIVE, AND THE RESULTS ACHIEVED BY EACH  
9 INITIATIVE. THE REPORT SHALL ALSO DESCRIBE THE ORGANIZATIONS THAT  
10 RECEIVE TECHNICAL GRANTS AS PROVIDED IN SUBSECTION (8) OF THIS  
11 SECTION TO SUPPORT APPLICANTS IN WRITING GRANTS AND IMPLEMENTING  
12 INITIATIVES, INCLUDING THE AMOUNT AND DURATION OF AND ANY DUTIES  
13 ASSOCIATED WITH THE TECHNICAL GRANT.

14 (7) (a) THERE IS CREATED IN THE DEPARTMENT THE EDUCATION  
15 INNOVATION BOARD TO PERFORM THE DUTIES SPECIFIED IN THIS SECTION.  
16 THE BOARD SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND  
17 FUNCTIONS UNDER THE DEPARTMENT AS IF THE SAME WERE TRANSFERRED  
18 TO THE DEPARTMENT BY A **TYPE 2** TRANSFER AS DEFINED IN THE  
19 "ADMINISTRATIVE ORGANIZATION ACT OF 1968", ARTICLE 1 OF TITLE 24,  
20 C.R.S. THE BOARD CONSISTS OF ELEVEN MEMBERS APPOINTED AS  
21 FOLLOWS:

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

24 (A) ONE PERSON WHO IS A MEMBER OF A STATEWIDE BUSINESS  
25 ORGANIZATION OR ASSOCIATION;

26 (B) ONE PERSON WHO IS AN EMPLOYEE OF AN EDUCATION POLICY  
27 AND ADVOCACY ORGANIZATION;

1 (C) ONE PERSON WHO IS A TEACHER IN A PUBLIC SCHOOL IN  
2 COLORADO;

3 (D) ONE PERSON WHO IS AN EMPLOYEE OF A CHARTER SCHOOL IN  
4 COLORADO;

5 (E) ONE PERSON WHO IS A SCHOOL EXECUTIVE IN A PUBLIC SCHOOL  
6 OR SCHOOL DISTRICT IN COLORADO;

7 (F) ONE PERSON WHO IS A MEMBER OF A SCHOOL DISTRICT BOARD  
8 OF EDUCATION IN COLORADO; AND

9 (G) ONE PERSON WHO IS A CITIZEN OF THE STATE OF COLORADO;  
10 AND

11 (II) THE PRESIDENT AND THE MINORITY LEADER OF THE SENATE  
12 AND THE SPEAKER AND THE MINORITY LEADER OF THE HOUSE OF  
13 REPRESENTATIVES SHALL EACH APPOINT ONE MEMBER TO THE BOARD.

14 (b) THE APPOINTING AUTHORITIES SHALL CONSIDER ETHNICITY,  
15 GENDER, AND GEOGRAPHIC REPRESENTATION IN APPOINTING MEMBERS TO  
16 THE BOARD. IN ADDITION, THE APPOINTING AUTHORITIES SHALL CONSIDER  
17 EACH APPOINTEE'S BACKGROUND AND EXPERIENCE IN DEVELOPING,  
18 GUIDING, AND EVALUATING INNOVATIVE EFFORTS IN EDUCATION, IN  
19 BUSINESS, OR IN SOME OTHER SECTOR. THE APPOINTING AUTHORITIES  
20 SHALL MAKE THE INITIAL APPOINTMENTS TO THE BOARD NO LATER THAN  
21 JULY 1, 2014. EACH MEMBER OF THE BOARD SERVES AT THE PLEASURE OF  
22 THE APPOINTING AUTHORITY. EACH MEMBER OF THE BOARD SERVES A  
23 FOUR-YEAR TERM; EXCEPT THAT TWO OF THE MEMBERS INITIALLY  
24 APPOINTED BY THE GOVERNOR SERVE TWO-YEAR TERMS, AND TWO OF THE  
25 MEMBERS INITIALLY APPOINTED BY THE GOVERNOR SERVE ONE-YEAR  
26 TERMS. IF A VACANCY ARISES ON THE BOARD, THE ORIGINAL APPOINTING  
27 AUTHORITY SHALL APPOINT A PERSON TO FILL THE VACANCY FOR THE



1       REMAINDER OF THE TERM.

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

6               (d) THE MEMBERS OF THE BOARD SERVE WITHOUT COMPENSATION  
7       AND WITHOUT REIMBURSEMENT FOR EXPENSES.

8               (e) THIS SUBSECTION (7) IS REPEALED, EFFECTIVE SEPTEMBER 1,  
9       2023. PRIOR TO REPEAL, THE BOARD SHALL BE REVIEWED AS PROVIDED  
10       FOR IN SECTION 2-3-1203, C.R.S.

11              (8) (a) AN APPLICANT MAY SELECT AN ORGANIZATION TO PROVIDE  
12       TECHNICAL ASSISTANCE TO THE APPLICANT IN WRITING THE GRANT  
13       APPLICATION AND IN IMPLEMENTING THE INITIATIVE FOR WHICH THE  
14       APPLICANT SEEKS A GRANT. THE APPLICANT MAY APPLY TO THE  
15       DEPARTMENT FOR APPROVAL OF THE ORGANIZATION. IF THE DEPARTMENT  
16       APPROVES THE ORGANIZATION, THE BOARD MAY APPROVE A TECHNICAL  
17       GRANT FOR THE ORGANIZATION TO OFFSET THE ORGANIZATION'S COSTS IN  
18       ASSISTING THE APPLICANT. IN ISSUING THE GRANT, THE BOARD MAY  
19       SPECIFY CERTAIN DUTIES OR ACTIVITIES THAT THE ORGANIZATION MUST  
20       COMPLETE USING THE GRANT MONEYS.

21              (b) THE BOARD, WITH SUPPORT FROM THE DEPARTMENT, SHALL  
22       RESEARCH AND IDENTIFY ORGANIZATIONS THAT MAY BE APPROPRIATE TO  
23       ASSIST GRANT APPLICANTS IN WRITING THE GRANT APPLICATIONS AND IN  
24       IMPLEMENTING THE INITIATIVES. THE BOARD SHALL PUBLICIZE THE LIST OF  
25       APPROPRIATE ORGANIZATIONS THROUGH THE DEPARTMENT'S WEB SITE.

26              (9) (a) THERE IS CREATED IN THE STATE TREASURY THE  
27       EDUCATION INNOVATION GRANT FUND. THE FUND CONSISTS OF ANY

1       MONEYS THE GENERAL ASSEMBLY MAY APPROPRIATE TO THE FUND AND  
2       ANY MONEYS THE STATE TREASURER MAY CREDIT TO THE FUND PURSUANT  
3       TO PARAGRAPH (d) OF THIS SUBSECTION (9).

4               (b) IT IS THE INTENT OF THE GENERAL ASSEMBLY, BEGINNING IN  
5       THE 2015-16 BUDGET YEAR, TO APPROPRIATE ANNUALLY ONE HUNDRED  
6       MILLION DOLLARS TO THE FUND FROM REVENUES RECEIVED FROM AN  
7       INCREASE IN STATE TAX REVENUES FOR THE PURPOSE OF FUNDING PUBLIC  
8       EDUCATION, WHICH INCREASE IS APPROVED BY A STATEWIDE BALLOT  
9       MEASURE. IT IS FURTHER THE INTENT OF THE GENERAL ASSEMBLY THAT  
10       THE APPROPRIATION OF THOSE MONEYS FOR THE FUND TAKE PRIORITY  
11       OVER OTHER APPROPRIATIONS OF THOSE MONEYS.

12              (c) THE MONEYS IN THE FUND ARE SUBJECT TO ANNUAL  
13       APPROPRIATION BY THE GENERAL ASSEMBLY TO THE DEPARTMENT FOR  
14       THE DIRECT AND INDIRECT COSTS INCURRED IN IMPLEMENTING THIS  
15       SECTION. THE MONEYS APPROPRIATED TO THE FUND ARE ALLOCATED AS  
16       FOLLOWS:

17              (I) THE DEPARTMENT MAY EXPEND UP TO ONE PERCENT OF THE  
18       TOTAL AMOUNT OF MONEYS ANNUALLY APPROPRIATED FROM THE FUND TO  
19       OFFSET THE ADMINISTRATIVE COSTS THAT THE DEPARTMENT INCURS IN  
20       IMPLEMENTING THIS SECTION;

21              (II) THE BOARD SHALL EXPEND UP TO TWO PERCENT OF THE  
22       MONEYS ANNUALLY APPROPRIATED FROM THE FUND TO AWARD  
23       TECHNICAL GRANTS TO APPROVED ORGANIZATIONS AS PROVIDED IN  
24       SUBSECTION (8) OF THIS SECTION; AND

25              (III) OF THE AMOUNT OF MONEYS ANNUALLY APPROPRIATED FROM  
26       THE FUND THAT REMAINS AFTER THE EXPENDITURES DESCRIBED IN  
27       SUBPARAGRAPHS (I) AND (II) OF THIS PARAGRAPH (b), THE BOARD SHALL

1 AWARD SEVENTY-FIVE PERCENT TO LOCAL EDUCATION PROVIDERS THAT  
2 SEEK EDUCATION INNOVATION GRANTS AND ARE IMPLEMENTING  
3 IMPROVEMENT, PRIORITY IMPROVEMENT, OR TURNAROUND PLANS AND  
4 TWENTY-FIVE PERCENT TO EDUCATORS, OTHER LOCAL EDUCATION  
5 PROVIDERS, AND BOARDS OF COOPERATIVE SERVICES THAT SEEK  
6 EDUCATION INNOVATION GRANTS.

7 (d) (I) THE DEPARTMENT MAY SEEK AND ACCEPT GIFTS, GRANTS,  
8 OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE PURPOSES OF  
9 THIS SECTION; EXCEPT THAT THE DEPARTMENT MAY NOT ACCEPT A GIFT,  
10 GRANT, OR DONATION THAT IS SUBJECT TO CONDITIONS THAT ARE  
11 INCONSISTENT WITH THIS SECTION OR ANY OTHER LAW OF THE STATE. THE  
12 DEPARTMENT SHALL TRANSMIT ALL PRIVATE AND PUBLIC MONEYS  
13 RECEIVED THROUGH GIFTS, GRANTS, OR DONATIONS TO THE STATE  
14 TREASURER, WHO SHALL CREDIT THE SAME TO THE FUND.

15 (II) THE GENERAL ASSEMBLY FINDS THAT IMPLEMENTATION OF  
16 THIS SECTION DOES NOT RELY, IN WHOLE OR IN PART, ON GIFTS, GRANTS,  
17 OR DONATIONS RECEIVED PURSUANT TO THIS PARAGRAPH (c). THEREFORE,  
18 THE DEPARTMENT IS NOT SUBJECT TO THE NOTIFICATION REQUIREMENTS  
19 SPECIFIED IN SECTION 24-75-1303 (3), C.R.S.

20 (e) THE STATE TREASURER MAY INVEST ANY MONEYS IN THE FUND  
21 NOT EXPENDED FOR THE PURPOSE OF THIS SECTION AS PROVIDED BY LAW.  
22 THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED  
23 FROM THE INVESTMENT AND DEPOSIT OF MONEYS IN THE FUND TO THE  
24 FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN  
25 THE FUND AT THE END OF A FISCAL YEAR MUST REMAIN IN THE FUND AND  
26 SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR  
27 ANOTHER FUND.

1 PART 4

2 ADMINISTRATION

3 **22-54.5-401. County public school fund - created.** (1) THERE

4 IS CREATED IN THE OFFICE OF THE COUNTY TREASURER OF EACH COUNTY  
5 A CONTINUING FUND, TO BE KNOWN AS THE COUNTY PUBLIC SCHOOL FUND,  
6 INTO WHICH IS PAID THE PROCEEDS OF ALL COUNTY SCHOOL MONEYS.

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

11 (3) EACH DISTRICT IN THE COUNTY IS ENTITLED TO RECEIVE  
12 DISTRIBUTION DURING A BUDGET YEAR OF MONEYS IN THE COUNTY PUBLIC  
13 SCHOOL FUND IN THE SAME PROPORTION THAT ITS FUNDED MEMBERSHIP  
14 IN THE COUNTY FOR THE BUDGET YEAR BEARS TO THE AGGREGATE OF THE  
15 FUNDED MEMBERSHIP OF ALL DISTRICTS IN THE COUNTY FOR THE BUDGET  
16 YEAR.

17 (4) THE DEPARTMENT SHALL DETERMINE THE PROPORTIONATE  
18 PART OF THE COUNTY PUBLIC SCHOOL FUND THAT THE COUNTY  
19 TREASURER DISTRIBUTES DURING THE BUDGET YEAR TO EACH DISTRICT IN  
20 THE COUNTY. ON OR BEFORE THE FIRST DAY OF EACH BUDGET YEAR, THE  
21 DEPARTMENT SHALL CERTIFY THE DETERMINATION TO THE COUNTY  
22 TREASURER. THE CERTIFIED PROPORTIONS ARE THE BASIS UPON WHICH THE  
23 COUNTRY TREASURER DISTRIBUTES THE MONEYS IN THE FUND DURING THE  
24 ENSUING BUDGET YEAR. AT THE END OF EACH MONTH DURING THE  
25 BUDGET YEAR, THE COUNTY TREASURER SHALL CREDIT OR PAY OVER THE  
26 PROPER PROPORTIONS OF THE MONEYS IN THE FUND TO THE GENERAL  
27 FUNDS OF THE DISTRICTS IN THE COUNTY.

1           (5) FOR THE PURPOSE OF DETERMINATION AND CERTIFICATION BY  
2 THE STATE BOARD AND DISTRIBUTION OF MONEYS IN THE FUND, THE  
3 FUNDED MEMBERSHIP OF A JOINT DISTRICT FOR A BUDGET YEAR SHALL BE  
4 APPORTIONED AND ASSIGNED TO THE PORTION OF THE DISTRICT IN EACH  
5 COUNTY THAT HAS TERRITORY IN THE DISTRICT IN THE SAME PROPORTION  
6 AS THE PORTION OF THE DISTRICT'S FUNDED MEMBERSHIP FOR THE BUDGET  
7 YEAR THAT IS ATTRIBUTABLE TO PUPILS WHO RESIDE IN EACH COUNTY  
8 BEARS TO THE TOTAL FUNDED MEMBERSHIP OF THE JOINT DISTRICT FOR  
9 THE BUDGET YEAR. THE SECRETARY OF THE BOARD OF EDUCATION OF  
10 EACH JOINT DISTRICT SHALL CERTIFY TO THE STATE BOARD THE REQUIRED  
11 INFORMATION APPLICABLE TO EACH COUNTY.

12           **22-54.5-402. Adjustments in valuation for assessment.** (1) FOR  
13 EACH BUDGET YEAR, IN CALCULATING THE TOTAL AMOUNT OF REVENUE  
14 THAT A DISTRICT IS ENTITLED TO RECEIVE FROM THE PROPERTY TAX LEVY  
15 FOR THE GENERAL FUND OF A DISTRICT DURING THE BUDGET YEAR, THE  
16 VALUATION FOR ASSESSMENT OF A DISTRICT SHALL BE ADJUSTED AS  
17 PROVIDED IN SUBSECTION (2) OF THIS SECTION.

18           (2) IF THE VALUATION FOR ASSESSMENT OF A DISTRICT INCLUDES  
19 THE VALUE OF A CERTAIN PROPERTY THAT WAS FORMERLY TAX-EXEMPT  
20 BUT BECOMES TAXABLE AS A RESULT OF A CHANGE IN THE APPLICABLE  
21 STATE LAW AND THE INCLUSION IS CHALLENGED BY ADMINISTRATIVE  
22 APPEAL OR LITIGATION OR BOTH AND THE PROPERTY TAXES ATTRIBUTABLE  
23 TO THE PROPERTY ARE NOT PAID PENDING THE OUTCOME OF THE  
24 CHALLENGE, THE VALUATION FOR ASSESSMENT ATTRIBUTABLE TO THE  
25 PROPERTY IS SUBTRACTED FROM THE VALUATION FOR ASSESSMENT OF THE  
26 SCHOOL DISTRICT. IF THE PROPERTY IS FINALLY DETERMINED TO HAVE  
27 BEEN PROPERLY INCLUDED IN THE DISTRICT'S VALUATION FOR

1 ASSESSMENT, THE VALUATION FOR ASSESSMENT ATTRIBUTABLE TO THE  
2 PROPERTY IS RESTORED TO THE DISTRICT'S VALUATION FOR ASSESSMENT,  
3 AND THE DISTRICT, AFTER COLLECTION OF TAXES, SHALL REIMBURSE THE  
4 STATE GENERAL FUND IN FULL PLUS INTEREST AT THE SAME RATE AS  
5 PROVIDED BY STATUTE FOR PENALTY INTEREST ON UNPAID PROPERTY  
6 TAXES.

7 **22-54.5-403. Joint districts.** (1) THE BOARD OF EDUCATION OF A  
8 JOINT DISTRICT SHALL DETERMINE THE LOCATION OF ITS ADMINISTRATIVE  
9 HEADQUARTERS AND SHALL NOTIFY BOTH THE STATE BOARD AND THE  
10 TREASURER OF EACH COUNTY IN WHICH ANY TERRITORY OF THE JOINT  
11 DISTRICT IS SITUATED OF THE LOCATION.

