

**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. 13-0347.01 Nicole Myers x4326

**SENATE BILL 13-260**

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**SENATE SPONSORSHIP**

**Hudak and Steadman,**

**HOUSE SPONSORSHIP**

**Hamner,**

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**Senate Committees**

Education  
Appropriations

**House Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING THE FINANCING OF PUBLIC SCHOOLS, AND, IN**  
102             **CONNECTION THEREWITH, MAKING AND REDUCING AN**  
103             **APPROPRIATION.**

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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 amends the "Public School Finance Act of 1994" (act) to modify the funding for public schools from preschool through the twelfth grade for the 2013-14 budget year, and, in some circumstances, for budget years thereafter, as follows:

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.*

**Statewide base per pupil funding:** For the 2013-14 budget year, the statewide base per pupil funding is increased to \$5,954.28 to account for a 1.9% inflation rate.

**Funded pupil count:** Currently, a district's funded pupil count is calculated by adding the district's on-line pupil enrollment, preschool program enrollment, supplemental kindergarten enrollment, and accelerating students through concurrent enrollment (ASCENT) program pupil enrollment, all for the applicable budget year, and the greater of the district's pupil enrollment for the current budget year or an average of the district's pupil enrollment for the current budget year and the 2, 3, or 4 immediately preceding budget years.

In addition, the bill specifies that, notwithstanding the calculation for determining funded pupil count, for the 2013-14 budget year and each budget year thereafter, a district's funded pupil count will not be less than 50 pupils.

**Negative factor:** During the 2010 and 2011 legislative sessions, the general assembly amended the act for the 2010-11 budget year and budget years thereafter to reduce the amount of the annual appropriation to fund the state's share of total program funding for all school districts and the funding for institute charter schools (total program funding) to assist in stabilizing the state budget. The general assembly accomplished the reduction to each district through a calculation that resulted in a factor, called the negative factor, to be applied to each district's total program funding amount in the applicable budget year.

For the 2013-14 budget year, the general assembly has determined that application of the negative factor to total program funding is necessary, but without an additional reduction in the amount of the annual appropriation to fund the state's share of total program funding. For the 2013-14 budget year, the bill increases the total program funding amount by a specified amount compared with the amount currently required in law to account for increases in student enrollment.

**Charter school at-risk supplemental aid:** Currently, certain qualified school districts, district charter schools, and institute charter schools receive at-risk supplemental aid (aid) in addition to the at-risk funding received pursuant to the act. A portion of the funding for the aid comes from the amount recovered by the department of education (department) from school district and charter school audits. The bill eliminates this funding source for the aid and funds the aid from the state public school fund.

**Charter school capital construction:** Currently, \$6 million from the state education fund is annually appropriated for capital construction costs for all eligible districts and for all eligible institute charter schools. For the 2013-14 budget year only, the appropriation from the state education fund for charter school capital construction costs is increased to \$7 million.

In addition to the changes to the act, the bill modifies other provisions related to funding for public schools as follows:

**"READ Act" funding:** During the 2012 legislative session, the general assembly enacted the "READ Act" and specified that, for the 2013-14 state fiscal year and for each state fiscal year thereafter, any interest or income, up to \$16 million, earned on the investment of moneys in the public school fund in excess of \$11 million, other than interest and income credited to the public school capital construction assistance fund, shall be transferred to the early literacy fund to be used for purposes of the "READ Act".

The bill eliminates the provision that authorizes the early literacy fund to receive a transfer from the public school fund and, for the 2013-14 budget year and each budget year thereafter, requires the state treasurer to annually transfer \$16 million from the state education fund to the early literacy fund for purposes of the "READ Act".

**Educator effectiveness:** The great teachers and leaders fund was created to accept moneys to be used for the implementation of the state council for educator effectiveness. For the 2013-14 fiscal year, the bill requires the state treasurer to transfer \$200,000 to the great teachers and leaders fund from the state education fund.

**"Tier B" special education funding:** "Tier B" special education funding is \$6,000 per child with one or more specific disabilities described in law. The department determines the percentage of children for which a district receives such funding based on the amount remaining from the appropriation for special education funding after several other special education funding requirements have been met. For the 2013-14 budget year and each budget year thereafter, the appropriation for special education is increased by \$20 million and is required to be used for "Tier B" special education funding.