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

15 (3) THE COUNTY TREASURER OF A COUNTY IN WHICH PART OF A  
16 JOINT DISTRICT IS SITUATED SHALL CREDIT ALL MONEYS COLLECTED  
17 UNDER THIS ARTICLE TO THE JOINT DISTRICT AND AT THE END OF EACH  
18 MONTH SHALL PAY THE MONEYS TO THE TREASURER OF THE COUNTY IN  
19 WHICH THE ADMINISTRATIVE HEADQUARTERS OF THE JOINT DISTRICT IS  
20 LOCATED WHO SHALL CREDIT OR PAY THE MONEYS TO THE GENERAL FUND  
21 OF THE JOINT DISTRICT. THE TREASURER OF THE COUNTY IN WHICH THE  
22 ADMINISTRATIVE HEADQUARTERS OF THE JOINT DISTRICT IS LOCATED  
23 SHALL NOT CHARGE FOR COLLECTION OF MONEYS TRANSFERRED FROM  
24 OTHER COUNTIES. WARRANTS OF A JOINT DISTRICT SHALL BE DRAWN ONLY  
25 UPON THE TREASURER OF THE COUNTY IN WHICH ITS ADMINISTRATIVE  
26 HEADQUARTERS IS LOCATED IN THOSE CASES WHERE A DISTRICT HAS NOT  
27 ELECTED UNDER LAW TO WITHDRAW ITS FUNDS FROM THE CUSTODY OF

1 THE COUNTY TREASURER.

2 **22-54.5-404. Valuations for assessment - reports to the state**  
3 **board.** (1) ON OR BEFORE NOVEMBER 15 OF EACH YEAR, THE PROPERTY  
4 TAX ADMINISTRATOR SHALL CERTIFY TO THE STATE BOARD THE  
5 VALUATIONS FOR ASSESSMENT OF ALL TAXABLE PROPERTY WITHIN EACH  
6 COUNTY AND FOR EACH DISTRICT OR PORTION OF A JOINT DISTRICT IN EACH  
7 COUNTY; EXCEPT THAT THE TIME FOR CERTIFICATION FOR THE CITY AND  
8 COUNTY OF DENVER IS ON OR BEFORE DECEMBER 20. THE PROPERTY TAX  
9 ADMINISTRATOR FULFILLS THE REQUIREMENTS OF THIS SECTION BY  
10 PROVIDING TO THE STATE BOARD THE CERTIFIED COPIES OF THE BOARD OF  
11 COUNTY COMMISSIONERS' CERTIFICATION OF LEVIES AND REVENUE TO THE  
12 COUNTY ASSESSOR AND THE PROPERTY TAX ADMINISTRATOR, AS  
13 PROVIDED BY SECTION 39-1-111 (2), C.R.S.

14 (2) IF THE VALUATION FOR ASSESSMENT FOR ALL OR A PART OF A  
15 DISTRICT HAS BEEN DIVIDED FOR AN URBAN RENEWAL AREA, PURSUANT TO  
16 SECTION 31-25-107 (9) (a), C.R.S., ANY REPORT UNDER THIS SECTION  
17 MUST BE BASED UPON THAT PORTION OF THE VALUATION FOR ASSESSMENT  
18 UNDER SECTION 31-25-107 (9) (a) (I), C.R.S., SO LONG AS THE DIVISION  
19 REMAINS IN EFFECT.

20 **22-54.5-405. Average daily membership - reports to state**  
21 **board - calculation - department duties.** (1)  EACH DISTRICT AND  
22 EACH INSTITUTE CHARTER SCHOOL SHALL CERTIFY TO THE DEPARTMENT  
23 FOR EACH QUARTER OF THE SCHOOL YEAR THE DISTRICT'S OR INSTITUTE  
24 CHARTER SCHOOL'S MEMBERSHIP FOR EACH SCHOOL DAY DURING THE  
25 QUARTER, INCLUDING SPECIFYING THE NUMBER OF PRESCHOOL PUPILS,  
26 AT-RISK PUPILS, AND ENGLISH LANGUAGE LEARNERS. THE DISTRICT AND  
27 THE INSTITUTE CHARTER SCHOOL SHALL ALSO CERTIFY TO THE

1 DEPARTMENT FOR EACH QUARTER OF THE SCHOOL YEAR THE NUMBER OF  
2 THE DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S PUPILS WHO ARE  
3 ENROLLED EACH SCHOOL DAY DURING THE QUARTER IN A MULTI-DISTRICT  
4 ON-LINE SCHOOL, INCLUDING SPECIFYING THE NUMBER OF AT-RISK PUPILS  
5 AND ENGLISH LANGUAGE LEARNERS, OR IN THE ASCENT PROGRAM. THE  
6 STATE BOARD BY RULE SHALL ESTABLISH THE TIMELINES AND REPORTING  
7 REQUIREMENTS FOR SUBMITTING QUARTERLY MEMBERSHIP AND  
8 ENROLLMENT CERTIFICATIONS THROUGHOUT THE SCHOOL YEAR.

9

10 (2) THE DEPARTMENT SHALL CALCULATE EACH DISTRICT'S AND  
11 EACH INSTITUTE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP,  
12 PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP, AT-RISK PUPIL  
13 AVERAGE DAILY MEMBERSHIP, ENGLISH LANGUAGE LEARNER AVERAGE  
14 DAILY MEMBERSHIP, ON-LINE AVERAGE DAILY MEMBERSHIP, AND  
15 ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP FOR:

16 (a) EACH QUARTER OF THE SCHOOL YEAR BY TOTALING THE DAILY,  
17 PRESCHOOL PROGRAM, AT-RISK PUPIL, OR ENGLISH LANGUAGE LEARNER  
18 MEMBERSHIP OR THE DAILY MULTI-DISTRICT ON-LINE SCHOOL OR  
19 ASCENT PROGRAM ENROLLMENT FOR THE QUARTER AND DIVIDING EACH  
20 RESPECTIVE SUM BY THE NUMBER OF SCHOOL DAYS IN THE RESPECTIVE  
21 DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S QUARTER OF THE SCHOOL  
22 YEAR;

23 (b) THE FIRST AND LAST HALVES OF EACH SCHOOL YEAR BY  
24 TOTALING THE DAILY, PRESCHOOL PROGRAM, AT-RISK PUPIL, OR ENGLISH  
25 LANGUAGE LEARNER MEMBERSHIP OR THE DAILY MULTI-DISTRICT ON-LINE  
26 SCHOOL OR ASCENT PROGRAM ENROLLMENT FOR THE FIRST TWO  
27 QUARTERS OF THE SCHOOL YEAR, OR THE LAST TWO QUARTERS OF THE



1 SCHOOL YEAR, WHICHEVER IS APPLICABLE, AND DIVIDING EACH  
2 RESPECTIVE SUM BY THE TOTAL NUMBER OF SCHOOL DAYS IN THE  
3 RESPECTIVE DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S FIRST TWO  
4 QUARTERS OF THE SCHOOL YEAR OR LAST TWO QUARTERS OF THE SCHOOL  
5 YEAR, WHICHEVER IS APPLICABLE;

6 (c) EACH SCHOOL YEAR BY TOTALING THE DAILY, PRESCHOOL  
7 PROGRAM, AT-RISK PUPIL, OR ENGLISH LANGUAGE LEARNER MEMBERSHIP  
8 OR THE DAILY MULTI-DISTRICT ON-LINE SCHOOL OR ASCENT PROGRAM  
9 ENROLLMENT FOR THE SCHOOL YEAR AND DIVIDING EACH RESPECTIVE SUM  
10 BY THE TOTAL NUMBER OF SCHOOL DAYS IN THE RESPECTIVE DISTRICT'S OR  
11 INSTITUTE CHARTER SCHOOL'S SCHOOL YEAR; AND

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

19 (3) [REDACTED] THE DEPARTMENT SHALL USE THE AVERAGE DAILY  
20 MEMBERSHIP, PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP,  
21 AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP, ENGLISH LANGUAGE  
22 LEARNER AVERAGE DAILY MEMBERSHIP, ON-LINE AVERAGE DAILY  
23 MEMBERSHIP, AND ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP FOR  
24 THE APPLICABLE FUNDING AVERAGING PERIOD TO CALCULATE EACH  
25 DISTRICT'S AND EACH INSTITUTE CHARTER SCHOOL'S FUNDED MEMBERSHIP,  
26 TOTAL PROGRAM, AND INVESTMENT MONEYS FOR EACH BUDGET YEAR.

27 [REDACTED]

1 (4) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO THE  
2 CONTRARY, THE DEPARTMENT, IN CALCULATING AVERAGE DAILY  
3 MEMBERSHIP, PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP,  
4 AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP, ENGLISH LANGUAGE  
5 LEARNER AVERAGE DAILY MEMBERSHIP, ON-LINE AVERAGE DAILY  
6 MEMBERSHIP, AND ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP AS  
7 PROVIDED IN THIS SECTION, SHALL ADJUST THE CALCULATION AS  
8 NECESSARY TO ENSURE THAT A SINGLE STUDENT IS NOT COUNTED AS MORE  
9 THAN A FULL-TIME PUPIL.

10

11 (5) A PUPIL WHO IS IDENTIFIED AS AN AT-RISK PUPIL AS PROVIDED  
12 IN SECTION 22-54.5-411 ONCE DURING A SCHOOL YEAR IS PRESUMED TO  
13 QUALIFY AS AN AT-RISK PUPIL THROUGHOUT THE REMAINDER OF THE  
14 SCHOOL YEAR.

15 **22-54.5-406. Attendance in district other than district of**  
16 **residence.** (1) (a) A DISTRICT THAT PAYS TUITION FOR A PUPIL WHO  
17 RESIDES IN THE DISTRICT TO ATTEND PUBLIC SCHOOL IN ANOTHER  
18 COLORADO SCHOOL DISTRICT OR IN A SCHOOL DISTRICT OF AN ADJOINING  
19 STATE SHALL REPORT AND BE ENTITLED TO SUPPORT FOR THAT PUPIL. A  
20 DISTRICT SHALL NOT REPORT A PUPIL WHO IS FROM ANOTHER DISTRICT  
21 AND WHOSE TUITION IS PAID BY THE PUPIL'S DISTRICT OF RESIDENCE.

22 (b) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (a) OF  
23 THIS SUBSECTION (1), IF A CHILD WITH DISABILITIES ENROLLS IN A DISTRICT  
24 OTHER THAN THE CHILD'S DISTRICT OF RESIDENCE, THE DISTRICT IN WHICH  
25 THE CHILD WITH DISABILITIES ENROLLS MAY INCLUDE THE CHILD IN THE  
26 DISTRICT'S MEMBERSHIP FOR FUNDING PURSUANT TO THIS ARTICLE AND  
27 MAY CONTRACT WITH THE CHILD'S DISTRICT OF RESIDENCE FOR PAYMENT

1 OF TUITION IN ACCORDANCE WITH SECTION 22-20-109 (4).

2 (2) A COURT OF RECORD, THE DEPARTMENT OF HUMAN SERVICES,  
3 OR ANOTHER AGENCY THAT IS AUTHORIZED TO PLACE A CHILD IN A  
4 RESIDENTIAL CHILD CARE FACILITY SHALL NOTIFY THE CHILD'S SCHOOL  
5 DISTRICT OF RESIDENCE, THE DISTRICT IN WHICH THE CHILD WILL RECEIVE  
6 EDUCATIONAL SERVICES, AND THE DEPARTMENT OF THE PLACEMENT  
7 WITHIN FIFTEEN DAYS AFTER THE PLACEMENT.

8 **22-54.5-407. State public school fund - created.** (1) (a) THERE  
9 IS CREATED IN THE OFFICE OF THE STATE TREASURER A FUND, SEPARATE  
10 FROM THE GENERAL FUND, TO BE KNOWN AS THE STATE PUBLIC SCHOOL  
11 FUND. THE STATE TREASURER SHALL CREDIT TO THE STATE PUBLIC  
12 SCHOOL FUND ALL DISTRIBUTIONS FROM THE STATE PUBLIC SCHOOL  
13 INCOME FUND MADE ON OR AFTER DECEMBER 31, 1973, THE STATE'S  
14 SHARE OF ALL MONEYS RECEIVED FROM THE FEDERAL GOVERNMENT  
15 PURSUANT TO THE PROVISIONS OF SECTION 34-63-102, C.R.S., AND SUCH  
16 ADDITIONAL MONEYS AS THE GENERAL ASSEMBLY APPROPRIATES, WHICH  
17 ARE NECESSARY TO MEET THE STATE FUNDING REQUIREMENTS SPECIFIED  
18 IN THIS ARTICLE. MONEYS ANNUALLY APPROPRIATED BY THE GENERAL  
19 ASSEMBLY SHALL BE TRANSFERRED FROM THE STATE GENERAL FUND AND  
20 CREDITED TO THE STATE PUBLIC SCHOOL FUND IN FOUR QUARTERLY  
21 INSTALLMENTS ON JULY 1, SEPTEMBER 30, DECEMBER 31, AND MARCH 31  
22 TO ENSURE THE AVAILABILITY OF FUNDS FOR THE REQUIRED DISTRIBUTION  
23 OF STATE MONEYS TO DISTRICTS AND INSTITUTE CHARTER SCHOOLS. THE  
24 AMOUNTS OF THE QUARTERLY INSTALLMENTS ARE DETERMINED IN  
25 ACCORDANCE WITH ESTIMATES PREPARED BY THE DEPARTMENT WITH  
26 RESPECT TO THE REQUIRED DISTRIBUTION OF STATE MONEYS TO DISTRICTS  
27 AND INSTITUTE CHARTER SCHOOLS.

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

5 (2) NO LATER THAN THIRTY DAYS BEFORE THE BEGINNING OF THE  
6 BUDGET YEAR, THE DEPARTMENT SHALL DETERMINE THE ESTIMATED  
7 REQUIREMENTS TO PROVIDE EACH DISTRICT AND EACH INSTITUTE CHARTER  
8 SCHOOL THE AMOUNT IT IS ELIGIBLE TO RECEIVE FROM THE STATE DURING  
9 THE NEXT ENSUING FISCAL YEAR OF THE STATE. ■■■■ THE  
10 GENERAL ASSEMBLY SHALL BASE THE AMOUNT OF THE APPROPRIATION TO  
11 THE STATE PUBLIC SCHOOL FUND ON THE REQUIREMENTS NECESSARY TO  
12 PROVIDE ALL DISTRICTS AND INSTITUTE CHARTER SCHOOLS WITH THE  
13 AMOUNTS THEY ARE EACH ELIGIBLE TO RECEIVE FROM THE STATE  
14 PURSUANT TO THE PROVISIONS OF THIS ARTICLE DURING THE NEXT  
15 ENSUING STATE FISCAL YEAR. ■■■■

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

1 AMOUNT OF THE TRANSFER BY THE TOTAL PROGRAM OF ALL DISTRICTS  
2 THAT RECEIVE STATE SHARE PLUS THE TOTAL FUNDING FOR ALL INSTITUTE  
3 CHARTER SCHOOLS. THE STATE SHARE OF EACH DISTRICT IS REDUCED BY  
4 THE AMOUNT OF THE REDUCTION IN THE DISTRICT'S TOTAL PROGRAM OR  
5 THE AMOUNT OF STATE SHARE, WHICHEVER IS LESS. THE FUNDING FOR  
6 EACH INSTITUTE CHARTER SCHOOL IS REDUCED BY THE AMOUNT OF THE  
7 REDUCTION IN THE INSTITUTE CHARTER SCHOOL'S TOTAL PROGRAM. THE  
8 DEPARTMENT OF EDUCATION SHALL ENSURE THAT THE REDUCTION IN  
9 STATE SHARE AND INSTITUTE CHARTER SCHOOL FUNDING REQUIRED BY  
10 THIS SUBSECTION (3) IS ACCOMPLISHED BEFORE THE END OF THE BUDGET  
11 YEAR. THE REDUCTIONS DESCRIBED IN THIS SUBSECTION (3) ARE IN  
12 ADDITION TO ANY REDUCTION THAT MAY BE REQUIRED PURSUANT TO  
13 SECTION 22-54.5-408 (3).

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

24 (5) THE DEPARTMENT SHALL REIMBURSE DISTRICTS FOR  
25 EDUCATIONAL SERVICES PROVIDED TO JUVENILES PURSUANT TO SECTION  
26 22-32-141 FROM MONEYS APPROPRIATED TO THE STATE PUBLIC SCHOOL  
27 FUND FOR THAT PURPOSE.

1 (6) THE DEPARTMENT SHALL PAY FROM MONEYS APPROPRIATED TO  
2 THE STATE PUBLIC SCHOOL FUND ALL PUBLISHING COSTS ASSOCIATED  
3 WITH THE ANNUAL PRINTING OF THE LAWS ENACTED BY THE GENERAL  
4 ASSEMBLY CONCERNING EDUCATION.

5 **22-54.5-408. Distribution from state public school fund.**

6 (1) (a) NO LATER THAN JUNE 30 OF EACH YEAR, THE STATE BOARD SHALL  
7 DETERMINE THE AMOUNT OF THE STATE SHARE OF EACH DISTRICT'S TOTAL  
8 PROGRAM AND THE AMOUNT OF INVESTMENT MONEYS FOR EACH DISTRICT  
9 FOR THE BUDGET YEAR BEGINNING ON JULY 1, AND THE TOTAL FOR ALL  
10 DISTRICTS. THE AMOUNT FOR EACH DISTRICT IS PAYABLE FROM THE STATE  
11 PUBLIC SCHOOL FUND IN TWELVE APPROXIMATELY EQUAL MONTHLY  
12 PAYMENTS DURING THE BUDGET YEAR; EXCEPT THAT:

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

18 (II) THE DEPARTMENT SHALL ADJUST THE PAYMENTS FOLLOWING  
19 CERTIFICATION PURSUANT TO SECTION 22-54.5-405 OF MEMBERSHIP AND  
20 MULTI-DISTRICT ON-LINE SCHOOL AND ASCENT PROGRAM ENROLLMENT  
21 FOR THE FIRST QUARTER OF THE THEN-CURRENT SCHOOL YEAR; AND

22 (III) THE DEPARTMENT SHALL ADJUST THE PAYMENTS IN  
23 ACCORDANCE WITH A DISTRICT'S INSTRUCTIONS GIVEN PURSUANT TO  
24 PARAGRAPH (b) OF THIS SUBSECTION (1).

25  
26 (b) A DISTRICT MAY GIVE WRITTEN INSTRUCTIONS TO THE STATE  
27 BOARD DIRECTING THE DEPARTMENT TO TRANSFER A SPECIFIED PORTION

1 OF A MONTHLY PAYMENT OR MONTHLY PAYMENTS THAT THE DISTRICT IS  
2 OTHERWISE ENTITLED TO RECEIVE PURSUANT TO THIS SECTION TO THE  
3 DIVISION OF VOCATIONAL REHABILITATION IN THE DEPARTMENT OF  
4 HUMAN SERVICES FOR THE DISTRICT'S COST OF PARTICIPATING IN  
5 SCHOOL-TO-WORK ALLIANCE PROGRAMS. THE WRITTEN INSTRUCTIONS  
6 MUST SPECIFY THE AMOUNT THAT THE DEPARTMENT MUST TRANSFER TO  
7 THE DIVISION OF VOCATIONAL REHABILITATION FROM THE DISTRICT'S  
8 PAYMENT FOR A SPECIFIED MONTH OR MONTHS. THE DISTRICT SHALL  
9 SUBMIT THE WRITTEN INSTRUCTIONS TO THE STATE BOARD NO LATER THAN  
10 THE FIFTH DAY OF THE FIRST MONTH IN WHICH THE AMOUNT IS  
11 TRANSFERRED TO THE DIVISION OF VOCATIONAL REHABILITATION.

12 (2) (a) NO LATER THAN JUNE 30 OF EACH YEAR, THE STATE BOARD  
13 SHALL DETERMINE THE AMOUNT OF EACH INSTITUTE CHARTER SCHOOL'S  
14 FUNDING CALCULATED PURSUANT TO SECTION 22-54.5-202 AND THE  
15 AMOUNT OF EACH INSTITUTE CHARTER SCHOOL'S INVESTMENT MONEYS  
16 FOR THE BUDGET YEAR BEGINNING ON JULY 1, AND THE TOTAL FOR ALL  
17 INSTITUTE CHARTER SCHOOLS. THE AMOUNT FOR EACH INSTITUTE  
18 CHARTER SCHOOL IS PAYABLE FROM THE STATE PUBLIC SCHOOL FUND IN  
19 TWELVE APPROXIMATELY EQUAL MONTHLY PAYMENTS DURING THE  
20 BUDGET YEAR; EXCEPT THAT THE DEPARTMENT SHALL ADJUST THE  
21 PAYMENTS FOLLOWING CERTIFICATION PURSUANT TO SECTION  
22 22-54.5-405 OF MEMBERSHIP AND MULTI-DISTRICT ON-LINE SCHOOL AND  
23 ASCENT PROGRAM ENROLLMENT FOR THE FIRST QUARTER OF THE  
24 THEN-CURRENT SCHOOL YEAR.

25 (b) THE DEPARTMENT SHALL TRANSFER THE INSTITUTE CHARTER  
26 SCHOOL FUNDING TO THE STATE CHARTER SCHOOL INSTITUTE FOR  
27 DISTRIBUTION PURSUANT TO SECTION 22-30.5-513.5; EXCEPT THAT THE

1 DEPARTMENT MAY WITHHOLD UP TO ONE PERCENT OF THE TOTAL AMOUNT  
2 DISTRIBUTED TO THE STATE CHARTER SCHOOL INSTITUTE TO OFFSET THE  
3 REASONABLE AND NECESSARY EXPENSES THE DEPARTMENT INCURS IN  
4 IMPLEMENTING PART 5 OF ARTICLE 30.5 OF THIS TITLE.

5 (3) (a) THE GENERAL ASSEMBLY SHALL MAKE ANNUAL  
6 APPROPRIATIONS TO FUND THE STATE SHARE OF THE TOTAL PROGRAM OF  
7 ALL DISTRICTS, THE TOTAL PROGRAM OF ALL INSTITUTE CHARTER  
8 SCHOOLS, AND THE INVESTMENT MONEYS FOR ALL DISTRICTS AND  
9 INSTITUTE CHARTER SCHOOLS.

10 (b) IF THE APPROPRIATION, AS ESTABLISHED IN THE GENERAL  
11 APPROPRIATION ACT, FOR THE STATE SHARE OF THE TOTAL PROGRAM OF  
12 ALL DISTRICTS, THE TOTAL PROGRAM OF ALL INSTITUTE CHARTER  
13 SCHOOLS, AND THE INVESTMENT MONEYS FOR ALL DISTRICTS AND  
14 INSTITUTE CHARTER SCHOOLS PURSUANT TO THIS ARTICLE, FOR A BUDGET  
15 YEAR IS NOT SUFFICIENT TO FULLY FUND THE STATE SHARE FOR DISTRICTS,  
16 THE TOTAL PROGRAM FOR INSTITUTE CHARTER SCHOOLS, AND THE  
17 INVESTMENT MONEYS FOR ALL DISTRICTS AND INSTITUTE CHARTER  
18 SCHOOLS, THE DEPARTMENT SHALL SUBMIT A REQUEST FOR A  
19 SUPPLEMENTAL APPROPRIATION IN AN AMOUNT THAT WILL FULLY FUND  
20 THE STATE SHARE FOR DISTRICTS, THE TOTAL PROGRAM FOR INSTITUTE  
21 CHARTER SCHOOLS, AND THE INVESTMENT MONEYS FOR ALL DISTRICTS  
22 AND INSTITUTE CHARTER SCHOOLS. THE DEPARTMENT SHALL SUBMIT THE  
23 REQUEST TO THE GENERAL ASSEMBLY DURING THE FISCAL YEAR IN WHICH  
24 THE FUNDING DEFICIT OCCURS.

25 (c) IF THE GENERAL ASSEMBLY DOES NOT MAKE A SUPPLEMENTAL  
26 APPROPRIATION TO FULLY FUND THE STATE SHARE OF TOTAL PROGRAM OF  
27 ALL DISTRICTS, THE TOTAL PROGRAM OF ALL INSTITUTE CHARTER



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

23



24 (4) NO LATER THAN THE FIFTEENTH DAY OF EACH MONTH, THE  
25 STATE BOARD SHALL CERTIFY TO THE STATE TREASURER THE AMOUNT  
26 PAYABLE TO EACH DISTRICT AND TO THE STATE CHARTER SCHOOL  
27 INSTITUTE FOR INSTITUTE CHARTER SCHOOLS IN ACCORDANCE WITH THIS

1 SECTION DURING THE MONTH AND THE AMOUNT, IF ANY, TO BE  
2 TRANSFERRED TO THE DIVISION OF VOCATIONAL REHABILITATION DURING  
3 THE MONTH IN ACCORDANCE WITH PARAGRAPH (b) OF SUBSECTION (1) OF  
4 THIS SECTION.

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

7 (a) PAY THE AMOUNT CERTIFIED AS PAYABLE TO EACH DISTRICT,  
8 LESS THE TOTAL AMOUNT OF ANY DIRECT PAYMENTS OF PRINCIPAL AND  
9 INTEREST DUE ON BONDS PURSUANT TO SECTION 22-30.5-406 MADE BY  
10 THE STATE TREASURER ON BEHALF OF A CHARTER SCHOOL AUTHORIZED BY  
11 THE DISTRICT, DIRECTLY TO THE TREASURER OF EACH DISTRICT OR, IN  
12 ACCORDANCE WITH WRITTEN INSTRUCTIONS FROM THE DISTRICT,  
13 DIRECTLY TO AN ACCOUNT DESIGNATED BY THE DISTRICT THAT ALLOWS  
14 THE DISTRICT TO RETAIN TITLE TO THE MONEYS;

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

17 (c) PAY THE AMOUNT CERTIFIED AS PAYABLE TO THE STATE  
18 CHARTER SCHOOL INSTITUTE DIRECTLY OR, IN ACCORDANCE WITH  
19 WRITTEN INSTRUCTIONS FROM THE STATE CHARTER SCHOOL INSTITUTE,  
20 DIRECTLY TO AN ACCOUNT DESIGNATED BY THE STATE CHARTER SCHOOL  
21 INSTITUTE THAT ALLOWS THE STATE CHARTER SCHOOL INSTITUTE TO  
22 RETAIN TITLE TO THE FUNDS.

23 (6) THE STATE BOARD SHALL TAKE CARE TO AVOID OVERPAYMENT  
24 OF STATE MONEYS. IF THE DEPARTMENT FINDS THAT A DISTRICT OR THE  
25 STATE CHARTER SCHOOL INSTITUTE HAS BEEN OVERPAID IN A MONTH, THE  
26 STATE BOARD SHALL ADJUST THE FOLLOWING MONTHLY PAYMENT OR  
27 PAYMENTS TO THE DISTRICT OR THE STATE CHARTER SCHOOL INSTITUTE

1 SO AS TO RECOVER THE AMOUNT OVERPAID. IF AN OVERPAYMENT CANNOT  
2 BE RECOVERED, THE DISTRICT OR THE STATE CHARTER SCHOOL INSTITUTE  
3 THAT RECEIVED THE OVERPAYMENT SHALL REFUND THE OVERPAYMENT  
4 AMOUNT TO THE STATE PUBLIC SCHOOL FUND.

5 **22-54.5-409. Facility school funding - rules - definitions -**  
6 **legislative declaration.** (1) AS USED IN THIS SECTION, UNLESS THE  
7 CONTEXT OTHERWISE REQUIRES:

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

10 (b) "FACILITY" HAS THE SAME MEANING AS PROVIDED IN SECTION  
11 22-2-402 (3).

12 (c) "PUPIL ENROLLMENT" MEANS THE NUMBER OF STUDENTS  
13 RECEIVING EDUCATIONAL SERVICES AT AN APPROVED FACILITY SCHOOL OR  
14 STATE PROGRAM.

15 (d) "STATE AVERAGE PER PUPIL REVENUE" MEANS THE TOTAL  
16 PROGRAM OF ALL DISTRICTS AND ALL INSTITUTE CHARTER SCHOOLS FOR  
17 A BUDGET YEAR DIVIDED BY THE TOTAL FUNDED MEMBERSHIP OF ALL  
18 DISTRICTS AND ALL INSTITUTE CHARTER SCHOOLS FOR THE BUDGET YEAR.

19 (e) "STATE PROGRAM" MEANS THE COLORADO SCHOOL FOR THE  
20 DEAF AND THE BLIND OR THE EDUCATION PROGRAM OPERATED BY THE  
21 COLORADO MENTAL HEALTH INSTITUTE AT PUEBLO OR FORT LOGAN FOR  
22 STUDENTS FOR WHOM THE INSTITUTE HAS RESPONSIBILITY BECAUSE OF A  
23 COURT ORDER OR OTHER ACTION BY A PUBLIC ENTITY IN COLORADO.

24 (2) EACH APPROVED FACILITY SCHOOL AND STATE PROGRAM THAT  
25 MEETS THE REQUIREMENTS OF THIS SECTION RECEIVES EDUCATION  
26 PROGRAM FUNDING, WHICH THE DEPARTMENT SHALL DISTRIBUTE  
27 PURSUANT TO SUBSECTION (3) OF THIS SECTION. THE AMOUNT OF FUNDING

1 AVAILABLE FOR ALL APPROVED FACILITY SCHOOLS AND STATE PROGRAMS  
2 IN A BUDGET YEAR IS AN AMOUNT EQUAL TO THE PUPIL ENROLLMENT OF  
3 EACH APPROVED FACILITY SCHOOL AND STATE PROGRAM FOR THE  
4 APPLICABLE BUDGET YEAR MULTIPLIED BY AN AMOUNT EQUAL TO ONE  
5 AND ONE-THIRD OF THE STATE AVERAGE PER PUPIL REVENUE FOR THE  
6 APPLICABLE BUDGET YEAR.

7 (3) (a) TO RECEIVE EDUCATION PROGRAM FUNDING PURSUANT TO  
8 THIS SECTION, AN APPROVED FACILITY SCHOOL OR A STATE PROGRAM  
9 MUST, ON OR BEFORE THE FIFTEENTH DAY OF EACH MONTH, REPORT TO  
10 THE DEPARTMENT, IN A MANNER DETERMINED BY THE DEPARTMENT, THE  
11 ACTUAL NUMBER OF STUDENTS WHO RECEIVED EDUCATIONAL SERVICES AT  
12 THE FACILITY SCHOOL OR STATE PROGRAM FOR THE PRIOR CALENDAR  
13 MONTH AND THE CORRESPONDING NUMBER OF FULL-TIME EQUIVALENT  
14 STUDENTS TO WHICH THE APPROVED FACILITY SCHOOL OR STATE PROGRAM  
15 PROVIDED EDUCATIONAL SERVICES. THE DEPARTMENT MAY ACCEPT  
16 AMENDED MONTHLY REPORTS FROM AN APPROVED FACILITY SCHOOL OR  
17 A STATE PROGRAM BEFORE MAKING THE DISTRIBUTION OF FUNDING FOR  
18 THE APPLICABLE MONTH PURSUANT TO PARAGRAPH (b) OF THIS  
19 SUBSECTION (3).

20 (b) ON OR BEFORE THE FIFTEENTH DAY OF THE MONTH FOLLOWING  
21 THE MONTH IN WHICH AN APPROVED FACILITY SCHOOL OR A STATE  
22 PROGRAM REPORTED THE NUMBER OF STUDENTS TO WHICH IT PROVIDED  
23 EDUCATIONAL SERVICES AND THE NUMBER OF FULL-TIME EQUIVALENT  
24 STUDENTS TO WHICH THE APPROVED FACILITY SCHOOL OR STATE PROGRAM  
25 PROVIDED SERVICES PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION  
26 (3), THE DEPARTMENT SHALL PAY THE APPROVED FACILITY SCHOOL OR  
27 STATE PROGRAM A PROPORTIONAL AMOUNT OF THE TOTAL AMOUNT OF

1 EDUCATION PROGRAM FUNDING AS DETERMINED PURSUANT TO  
2 SUBSECTION (2) OF THIS SECTION, BASED ON THE APPROVED FACILITY  
3 SCHOOL'S OR STATE PROGRAM'S REPORTED NUMBER OF FULL-TIME  
4 EQUIVALENT STUDENTS.

5 (c) THE DEPARTMENT MAY PRORATE THE PAYMENTS MADE  
6 PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (3) IF THE  
7 DEPARTMENT DETERMINES THAT PRORATION IS NECESSARY TO  
8 ACCOMMODATE A PROJECTED SHORTFALL IN EDUCATION PROGRAM  
9 FUNDING AS CALCULATED PURSUANT TO SUBSECTION (2) OF THIS SECTION.

10 (4) IN EACH APPLICABLE BUDGET YEAR, THE GENERAL ASSEMBLY  
11 SHALL APPROPRIATE TO THE DEPARTMENT THE AMOUNT REQUIRED FOR  
12 EDUCATION PROGRAM FUNDING PURSUANT TO SUBSECTION (2) OF THIS  
13 SECTION.

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

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

24 (6) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT, FOR THE  
25 PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION,  
26 PROVIDING FUNDING FOR PUPILS WHO ARE PLACED IN A FACILITY AND  
27 RECEIVE EDUCATIONAL SERVICES THROUGH AN APPROVED FACILITY

1 SCHOOL, WHO ATTEND THE COLORADO SCHOOL FOR THE DEAF AND THE  
2 BLIND, OR WHO RECEIVE EDUCATIONAL SERVICES THROUGH AN  
3 EDUCATION PROGRAM OPERATED BY THE COLORADO MENTAL HEALTH  
4 INSTITUTE AT PUEBLO OR FORT LOGAN IS A PROGRAM FOR ACCOUNTABLE  
5 EDUCATION REFORM AND MAY THEREFORE RECEIVE FUNDING FROM THE  
6 STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF  
7 THE STATE CONSTITUTION.

8 **22-54.5-410. Funding - allocation within districts - rules.**

9 (1) (a) EACH DISTRICT SHALL ANNUALLY CALCULATE THE DISTRICT'S PER  
10 PUPIL AT-RISK FUNDING BY DIVIDING THE TOTAL AMOUNT OF AT-RISK  
11 FUNDING RECEIVED BY THE DISTRICT FOR THE APPLICABLE BUDGET YEAR  
12 BY THE NUMBER OF AT-RISK PUPILS ENROLLED IN THE DISTRICT EACH  
13 SCHOOL DAY, TOTALLED FOR THE APPLICABLE FUNDING  
14 AVERAGING PERIOD AND DIVIDED BY THE NUMBER OF SCHOOL DAYS IN THE  
15 APPLICABLE FUNDING AVERAGING PERIOD.

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

18 (I) TO EACH CHARTER SCHOOL OF THE DISTRICT, AN AMOUNT  
19 EQUAL TO THE PER PUPIL AT-RISK FUNDING MULTIPLIED BY THE CHARTER  
20 SCHOOL'S AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP FOR THE  
21 APPLICABLE FUNDING AVERAGING PERIOD; AND

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

27 (2) (a) EACH DISTRICT SHALL ANNUALLY CALCULATE THE

1 DISTRICT'S PER PUPIL ENGLISH LANGUAGE LEARNER FUNDING BY DIVIDING  
2 THE TOTAL AMOUNT OF ENGLISH LANGUAGE LEARNER FUNDING RECEIVED  
3 BY THE DISTRICT FOR THE APPLICABLE BUDGET YEAR BY THE DISTRICT'S  
4 ENGLISH LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP FOR THE  
5 APPLICABLE FUNDING AVERAGING PERIOD.

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

8 (I) TO EACH CHARTER SCHOOL OF THE DISTRICT, AN AMOUNT  
9 EQUAL TO THE PER PUPIL ENGLISH LANGUAGE LEARNER FUNDING  
10 MULTIPLIED BY THE CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER  
11 AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING  
12 PERIOD; AND

13 (II) TO EACH PUBLIC SCHOOL OF THE DISTRICT THAT IS NOT A  
14 CHARTER SCHOOL, THE DISTRICT'S STATE SHARE PORTION OF THE PER PUPIL  
15 ENGLISH LANGUAGE LEARNER FUNDING MULTIPLIED BY THE PUBLIC  
16 SCHOOL'S ENGLISH LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP  
17 FOR THE APPLICABLE FUNDING AVERAGING PERIOD.

18 (3) FOLLOWING CERTIFICATION PURSUANT TO SECTION  
19 22-54.5-405 OF MEMBERSHIP AND MULTI-DISTRICT ON-LINE SCHOOL  
20 ENROLLMENT FOR THE FIRST QUARTER OF THE THEN-CURRENT SCHOOL  
21 YEAR, THE DISTRICT SHALL RECALCULATE ITS PER PUPIL AT-RISK FUNDING  
22 AND PER PUPIL ENGLISH LANGUAGE LEARNER FUNDING AND ADJUST THE  
23 DISTRIBUTION TO CHARTER SCHOOLS AND OTHER PUBLIC SCHOOLS OF THE  
24 DISTRICT ACCORDINGLY.

25 (4) (a) THE PRINCIPAL OF EACH PUBLIC SCHOOL THAT IS NOT A  
26 CHARTER SCHOOL AND THAT RECEIVES AN ALLOCATION OF PER PUPIL  
27 AT-RISK FUNDING AND PER PUPIL ENGLISH LANGUAGE LEARNER FUNDING

1 PURSUANT TO THIS SECTION HAS FULL AUTONOMY TO USE THE AT-RISK  
2 FUNDING AND ENGLISH LANGUAGE LEARNER FUNDING AS THE PRINCIPAL  
3 DETERMINES IS BEST FOR THE AT-RISK PUPILS AND ENGLISH LANGUAGE  
4 LEARNERS ENROLLED AT THE PUBLIC SCHOOL; EXCEPT THAT THE  
5 PRINCIPAL SHALL NOT USE ANY AMOUNT OF THE AT-RISK FUNDING FOR  
6 PROGRAMS, ACTIVITIES, OR PERSONNEL THAT DO NOT PRIMARILY SERVE  
7 AT-RISK PUPILS AND SHALL NOT USE ANY AMOUNT OF THE ENGLISH  
8 LANGUAGE LEARNER FUNDING FOR PROGRAMS, ACTIVITIES, OR PERSONNEL  
9 THAT DO NOT PRIMARILY SERVE ENGLISH LANGUAGE LEARNERS.

10 (b) A PRINCIPAL MAY USE THE AT-RISK FUNDING ALLOCATED TO  
11 THE PRINCIPAL'S PUBLIC SCHOOL PURSUANT TO THIS SECTION TO PURCHASE  
12 AT-RISK PROGRAMS OR SERVICES FROM THE DISTRICT AND MAY USE THE  
13 ENGLISH LANGUAGE LEARNER FUNDING ALLOCATED TO THE PRINCIPAL'S  
14 PUBLIC SCHOOL TO PURCHASE ENGLISH LANGUAGE LEARNER PROGRAMS  
15 OR SERVICES FROM THE DISTRICT.

16 (c) A PRINCIPAL MAY CHOOSE TO FOREGO THE CONTROL OF  
17 AT-RISK FUNDING AND ENGLISH LANGUAGE LEARNER FUNDING  
18 ALLOCATED TO THE PRINCIPAL'S PUBLIC SCHOOL PURSUANT TO THIS  
19 SECTION, IN WHICH CASE THE DISTRICT MAINTAINS CONTROL OF THE  
20 AT-RISK FUNDING AND ENGLISH LANGUAGE LEARNER FUNDING  
21 ALLOCATED TO THE PUBLIC SCHOOL.

22 (5) EACH DISTRICT SHALL USE THE LOCAL SHARE OF THE AT-RISK  
23 FUNDING TO PROVIDE PROGRAMS, ACTIVITIES, AND PERSONNEL THAT  
24 PRIMARILY SERVE AT-RISK PUPILS. EACH DISTRICT SHALL USE THE LOCAL  
25 SHARE OF THE ENGLISH LANGUAGE LEARNER FUNDING TO PROVIDE  
26 PROGRAMS, ACTIVITIES, AND PERSONNEL THAT PRIMARILY SERVE ENGLISH  
27 LANGUAGE LEARNERS.



1 (6) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE  
2 CONTRARY, A DISTRICT MAY APPLY TO THE STATE BOARD FOR A WAIVER  
3 OF THE REQUIREMENTS OF THIS SECTION REGARDING DISTRIBUTION OF PER  
4 PUPIL AT-RISK FUNDING AND PER PUPIL ENGLISH LANGUAGE LEARNER  
5 FUNDING TO THE SCHOOLS OF THE DISTRICT THAT ARE NOT CHARTER  
6 SCHOOLS. THE STATE BOARD MAY GRANT THE WAIVER BY A MAJORITY  
7 VOTE ONLY IF IT FINDS THAT THE DISTRICT HAS IN PLACE AND IS  
8 IMPLEMENTING A STUDENT-BASED FUNDING ALLOCATION PLAN THAT  
9 DISTRIBUTES A SIGNIFICANT PORTION OF THE DISTRICT'S FUNDING TO THE  
10 CONTROL OF THE PRINCIPALS OF THE SCHOOLS OF THE DISTRICT THAT ARE  
11 NOT CHARTER SCHOOLS. THE STATE BOARD MAY PROMULGATE RULES AS  
12 NECESSARY TO IMPLEMENT THIS SUBSECTION (6).

13 (7) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE  
14 CONTRARY, A DISTRICT THAT IS SUBJECT TO A COURT ORDER OR  
15 COURT-APPROVED CONSENT DECREE THAT DIRECTS THE DISTRICT'S  
16 IMPLEMENTATION OF ENGLISH LANGUAGE ACQUISITION PROGRAMS IS NOT  
17 REQUIRED TO ALLOCATE ANY PORTION OF THE ENGLISH LANGUAGE  
18 LEARNER FUNDING TO THE PUBLIC SCHOOLS OF THE DISTRICT THAT ARE  
19 NOT CHARTER SCHOOLS.

20 **22-54.5-411. National school lunch eligibility - applications.**

21 (1) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2) OF THIS SECTION,  
22 EACH SCHOOL OF A DISTRICT, INCLUDING EACH CHARTER SCHOOL OF A  
23 DISTRICT, AND EACH INSTITUTE CHARTER SCHOOL SHALL INCLUDE IN THE  
24 MATERIALS FOR PUPIL REGISTRATION THE PUPIL APPLICATION FORM TO  
25 PARTICIPATE UNDER THE FEDERAL "NATIONAL SCHOOL LUNCH ACT", 42  
26 U.S.C. SEC. 1751 ET SEQ., REFERRED TO IN THIS SECTION AS THE "PUPIL  
27 APPLICATION FORM". THE REGISTRATION MATERIALS MUST INCLUDE AN

1 EXPLANATION TO PARENTS THAT THE SCHOOL OF THE DISTRICT, DISTRICT  
2 CHARTER SCHOOL, OR INSTITUTE CHARTER SCHOOL USES THE PUPIL  
3 APPLICATION FORM TO DETERMINE WHETHER THE SCHOOL OF THE  
4 DISTRICT, DISTRICT CHARTER SCHOOL, OR INSTITUTE CHARTER SCHOOL IS  
5 ELIGIBLE FOR AT-RISK FUNDING ON BEHALF OF THE PUPIL AND THAT, BY  
6 FILLING OUT THE FORM, THE PARENT IS ENSURING THAT THE SCHOOL  
7 DISTRICT OR SCHOOL WILL RECEIVE THE AT-RISK FUNDING TO WHICH IT IS  
8 ENTITLED BASED ON THE POPULATION OF AT-RISK PUPILS SERVED BY THE  
9 SCHOOL DISTRICT OR SCHOOL.

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

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

27 **SECTION 2.** In Colorado Revised Statutes, **add** 22-30.5-111.5

1 and 22-30.5-111.7 as follows:

2 **22-30.5-111.5. Charter schools - financing - definitions.** (1) AS  
3 USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

4 (a) "ADDITIONAL LOCAL REVENUES" MEANS THE LOCAL PROPERTY  
5 TAX REVENUES THAT A DISTRICT IS AUTHORIZED TO COLLECT BY VOTER  
6 APPROVAL RECEIVED ON OR AFTER THE EFFECTIVE DATE OF THIS SECTION  
7 AND THAT ARE IN ADDITION TO THE DISTRICT'S TOTAL PROGRAM MILL  
8 LEVY; EXCEPT THAT "ADDITIONAL LOCAL REVENUES" DOES NOT INCLUDE  
9 AMOUNTS AUTHORIZED PURSUANT TO SECTION 22-40-110 OR ARTICLE 42  
10 OR ARTICLE 43 OF THIS TITLE FOR CAPITAL IMPROVEMENTS IN GROWTH  
11 DISTRICTS FOR THE PURPOSE OF REPAYING BONDED INDEBTEDNESS OR  
12 REFUNDING BONDS.

13 ==  
14 (b) "ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP" HAS THE  
15 SAME MEANING AS PROVIDED IN SECTION 22-54.5-103 (4).

16 (c) "AT-RISK" HAS THE SAME MEANING AS PROVIDED IN SECTION  
17 22-54.5-103 (5).

18 (d) "AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP" HAS THE SAME  
19 MEANING AS PROVIDED IN SECTION 22-54.5-103 (6).

20 (e) "AVERAGE DAILY MEMBERSHIP" HAS THE SAME MEANING AS  
21 PROVIDED IN SECTION 22-54.5-103 (8).

22 (f) "CENTRAL ADMINISTRATIVE OVERHEAD COSTS" MEANS  
23 INDIRECT COSTS INCURRED IN PROVIDING:

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

27 (II) SALARIES AND BENEFITS FOR ADMINISTRATIVE JOB

1 CLASSIFICATIONS LISTED UNDER THE HEADINGS OF SUPPORT SERVICES -  
2 BUSINESS AND SUPPORT SERVICES - CENTRAL IN THE SCHOOL DISTRICT  
3 CHART OF ACCOUNTS AS SPECIFIED BY RULE OF THE STATE BOARD.

4 (g) "DIRECT COSTS" MEANS THE DIRECT COSTS INCURRED BY A  
5 SCHOOL DISTRICT SOLELY FOR THE PURPOSE OF REVIEWING CHARTER  
6 APPLICATIONS, NEGOTIATING THE CHARTER CONTRACT, AND PROVIDING  
7 DIRECT OVERSIGHT TO CHARTER SCHOOLS. "DIRECT COSTS" DOES NOT  
8 INCLUDE THE SCHOOL DISTRICT'S LEGAL OR OTHER COSTS ATTRIBUTABLE  
9 TO LITIGATION OR THE RESOLUTION OF A DISPUTE WITH A CHARTER  
10 SCHOOL.

11 (h) "DISTRICT'S CERTIFIED CHARTER SCHOOL AVERAGE DAILY  
12 MEMBERSHIP" HAS THE SAME MEANING AS PROVIDED IN SECTION  
13 22-54.5-309 (1) (c).

14 (i) "ENGLISH LANGUAGE LEARNER" HAS THE SAME MEANING AS  
15 PROVIDED IN SECTION 22-54.5-103 (16).

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

18 (k) "EXCESS COST OF PROVIDING FEDERALLY REQUIRED  
19 EDUCATIONAL SERVICES" MEANS THE PER PUPIL COST THAT A SCHOOL  
20 DISTRICT INCURS IN PROVIDING FEDERALLY REQUIRED EDUCATIONAL  
21 SERVICES TO STUDENTS, MINUS THE AMOUNT THE SCHOOL DISTRICT  
22 RECEIVES IN FEDERAL AND STATE MONEYS TO PROVIDE THE SERVICES.

23 (l) "FUNDING AVERAGING PERIOD" HAS THE SAME MEANING AS  
24 PROVIDED IN SECTION 22-54.5-103 (20).

25 (m) "INVESTMENT MONEYS" HAS THE SAME MEANING AS PROVIDED  
26 IN SECTION 22-54.5-103 (23).

27 (n) "MEMBERSHIP" HAS THE SAME MEANING AS PROVIDED IN

1 SECTION 22-54.5-103 (26).

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

4 (p) "ON-LINE AVERAGE DAILY MEMBERSHIP" HAS THE SAME  
5 MEANING AS PROVIDED IN SECTION 22-54.5-103 (28).

6 ==  
7 (q) "PER PUPIL FUNDING" MEANS THE AMOUNT CALCULATED FOR  
8 A DISTRICT PURSUANT TO SECTION 22-54.5-201 (3).

9 (r) "QUALIFIED CHARTER SCHOOL" HAS THE SAME MEANING AS  
10 PROVIDED IN SECTION 22-54.5-309 (1) (e).

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

1 ON-LINE SCHOOL AND ASCENT PROGRAM ENROLLMENT WHO ARE  
2 ACTUALLY INCLUDED IN THE MEMBERSHIP AND MULTI-DISTRICT ON-LINE  
3 SCHOOL AND ASCENT PROGRAM ENROLLMENT OF EACH CHARTER  
4 SCHOOL.

5 

6 (b) THE SCHOOL DISTRICT SHALL IDENTIFY IN A REPORT TO THE  
7 DEPARTMENT:

8 (I) EACH CHARTER SCHOOL THAT IS A QUALIFIED CHARTER  
9 SCHOOL;

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

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

20 (3) (a) AS PART OF THE CHARTER SCHOOL CONTRACT, EACH  
21 CHARTER SCHOOL AND THE AUTHORIZING SCHOOL DISTRICT SHALL AGREE  
22 ON FUNDING AND ANY SERVICES THAT THE SCHOOL DISTRICT PROVIDES TO  
23 THE CHARTER SCHOOL. EXCEPT AS OTHERWISE PROVIDED IN SUBSECTIONS  
24 (5) AND (6) OF THIS SECTION, THE CHARTER SCHOOL AND THE  
25 AUTHORIZING SCHOOL DISTRICT SHALL NEGOTIATE FUNDING UNDER THE  
26 CHARTER CONTRACT, STARTING WITH THE AMOUNTS SPECIFIED IN  
27 SUBSECTION (4) OF THIS SECTION.

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

8 (c) FOLLOWING CERTIFICATION PURSUANT TO SECTION  
9 22-54.5-405 OF MEMBERSHIP AND MULTI-DISTRICT ON-LINE SCHOOL AND  
10 ASCENT PROGRAM ENROLLMENT FOR THE FIRST QUARTER OF THE  
11 SCHOOL YEAR, THE DISTRICT SHALL ADJUST THE DISTRIBUTION OF MONEYS  
12 TO THE CHARTER SCHOOLS OF THE DISTRICT BASED ON EACH CHARTER  
13 SCHOOL'S AVERAGE DAILY MEMBERSHIP, AT-RISK AVERAGE DAILY  
14 MEMBERSHIP, ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
15 MEMBERSHIP, ON-LINE AVERAGE DAILY MEMBERSHIP, IF APPLICABLE, AND  
16 ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP, IF APPLICABLE, FOR  
17 THE FUNDING AVERAGING PERIOD FOR THE THEN-CURRENT BUDGET YEAR.

18

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

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

27 (II) THE ASCENT PROGRAM FUNDING AMOUNT FOR THE

1 APPLICABLE BUDGET YEAR SPECIFIED IN SECTION 22-54.5-201 (7)  
2 MULTIPLIED BY THE CHARTER SCHOOL'S ASCENT PROGRAM AVERAGE  
3 DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING PERIOD;  
4 PLUS

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

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

12 ==

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

20 ==

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

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



1 FUNDING AVERAGING PERIOD; PLUS

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

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

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

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

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

26 (b) IF A SCHOOL DISTRICT THAT HAS AN AVERAGE DAILY  
27 MEMBERSHIP OF FIVE HUNDRED OR FEWER STUDENTS FOR THE MOST

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

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

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

13

==

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

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

1 RECEIVED PURSUANT TO THIS PARAGRAPH (a) SOLELY FOR CAPITAL  
2 CONSTRUCTION AS DEFINED IN SECTION 22-54.5-309 (1) (a).

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

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

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

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

26   
27 (d) A SCHOOL DISTRICT SHALL DISTRIBUTE THE PERCENTAGE OF

1     ADDITIONAL LOCAL REVENUES AS NEGOTIATED PURSUANT TO SUBSECTION  
2     (13) OF THIS SECTION.

3

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

6             (8) BEFORE THE BEGINNING OF EACH BUDGET YEAR, THE CHARTER  
7 SCHOOL AND THE AUTHORIZING SCHOOL DISTRICT SHALL NEGOTIATE FOR  
8 PAYMENT TO THE SCHOOL DISTRICT OF ANY DIRECT COSTS INCURRED BY  
9 THE SCHOOL DISTRICT ON BEHALF OF THE CHARTER SCHOOL. IF THE  
10 CHARTER SCHOOL AND THE SCHOOL DISTRICT DO NOT REACH AGREEMENT  
11 REGARDING THE PAYMENT OF DIRECT COSTS, THE SCHOOL DISTRICT IS  
12 BARRED FROM WITHHOLDING FROM THE CHARTER SCHOOL ANY MONEYS  
13 AS REIMBURSEMENT FOR DIRECT COSTS. THE SCHOOL DISTRICT SHALL  
14 PROVIDE AN ITEMIZED ACCOUNTING TO EACH CHARTER SCHOOL FOR THE  
15 DIRECT COSTS INCURRED BY THE SCHOOL DISTRICT WITH THE ITEMIZED  
16 ACCOUNTING PROVIDED PURSUANT TO SECTION 22-30.5-111.7.

17             (9) A CHARTER SCHOOL, AT ITS DISCRETION, MAY CONTRACT WITH  
18 THE AUTHORIZING SCHOOL DISTRICT FOR THE DIRECT PURCHASE OF  
19 DISTRICT SERVICES IN ADDITION TO THOSE INCLUDED IN CENTRAL  
20 ADMINISTRATIVE OVERHEAD COSTS, INCLUDING BUT NOT LIMITED TO FOOD  
21 SERVICES, CUSTODIAL SERVICES, MAINTENANCE, CURRICULUM, MEDIA  
22 SERVICES, AND LIBRARIES. THE AMOUNT THAT A CHARTER SCHOOL PAYS  
23 IN PURCHASING A DISTRICT SERVICE PURSUANT TO THIS SUBSECTION (9) IS  
24 EQUAL TO THE COST OF PROVIDING THE SERVICE FOR THE ENTIRE SCHOOL  
25 DISTRICT, AS SPECIFIED IN THE SCHOOL DISTRICT'S BUDGET FOR THE  
26 APPLICABLE BUDGET YEAR, DIVIDED BY THE SCHOOL DISTRICT'S AVERAGE  
27 DAILY MEMBERSHIP PLUS THE SCHOOL DISTRICT'S ON-LINE AVERAGE DAILY

1 MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING PERIOD,  
2 MULTIPLIED BY THE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP OR  
3 ON-LINE AVERAGE DAILY MEMBERSHIP, WHICHEVER IS APPLICABLE, FOR  
4 THE APPLICABLE FUNDING AVERAGING PERIOD.

5 (10) IN ACCORDANCE WITH SECTION 22-30.5-406, AN  
6 AUTHORIZING SCHOOL DISTRICT SHALL REDUCE THE FUNDING PROVIDED  
7 TO A CHARTER SCHOOL PURSUANT TO SUBSECTION (4), (5), OR (6) OF THIS  
8 SECTION, WHICHEVER IS APPLICABLE, BY THE AMOUNT OF ANY DIRECT  
9 PAYMENTS MADE BY THE STATE TREASURER OR THE AUTHORIZING SCHOOL  
10 DISTRICT, ON THE CHARTER SCHOOL'S BEHALF, OF PRINCIPAL AND  
11 INTEREST DUE ON BONDS THAT WERE ISSUED ON THE CHARTER SCHOOL'S  
12 BEHALF BY A GOVERNMENTAL ENTITY OTHER THAN A SCHOOL DISTRICT TO  
13 FINANCE CHARTER SCHOOL CAPITAL CONSTRUCTION.

14 (11) (a) AN AUTHORIZING SCHOOL DISTRICT SHALL PROVIDE  
15 FEDERALLY REQUIRED EDUCATIONAL SERVICES TO STUDENTS ENROLLED  
16 IN THE CHARTER SCHOOLS OF THE SCHOOL DISTRICT ON THE SAME BASIS  
17 THAT THE SCHOOL DISTRICT PROVIDES SERVICES TO STUDENTS ENROLLED  
18 IN THE OTHER PUBLIC SCHOOLS OF THE SCHOOL DISTRICT. EACH CHARTER  
19 SCHOOL SHALL PAY AN AMOUNT EQUAL TO THE EXCESS COST OF  
20 PROVIDING FEDERALLY REQUIRED EDUCATIONAL SERVICES, MULTIPLIED  
21 BY THE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR THE  
22 APPLICABLE FUNDING AVERAGING PERIOD. AT THE REQUEST OF EITHER  
23 THE CHARTER SCHOOL OR THE SCHOOL DISTRICT, HOWEVER, THE CHARTER  
24 SCHOOL AND THE SCHOOL DISTRICT MAY NEGOTIATE AND INCLUDE IN THE  
25 CHARTER CONTRACT ALTERNATE ARRANGEMENTS FOR PROVIDING AND  
26 PAYING FOR FEDERALLY REQUIRED EDUCATIONAL SERVICES.

27 (b) IF A CHARTER SCHOOL AND THE AUTHORIZING SCHOOL

1 DISTRICT NEGOTIATE TO ALLOW THE CHARTER SCHOOL TO PROVIDE  
2 FEDERALLY REQUIRED EDUCATIONAL SERVICES PURSUANT TO PARAGRAPH  
3 (a) OF THIS SUBSECTION (11), THE SCHOOL DISTRICT OR ADMINISTRATIVE  
4 UNIT SHALL DISTRIBUTE TO THE CHARTER SCHOOL THE PROPORTIONATE  
5 SHARE OF STATE AND FEDERAL RESOURCES GENERATED BY STUDENTS  
6 ENROLLED IN THE CHARTER SCHOOL WHO RECEIVE THE FEDERALLY  
7 REQUIRED EDUCATIONAL SERVICES OR BY THE STAFF WHO SERVE THE  
8 STUDENTS.

9 (12) IF A STUDENT WITH A DISABILITY ATTENDS A CHARTER  
10 SCHOOL, THE SCHOOL DISTRICT OF RESIDENCE IS RESPONSIBLE FOR PAYING  
11 ANY TUITION CHARGE FOR THE EXCESS COSTS INCURRED IN EDUCATING  
12 THE STUDENT IN ACCORDANCE WITH THE PROVISIONS OF SECTION  
13 22-20-109 (5).

14 (13) (a) IF AN AUTHORIZING SCHOOL DISTRICT SEEKS VOTER  
15 APPROVAL TO COLLECT ADDITIONAL LOCAL REVENUES ON OR AFTER THE  
16 EFFECTIVE DATE OF THIS SECTION, THE AUTHORIZING SCHOOL DISTRICT  
17 MUST INVITE THE CHARTER SCHOOLS OF THE SCHOOL DISTRICT TO  
18 PARTICIPATE IN THE DISCUSSIONS REGARDING SUBMISSION OF THE BALLOT  
19 QUESTION AT THE EARLIEST POSSIBLE TIME BUT NO LATER THAN JUNE 1 OF  
20 THE APPLICABLE ELECTION YEAR.

21 (b) AN AUTHORIZING SCHOOL DISTRICT AND A CHARTER SCHOOL  
22 SHALL NEGOTIATE THE PERCENTAGE THAT THE CHARTER SCHOOL  
23 RECEIVES OF THE ADDITIONAL LOCAL REVENUES THAT THE AUTHORIZING  
24 SCHOOL DISTRICT COLLECTS. IF THE AUTHORIZING SCHOOL DISTRICT AND  
25 THE CHARTER SCHOOL CANNOT REACH AGREEMENT ON THE PERCENTAGE  
26 OF ADDITIONAL LOCAL REVENUES THAT THE CHARTER SCHOOL RECEIVES,  
27 THE CHARTER SCHOOL MAY APPLY TO THE STATE CHARTER SCHOOL

1 INSTITUTE TO CONVERT TO AN INSTITUTE CHARTER SCHOOL AS PROVIDED  
2 IN SECTION 22-30.5-510, REGARDLESS OF WHETHER THE AUTHORIZING  
3 SCHOOL DISTRICT HAS EXCLUSIVE JURISDICTION TO AUTHORIZE CHARTER  
4 SCHOOLS WITHIN ITS GEOGRAPHIC BOUNDARIES.

5 (c) EXCEPT AS SPECIFICALLY PROVIDED IN PARAGRAPH (b) OF THIS  
6 SUBSECTION (13), THE PROVISIONS OF THIS SUBSECTION (13) DO NOT  
7 AFFECT A SCHOOL DISTRICT'S EXCLUSIVE JURISDICTION TO AUTHORIZE  
8 CHARTER SCHOOLS WITHIN ITS GEOGRAPHIC BOUNDARIES.

9 (14) EACH CHARTER SCHOOL THAT RECEIVES AT-RISK FUNDING  
10 SHALL USE THE AT-RISK FUNDING TO PROVIDE PROGRAMS, ACTIVITIES, AND  
11 PERSONNEL THAT PRIMARILY SERVE AT-RISK PUPILS. EACH CHARTER  
12 SCHOOL THAT RECEIVES ENGLISH LANGUAGE LEARNER FUNDING SHALL  
13 USE THE ENGLISH LANGUAGE LEARNER FUNDING TO PROVIDE PROGRAMS,  
14 ACTIVITIES, AND PERSONNEL THAT PRIMARILY SERVE ENGLISH LANGUAGE  
15 LEARNERS.

16 (15) THE GOVERNING BODY OF A CHARTER SCHOOL MAY ACCEPT  
17 GIFTS, DONATIONS, OR GRANTS OF ANY KIND MADE TO THE CHARTER  
18 SCHOOL AND EXPEND OR USE THE GIFTS, DONATIONS, OR GRANTS IN  
19 ACCORDANCE WITH THE CONDITIONS PRESCRIBED BY THE DONOR;  
20 HOWEVER, THE GOVERNING BODY SHALL NOT ACCEPT A GIFT, DONATION,  
21 OR GRANT IF IT IS SUBJECT TO ANY CONDITION CONTRARY TO LAW OR  
22 CONTRARY TO THE TERMS OF THE CHARTER SCHOOL'S CHARTER  
23 CONTRACT.

24 (16) MONEYS THAT A CHARTER SCHOOL RECEIVES FROM ANY  
25 SOURCE THAT REMAIN IN THE CHARTER SCHOOL'S ACCOUNTS AT THE END  
26 OF A BUDGET YEAR MUST REMAIN IN THE CHARTER SCHOOL'S ACCOUNTS  
27 FOR USE BY THE CHARTER SCHOOL DURING SUBSEQUENT BUDGET YEARS

1 AND DO NOT REVERT TO THE SCHOOL DISTRICT OR TO THE STATE.

2 (17) (a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY  
3 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION HELD NO  
4 LATER THAN NOVEMBER 2017 AT WHICH A MAJORITY OF THOSE VOTING  
5 APPROVE AN INCREASE IN STATE TAX REVENUES FOR THE PURPOSE OF  
6 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.

12 **22-30.5-111.7. Financial reporting - request for accounting.**

13 (1) (a) A CHARTER SCHOOL SHALL COMPLY WITH ALL OF THE STATE  
14 FINANCIAL AND BUDGET RULES, REGULATIONS, AND FINANCIAL REPORTING  
15 REQUIREMENTS WITH WHICH THE AUTHORIZING SCHOOL DISTRICT IS  
16 REQUIRED TO COMPLY, INCLUDING BUT NOT LIMITED TO ANNUAL  
17 COMPLETION OF AN INDEPENDENT GOVERNMENTAL AUDIT THAT COMPLIES  
18 WITH THE REQUIREMENTS OF THE DEPARTMENT.

19 (b) A SCHOOL DISTRICT, UNDER THE CIRCUMSTANCES SPECIFIED IN  
20 THE CONTRACT BETWEEN THE SCHOOL DISTRICT AND THE CHARTER  
21 SCHOOL PURSUANT TO SECTION 22-30.5-105 (2) (c) (IV), MAY WITHHOLD  
22 A PORTION OF A CHARTER SCHOOL'S MONTHLY PAYMENT DUE PURSUANT  
23 TO SECTION 22-30.5-111.5 UNTIL THE CHARTER SCHOOL COMPLIES WITH  
24 THE FINANCIAL REPORTING REQUIREMENTS.

25 (2) (a) WITHIN NINETY DAYS AFTER THE END OF EACH BUDGET  
26 YEAR, EACH SCHOOL DISTRICT SHALL PROVIDE TO EACH CHARTER SCHOOL  
27 OF THE SCHOOL DISTRICT AN ITEMIZED ACCOUNTING OF ALL OF THE



1 CHARTER SCHOOL'S CENTRAL ADMINISTRATIVE OVERHEAD COSTS FOR THE  
2 APPLICABLE BUDGET YEAR. THE ACTUAL CENTRAL ADMINISTRATIVE  
3 OVERHEAD COSTS MUST BE THE AMOUNT CHARGED TO THE CHARTER  
4 SCHOOL. THE SCHOOL DISTRICT AND THE CHARTER SCHOOL SHALL  
5 RECONCILE ANY DIFFERENCE, WITHIN THE LIMITATIONS SPECIFIED IN  
6 SECTION 22-30.5-111.5 (4) (b) (I), (5) (b), OR (6) (a), BETWEEN THE  
7 AMOUNT THE SCHOOL DISTRICT INITIALLY CHARGED TO THE CHARTER  
8 SCHOOL AND THE ACTUAL COST, AND THE OWED PARTY SHALL RECEIVE  
9 APPROPRIATE REIMBURSEMENT.

10 (b) WITHIN NINETY DAYS AFTER THE END OF EACH BUDGET YEAR,  
11 EACH SCHOOL DISTRICT SHALL PROVIDE TO EACH CHARTER SCHOOL OF THE  
12 SCHOOL DISTRICT AN ITEMIZED ACCOUNTING OF ALL THE ACTUAL COSTS  
13 OF DISTRICT SERVICES THE CHARTER SCHOOL CHOSE TO PURCHASE FROM  
14 THE SCHOOL DISTRICT FOR THE APPLICABLE BUDGET YEAR, CALCULATED  
15 IN ACCORDANCE WITH SECTION 22-30.5-111.5 (9). THE SCHOOL DISTRICT  
16 AND THE CHARTER SCHOOL SHALL RECONCILE ANY DIFFERENCE BETWEEN  
17 THE AMOUNT INITIALLY CHARGED TO THE CHARTER SCHOOL AND THE  
18 ACTUAL COST OF THE SERVICES, AND THE OWED PARTY SHALL RECEIVE  
19 APPROPRIATE REIMBURSEMENT.

20 (c) WITHIN NINETY DAYS AFTER THE END OF EACH BUDGET YEAR,  
21 EACH SCHOOL DISTRICT SHALL PROVIDE TO EACH CHARTER SCHOOL OF THE  
22 SCHOOL DISTRICT AN ITEMIZED ACCOUNTING OF ALL THE ACTUAL SPECIAL  
23 EDUCATION COSTS THAT THE SCHOOL DISTRICT INCURRED FOR THE  
24 APPLICABLE BUDGET YEAR AND THE BASIS OF ANY PER-PUPIL CHARGES FOR  
25 SPECIAL EDUCATION THAT THE SCHOOL DISTRICT IMPOSED AGAINST  
26 CHARTER SCHOOL FOR THE APPLICABLE BUDGET YEAR.

27 (d) IF EITHER PARTY DISPUTES THE ITEMIZED ACCOUNTING

1 PROVIDED PURSUANT TO PARAGRAPH (a), (b), OR (c) OF THIS SUBSECTION  
2 (2), OR THE CHARGES INCLUDED IN AN ACCOUNTING OR THE CHARGES TO  
3 EITHER PARTY, THE DISPUTING PARTY MAY REQUEST A THIRD-PARTY  
4 REVIEW AT THE DISPUTING PARTY'S EXPENSE. THE DEPARTMENT SHALL  
5 CONDUCT THE REVIEW, AND THE DEPARTMENT'S DETERMINATION IS FINAL.

6 (3) (a) IF A CHARTER SCHOOL DETERMINES THAT THE AUTHORIZING  
7 SCHOOL DISTRICT HAS NOT FORWARDED TO THE CHARTER SCHOOL THE  
8 AMOUNT DUE TO THE CHARTER SCHOOL IN ACCORDANCE WITH THE TERMS  
9 OF THE CHARTER CONTRACT AND THE PROVISIONS OF SECTION  
10 22-30.5-111.5, THE CHARTER SCHOOL MAY REQUEST A DETERMINATION  
11 FROM THE STATE BOARD REGARDING WHETHER THE AUTHORIZING SCHOOL  
12 DISTRICT IMPROPERLY WITHHELD ANY PORTION OF THE AMOUNT DUE TO  
13 THE CHARTER SCHOOL. A CHARTER SCHOOL THAT REQUESTS A  
14 DETERMINATION PURSUANT TO THIS SUBSECTION (3) MUST SUBMIT THE  
15 REQUEST WITHIN THE NEXT BUDGET YEAR FOLLOWING THE BUDGET YEAR  
16 IN WHICH THE AUTHORIZING SCHOOL DISTRICT MAY HAVE IMPROPERLY  
17 WITHHELD FUNDING; EXCEPT THAT, IF THE CHARTER CONTRACT REQUIRES  
18 THE CHARTER SCHOOL TO COMPLETE ANY REQUIREMENTS BEFORE SEEKING  
19 A DETERMINATION FROM THE DEPARTMENT PURSUANT TO THIS  
20 SUBSECTION (3), THE CHARTER SCHOOL MUST SUBMIT THE REQUEST NO  
21 LATER THAN THE END OF THE NEXT BUDGET YEAR FOLLOWING THE  
22 BUDGET YEAR IN WHICH THE CHARTER SCHOOL COMPLETES THE  
23 REQUIREMENTS.

24 (b) IF THE STATE BOARD RECEIVES A REQUEST FOR A  
25 DETERMINATION OF WHETHER THE AUTHORIZING SCHOOL DISTRICT HAS  
26 IMPROPERLY WITHHELD ANY PORTION OF THE AMOUNT DUE TO A CHARTER  
27 SCHOOL, THE STATE BOARD MUST DIRECT THE DEPARTMENT TO REVIEW

1 THE TERMS OF THE CHARTER CONTRACT, THE FINANCIAL INFORMATION OF  
2 THE CHARTER SCHOOL, AND THE AUTHORIZING SCHOOL DISTRICT AND  
3 REPORT TO THE STATE BOARD ITS FINDINGS REGARDING WHETHER THE  
4 AUTHORIZING SCHOOL DISTRICT IMPROPERLY WITHHELD ANY PORTION OF  
5 THE AMOUNT DUE TO THE CHARTER SCHOOL. THE DEPARTMENT SHALL  
6 REQUEST FROM THE AUTHORIZING SCHOOL DISTRICT AND THE CHARTER  
7 SCHOOL ALL INFORMATION NECESSARY TO MAKE THE FINDINGS,  
8 INCLUDING BUT NOT LIMITED TO AUDITED FINANCIAL DATA. THE  
9 AUTHORIZING SCHOOL DISTRICT AND THE CHARTER SCHOOL MUST PROVIDE  
10 THE REQUESTED INFORMATION AS SOON AS POSSIBLE FOLLOWING THE  
11 REQUEST, BUT IN NO EVENT LATER THAN THIRTY DAYS AFTER THE ANNUAL  
12 FINANCIAL AUDIT IS COMPLETED. THE DEPARTMENT MUST FORWARD ITS  
13 REPORT TO THE STATE BOARD WITHIN SIXTY DAYS AFTER RECEIVING ALL  
14 OF THE REQUESTED INFORMATION FROM THE AUTHORIZING SCHOOL  
15 DISTRICT AND THE CHARTER SCHOOL.

16 (c) AT THE NEXT STATE BOARD MEETING AFTER RECEIVING THE  
17 DEPARTMENT'S REPORT PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION  
18 (3), THE STATE BOARD SHALL ISSUE ITS DECISION REGARDING WHETHER  
19 THE AUTHORIZING SCHOOL DISTRICT IMPROPERLY WITHHELD ANY PORTION  
20 OF THE AMOUNT DUE TO THE CHARTER SCHOOL. IF THE STATE BOARD  
21 FINDS THAT THE AUTHORIZING SCHOOL DISTRICT IMPROPERLY WITHHELD  
22 ANY PORTION OF THE AMOUNT DUE TO THE CHARTER SCHOOL, THE  
23 AUTHORIZING SCHOOL DISTRICT SHALL PAY TO THE CHARTER SCHOOL,  
24 WITHIN THIRTY DAYS AFTER THE STATE BOARD ISSUES THE DECISION, THE  
25 AMOUNT IMPROPERLY WITHHELD. IN ADDITION, THE AUTHORIZING SCHOOL  
26 DISTRICT SHALL PAY THE DEPARTMENT'S COSTS INCURRED IN REVIEWING  
27 THE NECESSARY INFORMATION TO MAKE ITS REPORT. IF THE STATE BOARD

1 FINDS THAT THE AUTHORIZING SCHOOL DISTRICT DID NOT IMPROPERLY  
2 WITHHOLD ANY PORTION OF THE AMOUNT DUE TO THE CHARTER SCHOOL,  
3 THE CHARTER SCHOOL SHALL PAY THE DEPARTMENT'S COSTS INCURRED IN  
4 REVIEWING THE NECESSARY INFORMATION TO MAKE ITS REPORT.

5 (d) IF THE AUTHORIZING SCHOOL DISTRICT FAILS WITHIN THE  
6 THIRTY-DAY PERIOD TO PAY THE FULL AMOUNT THAT WAS IMPROPERLY  
7 WITHHELD, THE CHARTER SCHOOL MAY NOTIFY THE DEPARTMENT, AND  
8 THE DEPARTMENT SHALL WITHHOLD FROM THE AUTHORIZING SCHOOL  
9 DISTRICT'S STATE SHARE OF TOTAL PROGRAM THE UNPAID PORTION OF THE  
10 AMOUNT IMPROPERLY WITHHELD BY THE AUTHORIZING SCHOOL DISTRICT  
11 FROM THE CHARTER SCHOOL AND PAY THE WITHHELD AMOUNT DIRECTLY  
12 TO THE CHARTER SCHOOL.

13 (4) (a) IF A CHARTER SCHOOL DETERMINES THAT A SCHOOL  
14 DISTRICT HAS NOT PAID THE TUITION CHARGE FOR THE EXCESS COSTS  
15 INCURRED IN EDUCATING A CHILD WITH A DISABILITY AS REQUIRED IN  
16 SECTION 22-20-109 (5), THE CHARTER SCHOOL MAY SEEK A  
17 DETERMINATION FROM THE STATE BOARD IN ACCORDANCE WITH THE  
18 PROVISIONS OF SUBSECTION (3) OF THIS SECTION.

19 (b) IF THE STATE BOARD FINDS THAT THE SCHOOL DISTRICT HAS  
20 IMPROPERLY WITHHELD MONEYS DUE TO THE CHARTER SCHOOL, THE  
21 SCHOOL DISTRICT, WITHIN THIRTY DAYS AFTER THE STATE BOARD ISSUES  
22 THE DECISION, SHALL PAY TO THE CHARTER SCHOOL THE AMOUNT  
23 IMPROPERLY WITHHELD. IN ADDITION, THE SCHOOL DISTRICT SHALL PAY  
24 THE DEPARTMENT'S COSTS INCURRED IN REVIEWING THE NECESSARY  
25 INFORMATION TO MAKE ITS REPORT. IF THE SCHOOL DISTRICT FAILS,  
26 WITHIN THE THIRTY-DAY PERIOD, TO PAY THE FULL AMOUNT THAT WAS  
27 IMPROPERLY WITHHELD, THE CHARTER SCHOOL MAY NOTIFY THE

1 DEPARTMENT, AND THE DEPARTMENT SHALL WITHHOLD FROM THE SCHOOL  
2 DISTRICT'S STATE SHARE OF TOTAL PROGRAM THE UNPAID PORTION OF THE  
3 AMOUNT IMPROPERLY WITHHELD BY THE DISTRICT AND PAY THE AMOUNT  
4 WITHHELD DIRECTLY TO THE CHARTER SCHOOL.

5 (c) IF THE STATE BOARD FINDS THAT THE SCHOOL DISTRICT DID  
6 NOT IMPROPERLY WITHHOLD ANY PORTION OF THE AMOUNT DUE TO THE  
7 CHARTER SCHOOL, THE CHARTER SCHOOL SHALL PAY THE DEPARTMENT'S  
8 COSTS INCURRED IN REVIEWING THE NECESSARY INFORMATION TO MAKE  
9 ITS REPORT.

10 (5) (a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY  
11 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION HELD NO  
12 LATER THAN NOVEMBER 2017 AT WHICH A MAJORITY OF THOSE VOTING  
13 APPROVE AN INCREASE IN STATE TAX REVENUES FOR THE PURPOSE OF  
14 FUNDING PUBLIC EDUCATION.

15 (b) THE PROVISIONS OF THIS SECTION APPLY IN THE SECOND  
16 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
17 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE  
18 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
19 THEREAFTER.

20 **SECTION 3.** In Colorado Revised Statutes, **add 22-30.5-513.5**  
21 as follows:

22 **22-30.5-513.5. Institute charter schools - funding - definitions.**

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

25 (a) "ADMINISTRATIVE OVERHEAD COSTS" MEANS ALL ACTUAL AND  
26 REASONABLE COSTS INCURRED BY THE INSTITUTE AS A RESULT OF ITS  
27 PERFORMANCE OF ITS OBLIGATIONS PURSUANT TO THIS PART 5.

1 "ADMINISTRATIVE OVERHEAD COSTS" DOES NOT INCLUDE THE COSTS  
2 INCURRED TO DELIVER SERVICES THAT AN INSTITUTE CHARTER SCHOOL  
3 MAY PURCHASE AT ITS DISCRETION.

4 (b) "ASCENT PROGRAM" HAS THE SAME MEANING AS PROVIDED  
5 IN SECTION 22-54.5-103 (3).

6 (c) "ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP" HAS THE  
7 SAME MEANING AS PROVIDED IN SECTION 22-54.5-103 (4).

8 (d) "AT-RISK" HAS THE SAME MEANING AS PROVIDED IN SECTION  
9 22-54.5-103 (5).

10 (e) "AT-RISK FUNDING" MEANS THE FUNDING CALCULATED FOR AN  
11 INSTITUTE CHARTER SCHOOL PURSUANT TO SECTION 22-54.5-202 (4).


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

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

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

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

20 (j) "ENGLISH LANGUAGE LEARNER FUNDING" MEANS THE FUNDING  
21 CALCULATED FOR AN INSTITUTE CHARTER SCHOOL PURSUANT TO SECTION  
22 22-54.5-202 (5).

23   
24 (k) "FUNDING AVERAGING PERIOD" HAS THE SAME MEANING AS  
25 PROVIDED IN SECTION 22-54.5-103 (20).

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

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

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

5           (o) "QUALIFIED INSTITUTE CHARTER SCHOOL" HAS THE SAME  
6 MEANING AS "QUALIFIED CHARTER SCHOOL" DEFINED IN SECTION  
7 22-54.5-309 (1) (e).

8           (p) "SCHOOL DAY" HAS THE SAME MEANING AS PROVIDED IN  
9 SECTION 22-54.5-103 (30).

10          (q) "TOTAL PROGRAM" MEANS THE TOTAL PROGRAM FOR AN  
11 INSTITUTE CHARTER SCHOOL THAT THE DEPARTMENT CALCULATES  
12 PURSUANT TO SECTION 22-54.5-202.

13          (2) ■ FOR PURPOSES OF THE "PUBLIC SCHOOL FINANCE ACT",  
14 ARTICLE 54.5 OF THIS TITLE, EACH INSTITUTE CHARTER SCHOOL, AS  
15 REQUIRED IN SECTION 22-54.5-405, SHALL CERTIFY TO THE DEPARTMENT  
16 THE INSTITUTE CHARTER SCHOOL'S MEMBERSHIP FOR EACH SCHOOL DAY,  
17 INCLUDING SPECIFYING THE NUMBER OF PRESCHOOL PUPILS, AT-RISK  
18 PUPILS, AND ENGLISH LANGUAGE LEARNERS, AND THE NUMBER OF PUPILS  
19 WHO ARE ENROLLED EACH SCHOOL DAY IN A MULTI-DISTRICT ON-LINE  
20 SCHOOL OR THE ASCENT PROGRAM, AS APPLICABLE. EACH INSTITUTE  
21 CHARTER SCHOOL SHALL ALSO SPECIFY WHETHER IT IS A QUALIFIED  
22 CHARTER SCHOOL. THE DEPARTMENT SHALL USE THE MEMBERSHIP AND  
23 THE MULTI-DISTRICT ON-LINE SCHOOL AND ASCENT PROGRAM  
24 ENROLLMENTS CERTIFIED TO CALCULATE THE AVERAGE DAILY  
25 MEMBERSHIP, PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP,  
26 AT-RISK AVERAGE DAILY MEMBERSHIP, ENGLISH LANGUAGE LEARNER  
27 AVERAGE DAILY MEMBERSHIP, ON-LINE AVERAGE DAILY MEMBERSHIP,

1 AND ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP, AS APPLICABLE,  
2 AND THE TOTAL PROGRAM FOR EACH INSTITUTE CHARTER SCHOOL  
3 PURSUANT TO SECTIONS 22-54.5-202 AND 22-54.5-405, AND THE  
4 INVESTMENT MONEYS FOR EACH INSTITUTE CHARTER SCHOOL PURSUANT  
5 TO SECTION 22-54.5-301.

6

7 (3) (a) AS PART OF THE CHARTER CONTRACT, EACH INSTITUTE  
8 CHARTER SCHOOL AND THE INSTITUTE SHALL AGREE ON FUNDING AND ANY  
9 SERVICES THAT THE INSTITUTE OR A THIRD PARTY PROVIDES TO THE  
10 INSTITUTE CHARTER SCHOOL. THE INSTITUTE CHARTER SCHOOL AND THE  
11 INSTITUTE SHALL NEGOTIATE FUNDING UNDER THE CHARTER CONTRACT,  
12 STARTING WITH THE AMOUNTS SPECIFIED IN SUBSECTION (4) OF THIS  
13 SECTION.

14 (b) THE INSTITUTE SHALL PAY TO EACH INSTITUTE CHARTER  
15 SCHOOL THE AMOUNTS THAT ARE DUE TO EACH INSTITUTE CHARTER  
16 SCHOOL AS PROVIDED IN THIS SECTION. THE INSTITUTE SHALL PAY THE  
17 AMOUNTS IN TWELVE MONTHLY INSTALLMENTS AS SOON AS PRACTICABLE  
18 AFTER THE INSTITUTE RECEIVES DISTRIBUTIONS OF MONEYS FROM THE  
19 DEPARTMENT PURSUANT TO SECTION 22-30.5-408.

20 (c) IF THE DEPARTMENT ADJUSTS AN INSTITUTE CHARTER SCHOOL'S  
21 PAYMENTS PURSUANT TO SECTION 22-54.5-408 (1) (a) (II), THE  
22 INSTITUTE SHALL ADJUST ITS PAYMENTS TO THE INSTITUTE CHARTER  
23 SCHOOL PURSUANT TO THIS SECTION ACCORDINGLY.

24

25 (4) (a) NEGOTIATIONS BETWEEN AN INSTITUTE CHARTER SCHOOL  
26 AND THE INSTITUTE BEGIN WITH THE INSTITUTE CHARTER SCHOOL  
27 RECEIVING AN AMOUNT EQUAL TO:



1 (I) (A) THE INSTITUTE CHARTER SCHOOL'S TOTAL PROGRAM MINUS  
2 ONE PERCENT WITHHELD BY THE DEPARTMENT PURSUANT TO SECTION  
3 22-54.5-408 (2); PLUS

4 (B) THE INVESTMENT MONEYS IN THE AMOUNT OF THE PER PUPIL  
5 AMOUNT CALCULATED PURSUANT TO SECTION 22-54.5-301 (3) MULTIPLIED  
6 BY THE INSTITUTE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR  
7 THE APPLICABLE FUNDING AVERAGING PERIOD, AS PROVIDED IN SECTION  
8 22-54.5-301; MINUS

9

==

10 (II) (A) AN AMOUNT EQUAL TO THREE PERCENT OF THE INSTITUTE  
11 CHARTER SCHOOL'S TOTAL PROGRAM, WHICH AMOUNT THE INSTITUTE  
12 SHALL TRANSFER TO THE STATE TREASURER FOR CREDIT TO THE ACCOUNT  
13 CREATED IN SECTION 22-30.5-506 (4) AND USED TO OFFSET  
14 ADMINISTRATIVE OVERHEAD COSTS; PLUS

15 (B) THE AMOUNT AGREED TO IN THE CHARTER CONTRACT FOR  
16 ADDITIONAL SERVICES AS PROVIDED IN PARAGRAPH (b) OF THIS  
17 SUBSECTION (4); PLUS

18 (C) ANY AMOUNT AGREED TO BY THE INSTITUTE AND THE  
19 INSTITUTE CHARTER SCHOOL FOR REPAYMENT OF A LOAN TO THE  
20 INSTITUTE CHARTER SCHOOL FROM THE INSTITUTE CHARTER SCHOOL  
21 ASSISTANCE FUND CREATED IN SECTION 22-30.5-515.5; PLUS

22 (D) ANY AMOUNT WITHHELD PURSUANT TO SECTION 22-30.5-406  
23 FOR THE DIRECT PAYMENTS MADE BY THE STATE TREASURER OF PRINCIPAL  
24 AND INTEREST DUE ON BONDS ISSUED ON BEHALF OF THE INSTITUTE  
25 CHARTER SCHOOL BY A GOVERNMENTAL ENTITY FOR THE PURPOSE OF  
26 FINANCING INSTITUTE CHARTER SCHOOL CAPITAL CONSTRUCTION.

27 (b) IN NEGOTIATING THE CHARTER CONTRACT, THE INSTITUTE

1 CHARTER SCHOOL AND THE INSTITUTE BOARD SHALL AGREE ON THE  
2 SERVICES, OTHER THAN NECESSARY ADMINISTRATION, OVERSIGHT, AND  
3 MANAGEMENT SERVICES, AND THE COST OF THE SERVICES THAT A THIRD  
4 PARTY WITH WHICH THE INSTITUTE OR INSTITUTE CHARTER SCHOOL  
5 CONTRACTS PROVIDES TO THE INSTITUTE CHARTER SCHOOL.

6 (5) IN ADDITION TO THE MONEYS AN INSTITUTE CHARTER SCHOOL  
7 RECEIVES PURSUANT TO SUBSECTION (4) OF THIS SECTION:

8 (a) (I) THE INSTITUTE SHALL DISTRIBUTE TO EACH QUALIFIED  
9 INSTITUTE CHARTER SCHOOL AN AMOUNT EQUAL TO THE PERCENTAGE OF  
10 THE QUALIFIED INSTITUTE CHARTER SCHOOL'S CERTIFIED AVERAGE DAILY  
11 MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING PERIOD  
12 MULTIPLIED BY THE TOTAL AMOUNT OF STATE EDUCATION FUND MONEYS  
13 DISTRIBUTED TO THE INSTITUTE FOR THE SAME BUDGET YEAR PURSUANT  
14 TO SECTION 22-54.5-309. THE INSTITUTE MUST PROVIDE THE FUNDING TO  
15 EACH QUALIFIED INSTITUTE CHARTER SCHOOL BY MAKING A MONTHLY  
16 PAYMENT TO THE QUALIFIED INSTITUTE CHARTER SCHOOL AS SOON AS  
17 POSSIBLE AFTER THE INSTITUTE RECEIVES A MONTHLY PAYMENT OF  
18 MONEYS PURSUANT TO SECTION 22-54.5-309. THE QUALIFIED INSTITUTE  
19 CHARTER SCHOOL SHALL USE THE MONEYS RECEIVED PURSUANT TO THIS  
20 PARAGRAPH (a) SOLELY FOR CAPITAL CONSTRUCTION AS DEFINED IN  
21 SECTION 22-54.5-309 (1) (a).

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

26 (b) (I) THE INSTITUTE SHALL DISTRIBUTE TO EACH INSTITUTE  
27 CHARTER SCHOOL THE SCHOOL'S PROPORTIONATE SHARE OF MONEYS

1 RECEIVED PURSUANT TO FEDERAL OR STATE CATEGORICAL AID PROGRAMS  
2 BASED ON THE PUPILS ENROLLED IN EACH INSTITUTE CHARTER SCHOOL.

3 (II) EACH INSTITUTE CHARTER SCHOOL THAT SERVES STUDENTS  
4 WHO MAY BE ELIGIBLE TO RECEIVE SERVICES PROVIDED THROUGH  
5 FEDERAL AID PROGRAMS MUST COMPLY WITH ALL FEDERAL REPORTING  
6 REQUIREMENTS TO RECEIVE THE DISTRIBUTION OF FEDERAL AID FROM THE  
7 INSTITUTE.

8 (c) EACH INSTITUTE CHARTER SCHOOL RETAINS THE FEES  
9 COLLECTED FROM STUDENTS ENROLLED AT THE INSTITUTE CHARTER  
10 SCHOOL.

11 (6) EACH INSTITUTE CHARTER SCHOOL SHALL PAY AN AMOUNT  
12 EQUAL TO THE PER PUPIL COST INCURRED BY THE INSTITUTE IN PROVIDING  
13 FEDERALLY REQUIRED EDUCATIONAL SERVICES, MULTIPLIED BY THE  
14 NUMBER OF STUDENTS ENROLLED IN THE INSTITUTE CHARTER SCHOOL. AT  
15 EITHER PARTY'S REQUEST, THE INSTITUTE CHARTER SCHOOL AND THE  
16 INSTITUTE MAY NEGOTIATE AND INCLUDE IN THE CHARTER CONTRACT  
17 ALTERNATE ARRANGEMENTS FOR THE PROVISION OF AND PAYMENT FOR  
18 FEDERALLY REQUIRED EDUCATIONAL SERVICES, INCLUDING BUT NOT  
19 NECESSARILY LIMITED TO A REASONABLE RESERVE NOT TO EXCEED FIVE  
20 PERCENT OF THE INSTITUTE'S TOTAL BUDGET FOR PROVIDING FEDERALLY  
21 REQUIRED EDUCATIONAL SERVICES. THE INSTITUTE SHALL USE THE  
22 RESERVE ONLY TO OFFSET THE EXCESS COSTS OF PROVIDING SERVICES TO  
23 STUDENTS WITH DISABILITIES WHO ARE ENROLLED IN AN INSTITUTE  
24 CHARTER SCHOOL.

25 (7) EACH INSTITUTE CHARTER SCHOOL THAT RECEIVES AT-RISK  
26 FUNDING SHALL USE THE AT-RISK FUNDING TO PROVIDE PROGRAMS,  
27 ACTIVITIES, AND PERSONNEL THAT PRIMARILY SERVE AT-RISK PUPILS.

1 EACH INSTITUTE CHARTER SCHOOL THAT RECEIVES ENGLISH LANGUAGE  
2 LEARNER FUNDING SHALL USE THE ENGLISH LANGUAGE LEARNER FUNDING  
3 TO PROVIDE PROGRAMS, ACTIVITIES, AND PERSONNEL THAT PRIMARILY  
4 SERVE ENGLISH LANGUAGE LEARNERS.

5 (8) (a) WITHIN NINETY DAYS AFTER THE END OF EACH BUDGET  
6 YEAR, THE INSTITUTE SHALL PROVIDE TO EACH INSTITUTE CHARTER  
7 SCHOOL AN ITEMIZED ACCOUNTING OF ALL THE INSTITUTE'S  
8 ADMINISTRATIVE OVERHEAD COSTS.

9 (b) WITHIN NINETY DAYS AFTER THE END OF EACH BUDGET YEAR,  
10 THE INSTITUTE SHALL PROVIDE TO EACH INSTITUTE CHARTER SCHOOL AN  
11 ITEMIZED ACCOUNTING OF ALL OF THE ACTUAL COSTS OF ANY ADDITIONAL  
12 SERVICES THE INSTITUTE CHARTER SCHOOL CHOSE TO PURCHASE AS  
13 PROVIDED IN PARAGRAPH (b) OF SUBSECTION (4) OF THIS SECTION. THE  
14 INSTITUTE AND THE INSTITUTE CHARTER SCHOOL SHALL RECONCILE ANY  
15 DIFFERENCE BETWEEN THE AMOUNT INITIALLY CHARGED TO THE  
16 INSTITUTE CHARTER SCHOOL AND THE ACTUAL COST OF THE SERVICES,  
17 AND THE OWED PARTY SHALL RECEIVE APPROPRIATE REIMBURSEMENT.

18 (9) (a) THE GOVERNING BODY OF AN INSTITUTE CHARTER SCHOOL  
19 MAY ACCEPT GIFTS, DONATIONS, OR GRANTS OF ANY KIND MADE TO THE  
20 INSTITUTE CHARTER SCHOOL AND EXPEND OR USE THE GIFTS, DONATIONS,  
21 OR GRANTS IN ACCORDANCE WITH THE CONDITIONS PRESCRIBED BY THE  
22 DONOR; HOWEVER, THE GOVERNING BODY SHALL NOT ACCEPT A GIFT,  
23 DONATION, OR GRANT IF THE GIFT, DONATION, OR GRANT IS SUBJECT TO  
24 ANY CONDITION CONTRARY TO LAW OR CONTRARY TO THE TERMS OF THE  
25 CHARTER CONTRACT BETWEEN THE INSTITUTE CHARTER SCHOOL AND THE  
26 INSTITUTE.

27 (b) MONEYS THAT AN INSTITUTE CHARTER SCHOOL RECEIVES FROM

1 ANY SOURCE AND THAT REMAIN IN THE INSTITUTE CHARTER SCHOOL'S  
2 ACCOUNTS AT THE END OF A BUDGET YEAR MUST REMAIN IN THE  
3 INSTITUTE CHARTER SCHOOL'S ACCOUNTS FOR THE INSTITUTE CHARTER  
4 SCHOOL'S USE DURING SUBSEQUENT BUDGET YEARS AND DO NOT REVERT  
5 TO THE STATE. MONEYS REMAINING IN THE INSTITUTE CHARTER SCHOOL'S  
6 ACCOUNTS UPON THE REVOCATION OR NONRENEWAL OF THE CHARTER  
7 CONTRACT REVERT TO THE INSTITUTE; EXCEPT THAT ANY GIFTS MUST BE  
8 DISPOSED OF IN ACCORDANCE WITH ANY CONDITIONS PRESCRIBED BY THE  
9 DONOR THAT ARE NOT CONTRARY TO LAW.

10 (10) (a) ON OR BEFORE DECEMBER 1 OF EACH YEAR, A  
11 REPRESENTATIVE FROM THE GOVERNING BOARD OF EACH INSTITUTE  
12 CHARTER SCHOOL AND THE INSTITUTE BOARD SHALL MEET TO REVIEW THE  
13 LEVEL OF FUNDING RECEIVED BY THE INSTITUTE AS A RESULT OF THE  
14 MONEYS WITHHELD BY THE INSTITUTE FOR THE AMOUNT OF ACTUAL COSTS  
15 INCURRED BY THE INSTITUTE IN PROVIDING NECESSARY ADMINISTRATION,  
16 OVERSIGHT, AND MANAGEMENT SERVICES TO THE INSTITUTE CHARTER  
17 SCHOOLS. THE INSTITUTE CHARTER SCHOOL REPRESENTATIVES AND THE  
18 INSTITUTE BOARD SHALL, AT A MINIMUM, REVIEW FOR EACH BUDGET YEAR  
19 THE AMOUNT OF MONEYS ANNUALLY APPROPRIATED TO THE INSTITUTE,  
20 THE AMOUNT OF COSTS INCURRED BY THE INSTITUTE, AND THE SERVICES  
21 PROVIDED BY THE INSTITUTE.

22 (b) ON OR BEFORE JANUARY 15 OF EACH YEAR, THE INSTITUTE  
23 BOARD SHALL SUBMIT TO THE EDUCATION COMMITTEES OF THE SENATE  
24 AND THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES,  
25 THE FINDINGS OF THE REVIEW DESCRIBED IN PARAGRAPH (a) OF THIS  
26 SUBSECTION (10) AND ANY RECOMMENDATIONS FOR LEGISLATIVE  
27 CHANGES REGARDING THE OPERATIONS OF THE INSTITUTE.

1 (c) THE PROVISIONS OF THIS SUBSECTION (10) DO NOT LIMIT THE  
2 AUTHORITY OF THE INSTITUTE OR THE INSTITUTE BOARD IN MAKING  
3 DECISIONS CONCERNING OPERATIONS OF THE INSTITUTE OR THE USE OF  
4 INSTITUTE MONEYS.

5 (11)(a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY  
6 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION HELD NO  
7 LATER THAN NOVEMBER 2017 AT WHICH A MAJORITY OF THOSE VOTING  
8 APPROVE AN INCREASE IN STATE TAX REVENUES FOR THE PURPOSE OF  
9 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.

15 **SECTION 4.** In Colorado Revised Statutes, **add 22-28-104.1** and  
16 **22-28-107.1** as follows:

17 **22-28-104.1. Establishment of public preschool programs.**

18 (1) THE COLORADO PRESCHOOL PROGRAM IS ESTABLISHED IN THE  
19 DEPARTMENT AND AS A LOCAL PROGRAM IN EACH SCHOOL DISTRICT. THE  
20 PURPOSES OF THE PROGRAM ARE:

21 (a) TO SERVE THREE-, FOUR-, AND FIVE-YEAR-OLD CHILDREN WHO  
22 LACK OVERALL LEARNING READINESS DUE TO SIGNIFICANT FAMILY RISK  
23 FACTORS, WHO ARE IN NEED OF LANGUAGE DEVELOPMENT, OR WHO ARE  
24 RECEIVING SERVICES FROM THE DEPARTMENT OF HUMAN SERVICES  
25 PURSUANT TO ARTICLE 5 OF TITLE 26, C.R.S., AS NEGLECTED OR  
26 DEPENDENT CHILDREN AND WHO WOULD BENEFIT FROM PARTICIPATION IN  
27 THE COLORADO PRESCHOOL PROGRAM;

1 (b) TO ESTABLISH CRITERIA THAT SCHOOL DISTRICTS AND  
2 INSTITUTE CHARTER SCHOOLS MUST FOLLOW TO ESTABLISH DISTRICT AND  
3 INSTITUTE CHARTER SCHOOL PRESCHOOL PROGRAMS; AND

4 (c) TO ENCOURAGE PARENTS TO PARTICIPATE WITH THEIR  
5 CHILDREN IN DISTRICT OR INSTITUTE CHARTER SCHOOL PRESCHOOL  
6 PROGRAMS.

7 (2) ALL CHILDREN WHO MEET THE ELIGIBILITY REQUIREMENTS  
8 SPECIFIED IN SECTION 22-28-106 MAY PARTICIPATE IN THE COLORADO  
9 PRESCHOOL PROGRAM AS HALF-TIME PUPILS.

10 (3) EACH SCHOOL DISTRICT AND EACH INSTITUTE CHARTER  
11 SCHOOL SHALL INCLUDE IN THE MEMBERSHIP CERTIFIED TO THE  
12 DEPARTMENT PURSUANT TO SECTION 22-54.5-405 THE PUPILS ENROLLED  
13 IN THE COLORADO PRESCHOOL PROGRAM TO RECEIVE FUNDING FOR THOSE  
14 PUPILS THROUGH THE "PUBLIC SCHOOL FINANCE ACT", ARTICLE 54.5 OF  
15 THIS TITLE.

16 (4) THIS ARTICLE DOES NOT PROHIBIT A SCHOOL DISTRICT FROM  
17 ESTABLISHING AND MAINTAINING OTHER PRESCHOOL PROGRAMS USING  
18 ANY FUNDS AVAILABLE FOR THAT PURPOSE, BUT THE SCHOOL DISTRICT  
19 SHALL NOT COUNT CHILDREN ENROLLED IN ANOTHER PRESCHOOL  
20 PROGRAM FOR PURPOSES OF DETERMINING AVERAGE DAILY MEMBERSHIP  
21 UNDER THE "PUBLIC SCHOOL FINANCE ACT", ARTICLE 54.5 OF THIS TITLE.

22 (5) (a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY  
23 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION HELD NO  
24 LATER THAN NOVEMBER 2017 AT WHICH A MAJORITY OF THOSE VOTING  
25 APPROVE AN INCREASE IN STATE TAX REVENUES FOR THE PURPOSE OF  
26 FUNDING PUBLIC EDUCATION.

27 (b) THE PROVISIONS OF THIS SECTION APPLY IN THE SECOND

1 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
2 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE  
3 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
4 THEREAFTER.

5 **22-28-107.1. District and institute charter school preschool**  
6 **programs - plans.** (1) EACH SCHOOL DISTRICT THAT HAS NOT SUBMITTED  
7 A PLAN TO THE DEPARTMENT BY THE EFFECTIVE DATE OF THIS SECTION TO  
8 IMPLEMENT A DISTRICT PRESCHOOL PROGRAM SHALL DO SO WITHIN SIX  
9 MONTHS AFTER THAT DATE. AN INSTITUTE CHARTER SCHOOL THAT  
10 CHOOSES TO OFFER A PRESCHOOL PROGRAM PURSUANT TO THIS SECTION  
11 SHALL SUBMIT A PLAN TO IMPLEMENT THE PRESCHOOL PROGRAM TO THE  
12 DEPARTMENT AT LEAST SIX MONTHS BEFORE THE PRESCHOOL PROGRAM  
13 BEGINS OPERATION. A SCHOOL DISTRICT'S OR INSTITUTE CHARTER  
14 SCHOOL'S PLAN MUST INCLUDE, BUT NEED NOT BE LIMITED TO, THE  
15 FOLLOWING INFORMATION REQUESTED BY THE DEPARTMENT:

16 (a) THE NUMBER OF ELIGIBLE CHILDREN THAT THE PRESCHOOL  
17 PROGRAM IS EXPECTED TO SERVE;

18 (b) WHETHER THE PRESCHOOL PROGRAM WILL BE A  
19 FOUR-AND-ONE-HALF-MONTH, NINE-MONTH, OR TWELVE-MONTH  
20 PROGRAM;

21 (c) WHETHER THE SCHOOL DISTRICT OR INSTITUTE CHARTER  
22 SCHOOL ITSELF WILL PROVIDE THE PRESCHOOL PROGRAM OR WHETHER A  
23 HEAD START AGENCY OR ONE OR MORE CHILD CARE AGENCIES UNDER  
24 CONTRACT WITH THE SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL  
25 WILL PROVIDE THE PRESCHOOL PROGRAM IN WHOLE OR IN PART;

26 (d) IF THE SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL WILL  
27 PROVIDE THE PRESCHOOL PROGRAM:



1 (I) THE NUMBER OF SCHOOLS IN THE SCHOOL DISTRICT THAT WILL  
2 BE INVOLVED IF IT IS A DISTRICT PRESCHOOL PROGRAM;

3 (II) THE NUMBER OF ADDITIONAL PERSONNEL NEEDED TO STAFF  
4 THE PRESCHOOL PROGRAM; AND

5 (III) THE TRAINING PROGRAM FOR PRESCHOOL TEACHERS;

6 (e) IF A HEAD START AGENCY OR CHILD CARE AGENCIES UNDER  
7 CONTRACT WITH THE SCHOOL DISTRICT OR THE INSTITUTE CHARTER  
8 SCHOOL WILL PROVIDE THE PRESCHOOL PROGRAM, IN WHOLE OR IN PART:

9 (I) THE HEAD START AGENCY OR CHILD CARE AGENCIES WITH  
10 WHICH THE SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL WILL  
11 CONTRACT;

12 (II) THE TERMS OF THE CONTRACTS; AND

13 (III) THE PROCEDURE THE SCHOOL DISTRICT OR INSTITUTE  
14 CHARTER SCHOOL WILL USE TO MONITOR THE PRESCHOOL PROGRAM THAT  
15 THE HEAD START AGENCY OR CHILD CARE AGENCIES ARE PROVIDING;

16 (f) THE EXTENDED DAY SERVICES, IF ANY, TO BE PROVIDED IN  
17 CONNECTION WITH THE PRESCHOOL PROGRAM;

18 (g) THE PLAN FOR COORDINATING THE PRESCHOOL PROGRAM WITH  
19 FAMILY SUPPORT SERVICES FOR CHILDREN PARTICIPATING IN THE  
20 PROGRAM AND THEIR FAMILIES;

21 (h) THE PLAN FOR INVOLVING THE PARENT OR PARENTS OF EACH  
22 CHILD ENROLLED IN THE PRESCHOOL PROGRAM IN PARTICIPATION IN THE  
23 PROGRAM;

24 (i) THE PLAN FOR COORDINATING THE PRESCHOOL PROGRAM WITH  
25 A PARENTING PROGRAM;

26 (j) THE PLAN FOR INVOLVING PARENTS AND THE COMMUNITY IN  
27 THE PRESCHOOL PROGRAM; AND

1 (k) THE PROCEDURE THE SCHOOL DISTRICT OR INSTITUTE CHARTER  
2 SCHOOL WILL FOLLOW TO EVALUATE THE CURRENT AND CONTINUING  
3 EFFECTIVENESS OF THE PRESCHOOL PROGRAM.

4 (2) A SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL THAT  
5 PARTICIPATES IN THE COLORADO PRESCHOOL PROGRAM BY OFFERING A  
6 NINE-MONTH PROGRAM MAY, IN THE FIRST YEAR OF OPERATION, APPLY  
7 FOR PERMISSION FROM THE DEPARTMENT TO RECEIVE FUNDING FOR A  
8 NINE-MONTH PROGRAM BUT TO USE UP TO HALF OF THE MONEYS  
9 ALLOCATED FOR THE PROGRAM TO PREPARE, DURING THE FIRST HALF OF  
10 THE SCHOOL YEAR, TO OFFER A PRESCHOOL PROGRAM AND TO USE THE  
11 REMAINDER OF THE MONEYS TO OFFER, DURING THE SECOND HALF OF THE  
12 SCHOOL YEAR, A FOUR-AND-ONE-HALF-MONTH PRESCHOOL PROGRAM.

13 (3) (a) UPON THE REQUEST OF A SCHOOL DISTRICT OR AN  
14 INSTITUTE CHARTER SCHOOL, THE DEPARTMENT SHALL PROVIDE, SUBJECT  
15 TO AVAILABLE RESOURCES, SUCH TECHNICAL ASSISTANCE AS MAY BE  
16 NECESSARY FOR THE SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL TO  
17 SUBMIT ITS PLAN FOR IMPLEMENTING THE PRESCHOOL PROGRAM AND FOR  
18 ONGOING TRAINING OF PERSONNEL FOR THE SUCCESSFUL IMPLEMENTATION  
19 OF THE PROGRAM.

20 (b) THE DEPARTMENT SHALL ANNUALLY CONDUCT ON-SITE VISITS  
21 AT A REASONABLE NUMBER OF SCHOOL DISTRICTS AND INSTITUTE  
22 CHARTER SCHOOLS TO DETERMINE WHETHER:

23 (I) EACH SCHOOL DISTRICT'S AND INSTITUTE CHARTER SCHOOL'S  
24 SCREENING PROCESS AND THE ELIGIBILITY CRITERIA FOR CHILDREN  
25 PARTICIPATING IN THE PRESCHOOL PROGRAM COMPLY WITH ALL  
26 APPLICABLE STATE LAWS;

27 (II) THE DISTRICT ADVISORY COUNCIL ESTABLISHED PURSUANT TO

1 SECTION 22-28-105 FOR A DISTRICT PRESCHOOL PROGRAM COMPLIES WITH  
2 ALL APPLICABLE STATE LAWS; AND

3 (III) THE SCHOOL DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S  
4 QUALITY ASSURANCE ACTIVITIES, EVALUATION EFFORTS, AND FINANCIAL  
5 ACTIVITIES REGARDING THE PRESCHOOL PROGRAM COMPLY WITH ALL  
6 APPLICABLE STATE LAWS.

7 (4) (a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY  
8 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION HELD NO  
9 LATER THAN NOVEMBER 2017 AT WHICH A MAJORITY OF THOSE VOTING  
10 APPROVE AN INCREASE IN STATE TAX REVENUES FOR THE PURPOSE OF  
11 FUNDING PUBLIC EDUCATION.

12 (b) THE PROVISIONS OF THIS SECTION APPLY IN THE SECOND  
13 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
14 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE  
15 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
16 THEREAFTER.

17 **SECTION 5.** In Colorado Revised Statutes, 22-45-103, **add** (1)  
18 (i) as follows:

19 **22-45-103. Funds.** (1) The following funds are created for each  
20 school district for purposes specified in this article:

21 (i) **Technology and building maintenance and operation fund.**

22 (I) THE REVENUES FROM A TAX LEVIED PURSUANT TO SECTION  
23 22-54.5-207 FOR THE PURPOSES OF TECHNOLOGY AND BUILDING  
24 MAINTENANCE AND OPERATION SHALL BE DEPOSITED IN THE TECHNOLOGY  
25 AND BUILDING MAINTENANCE AND OPERATION FUND. EXPENDITURES  
26 FROM THE FUND ARE LIMITED TO PAYMENT OF THE COSTS OF ACQUIRING  
27 AND MAINTAINING TECHNOLOGY AND THE COSTS OF BUILDING

1 MAINTENANCE AND OPERATION FOR THE BUILDINGS OF THE DISTRICT AS  
2 AUTHORIZED IN THE BUDGET OF THE DISTRICT. ANY MONEYS REMAINING  
3 IN THE FUND AT THE END OF A FISCAL YEAR MUST REMAIN IN THE FUND  
4 AND MUST BE USED TO REDUCE THE LEVY FOR TECHNOLOGY AND BUILDING  
5 MAINTENANCE AND OPERATION IN FUTURE YEARS.

6 (II) (A) THIS PARAGRAPH (i) TAKES EFFECT UPON THE  
7 PROCLAMATION BY THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE  
8 ELECTION HELD NO LATER THAN NOVEMBER 2017 AT WHICH A MAJORITY  
9 OF THOSE VOTING APPROVE AN INCREASE IN STATE TAX REVENUES FOR  
10 THE PURPOSE OF FUNDING PUBLIC EDUCATION.

11 (B) THE PROVISIONS OF THIS PARAGRAPH (i) APPLY IN THE SECOND  
12 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
13 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE  
14 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
15 THEREAFTER.

16 **SECTION 6.** In Colorado Revised Statutes, 22-44-105, **amend**  
17 (4) as follows:

18 **22-44-105. Budget - contents - mandatory.** (4) (a) ~~Not later than~~  
19 ~~July 1, 1998;~~ The state board of education, with input from the financial  
20 policies and procedures advisory committee, shall establish, ~~and~~  
21 implement, AND MAINTAIN a statewide financial, student management,  
22 and human resource electronic data communications and reporting system  
23 that is based on a ~~redesigned~~ standard chart of accounts, a standard  
24 information system, and a standard personnel classification system AND  
25 THAT INCLUDES TO THE FULLEST EXTENT POSSIBLE COMPARABLE  
26 REPORTING OF EXPENDITURES AT THE SCHOOL-SITE LEVEL AS WELL AS AT  
27 THE SCHOOL DISTRICT LEVEL, AT THE BOARD OF COOPERATIVE SERVICES

1 LEVEL, AND BY THE STATE CHARTER SCHOOL INSTITUTE. The department  
2 of education, THE STATE CHARTER SCHOOL INSTITUTE, and all DISTRICT  
3 CHARTER SCHOOLS, INSTITUTE CHARTER SCHOOLS, school districts, and  
4 boards of cooperative services in the state shall use the system to report  
5 and obtain necessary financial information.

6 (b) In ~~redesigning~~ IMPLEMENTING AND MAINTAINING the financial  
7 and human resource reporting system pursuant to paragraph (a) of this  
8 section, the state board of education shall adhere to, but is not limited to,  
9 the following guidelines:

10 (I) The ~~financial and human resource~~ reporting system ~~shall~~ MUST  
11 be based on a ~~redesigned~~ STANDARD chart of accounts that ~~will make~~  
12 MAKES school-to-school and school district-to-school district comparisons  
13 ~~more~~ accurate and meaningful;

14 (II) THE REPORTING SYSTEM, INCLUDING THE STANDARD CHART OF  
15 ACCOUNTS, MUST REQUIRE THE REPORTING OF EXPENDITURES, INCLUDING  
16 BUT NOT LIMITED TO SALARY AND BENEFIT EXPENDITURES, AT THE SCHOOL  
17 SITE LEVEL;

18 ~~(H)~~ (III) The ~~financial and human resource~~ reporting system ~~shall~~  
19 MUST provide standard definitions for employment positions such that  
20 full, accurate disclosure of administrative costs is made within the  
21 budgets and the financial statements of every school district;

22 (IV) THE SYSTEM MUST REQUIRE EACH CHARTER SCHOOL, EACH  
23 SCHOOL DISTRICT FOR THE DISTRICT AS A WHOLE AND FOR EACH SCHOOL  
24 OF THE SCHOOL DISTRICT, EACH BOARD OF COOPERATIVE SERVICES, AND  
25 THE INSTITUTE TO REPORT THE NUMBER AND PERCENTAGES OF  
26 PROFESSIONAL INSTRUCTIONAL STAFF DISAGGREGATED BY RACE AND THE  
27 NUMBER AND PERCENTAGES OF STUDENTS DISAGGREGATED BY RACE;

1           ~~(HH)~~ (V) The ~~financial~~ reporting system ~~shall~~ MUST make it  
2 possible to collect comparable data by program and school site;     

3           (VI) THE REPORTING SYSTEM MUST REQUIRE EACH CHARTER  
4 SCHOOL, EACH SCHOOL DISTRICT, EACH BOARD OF COOPERATIVE SERVICES,  
5 AND THE INSTITUTE TO REPORT ACTUAL SALARY AMOUNTS WHEN  
6 REPORTING SALARY EXPENDITURES AND REQUIRE EACH CHARTER SCHOOL,  
7 EACH SCHOOL DISTRICT, EACH BOARD OF COOPERATIVE SERVICES, AND  
8 THE INSTITUTE TO REPORT BENEFIT EXPENDITURES BY TYPE OF BENEFIT;  
9 AND

10           (VII) THE REPORTING SYSTEM MUST REQUIRE EACH DISTRICT TO  
11 REPORT THE TOTAL AMOUNT OF ADDITIONAL LOCAL PROPERTY TAX  
12 REVENUES THE DISTRICT IS AUTHORIZED TO COLLECT IN ADDITION TO THE  
13 DISTRICT'S TOTAL PROGRAM MILL LEVY, BUT NOT INCLUDING AMOUNTS  
14 AUTHORIZED PURSUANT TO SECTION 22-40-110 OR ARTICLE 42 OR ARTICLE  
15 43 OF THIS TITLE, AND THE AMOUNT OF THE ADDITIONAL LOCAL PROPERTY  
16 TAX REVENUES THAT THE DISTRICT DISTRIBUTES TO CHARTER SCHOOLS OF  
17 THE SCHOOL DISTRICT, STATED AS A DOLLAR AMOUNT AND A PERCENTAGE.

18           (c) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION (4) TO  
19 THE CONTRARY, IF A SCHOOL DISTRICT'S AVERAGE DAILY MEMBERSHIP FOR  
20 THE MOST RECENT FUNDING AVERAGING PERIOD IS ONE THOUSAND OR  
21 FEWER STUDENTS, THE SCHOOL DISTRICT MAY DECIDE WHETHER TO  
22 REPORT EXPENDITURES AT THE SCHOOL-SITE LEVEL.

23           (d) THE REQUIREMENTS SPECIFIED IN THIS SUBSECTION (4) TO  
24 REPORT INFORMATION AT THE SCHOOL-SITE LEVEL APPLY TO THE 2014-15  
25 BUDGET YEAR AND BUDGET YEARS THEREAFTER.

26           ~~(e) (e) Nothing in this section shall be interpreted to require~~  
27 ~~accounting of salary and benefit costs by school site.~~ THE DEPARTMENT

1 SHALL CREATE OR CONTRACT FOR THE CREATION OF A WEB SITE VIEW  
2 THAT, AT A MINIMUM, TRANSLATES THE REPORTED EXPENDITURES FOR  
3 SCHOOL SITES, SCHOOL DISTRICTS, THE STATE CHARTER SCHOOL  
4 INSTITUTE, AND BOARDS OF COOPERATIVE SERVICES INTO A FORMAT THAT  
5 IS READABLE BY A LAYPERSON. IN ADDITION, THE DEPARTMENT SHALL  
6 COLLECT, REVIEW, AND STANDARDIZE THE DATA REPORTED BY THE STATE  
7 CHARTER SCHOOL INSTITUTE, CHARTER SCHOOLS, DISTRICTS, AND BOARDS  
8 OF COOPERATIVE SERVICES PURSUANT TO THIS SUBSECTION (4) TO ENSURE  
9 THE GREATEST LEVEL OF TRANSPARENCY AND COMPARABILITY OF  
10 EXPENDITURES AMONG SCHOOL SITES, SCHOOL DISTRICTS, THE STATE  
11 CHARTER SCHOOL INSTITUTE, AND BOARDS OF COOPERATIVE SERVICES.

12 ~~(d) Repealed.~~

13 **SECTION 7.** In Colorado Revised Statutes, **add 22-2-113.7** as  
14 follows:

15 **22-2-113.7. Department of education - additional local**  
16 **revenues - distribution to charter schools - annual report.** (1) THE  
17 DEPARTMENT SHALL ANNUALLY COMPILE A REPORT OF THE INFORMATION  
18 RECEIVED PURSUANT TO SECTION 22-44-105 (4) (b) (VI) CONCERNING THE  
19 COLLECTION OF ADDITIONAL LOCAL PROPERTY TAX REVENUES BY EACH  
20 DISTRICT AND THE DISTRIBUTION OF A PORTION OF THE REVENUES TO THE  
21 CHARTER SCHOOLS OF THE SCHOOL DISTRICT. IN ADDITION TO THE  
22 COMPILED INFORMATION, THE REPORT MUST INCLUDE A COMPARISON OF  
23 THE AMOUNT OF ADDITIONAL LOCAL PROPERTY TAX REVENUES RECEIVED  
24 BY THE DISTRICT AND THE AMOUNT DISTRIBUTED TO THE CHARTER  
25 SCHOOLS OF THE DISTRICT AT THE DISTRICT LEVEL AND AGGREGATED  
26 STATEWIDE.

27 (2) (a) THE DEPARTMENT SHALL ALLOW EACH DISTRICT AND EACH

1 DISTRICT CHARTER SCHOOL TO REVIEW THE REPORT BEFORE PUBLICATION.  
2 A DISTRICT OR A CHARTER SCHOOL MAY REQUEST THAT THE DEPARTMENT  
3 COMPILE AN ADDENDUM TO THE REPORT THAT IS SPECIFIC TO THE  
4 REQUESTING DISTRICT AND THAT EXAMINES THE OVERALL LEVEL OF  
5 FUNDING DISTRIBUTED BY THE DISTRICT TO THE CHARTER SCHOOLS OF THE  
6 DISTRICT, INCLUDING:

- 7 (I) CAPITAL CONSTRUCTION AND FACILITIES FUNDING;
- 8 (II) FUNDING FOR TECHNOLOGY; AND
- 9 (III) ANY OTHER FUNDING THAT THE DISTRICT DISTRIBUTES TO THE  
10 CHARTER SCHOOLS OF THE DISTRICT.

11 (b) THE DEPARTMENT SHALL SIMULTANEOUSLY PUBLISH ON THE  
12 DEPARTMENT WEB SITE THE REPORT AND ANY ADDENDA PREPARED FOR  
13 THE REPORT IN RESPONSE TO A DISTRICT OR CHARTER SCHOOL REQUEST.

14 **SECTION 8.** 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 SECTION. 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 9.** 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 10.** 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 11.** 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 (7), C.R.S.

1           **SECTION 12. Effective date.** This act takes effect upon the  
2 proclamation by the governor of the vote cast in a statewide election held  
3 no later than November 2017 at which a majority of those voting approve  
4 an increase in state tax revenues for the purpose of funding public  
5 education.

6           **SECTION 13. Safety clause.** The general assembly hereby finds,  
7 determines, and declares that this act is necessary for the immediate  
8 preservation of the public peace, health, and safety.