**Colorado preschool program:** The Colorado preschool program (CPP) serves children from ages 3 to 5 who lack overall learning readiness due to one or more factors specified in law. For the 2013-14 budget year and each budget year thereafter, the bill increases the number of children who may participate in CPP by 3,200 for a total of 23,360 children who may participate in CPP statewide. The bill allows school districts to serve the total number of additional children eligible to participate in CPP pursuant to the bill with either a half-day or full-day of preschool through the CPP or through a full-day of kindergarten through preexisting school district full-day kindergarten programs.

**Expanding quality incentive program:** The bill creates, in the department and within the CPP, the expanding quality incentive program (program). Through the program, an eligible school district may apply to the department for a grant to obtain a school-readiness quality rating for the district's preschool program and, based on the quality rating that the district's preschool program achieves, receive a quality improvement

grant that the district must use to enhance the quality of the district's preschool program.

Once every 2 years, school districts, based on the recommendation of the school district's preschool program advisory council, may apply to the department to participate in the program. A school district is eligible to participate in the program only if it has established a preschool program through the CPP that is in compliance with the requirements of the CPP and is licensed by the department of human services. School districts that contract out all or any portion of the school district's preschool program to a head start or child care agency must allow the head start or child care agency to participate in the program.

A classroom that is rated with zero, one, or 2 stars will receive a quality improvement grant for 2 years to be used in furtherance of the district's quality improvement plan generated by the quality improvement rating.

Each district that participates in the program must report specified information to the department after the second year in which the district receives the quality improvement grant. In addition, the department must include certain information about the program in its annual report to the general assembly regarding the CPP. The state board of education must promulgate rules to implement and operate the program.

**Public school fund:** The bill eliminates the requirement that up to \$16 million from the interest or income earned on the public school fund be used for the "READ Act" and increases the amount of interest or income earned on the investment of the moneys in the public school fund that shall be credited to the state public school fund for distribution as provided by law from \$11 million to \$16 million.

**"BEST Act":** The bill excludes from the definition of "public school lands income" the income received from bonus payments between July 1, 2012, and June 30, 2016, under the terms of the oil and gas development lease for the Lowry Range property entered into in March 2012.

**Quality teacher recruitment:** The bill requires the department to contract at least one organization (vendors) to create a quality teacher recruitment program (recruitment program) for the state to recruit, select, train, and retain highly qualified teachers to teach in schools and school districts in Colorado that can demonstrate historic difficulty in recruiting and retaining highly qualified teachers. The department must select a vendor that:

- ! Commits to working with one or more districts in the state for at least 2 years to recruit highly qualified teachers;
- ! Has a documented history of recruiting, training, and retaining highly qualified teachers in areas of Colorado or in other states that have had historic difficulty in recruiting and retaining highly qualified teachers;

- ! Commits to hiring only teachers who are highly qualified pursuant to the United States department of education guidelines;
- ! Can demonstrate that the teachers it has worked with in the past achieve high academic growth from their students based on state achievement data or independent studies;
- ! Has a documented history of providing professional development for educators; and
- ! Commits to matching 100% of any moneys paid to the vendor through the contract.

The bill requires a vendor that enters into a contract with the department to operate a recruitment program to submit a report to the department that includes specified data and performance metrics from the prior school year. In addition, the department must contract with a third party to evaluate the recruitment program and to submit a report to the department regarding the progress of the vendor based on the same specified data and performance metrics.

**Nationally board certified teachers:** The department is required to award an annual stipend to a teacher or principal who is employed to teach in a school district, a program operated by a board of cooperative services, a district charter school, or an institute charter school, and who holds a certification from the national board for professional teaching or principal standards. The bill increases the appropriation from the state education fund for the stipends by \$1,339,200.

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

2 **SECTION 1.** In Colorado Revised Statutes, 22-54-104, **add** (5)

3 (a) (XX) as follows:

4 **22-54-104. District total program.** (5) For purposes of the  
5 formulas used in this section:

6 (a) (XX) FOR THE 2013-14 BUDGET YEAR, THE STATEWIDE BASE  
7 PER PUPIL FUNDING IS \$5,954.28, WHICH IS AN AMOUNT EQUAL TO  
8 \$5,843.26, SUPPLEMENTED BY \$111.02 TO ACCOUNT FOR INFLATION.

9 **SECTION 2.** In Colorado Revised Statutes, 22-54-103, **add**

10 (7) (e) (VI) as follows:

11 **22-54-103. Definitions.** As used in this article, unless the context

1 otherwise requires:

2 (7) "Funded pupil count" means:

3

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4 (e)(VI) NOTWITHSTANDING ANY PROVISION OF THIS PARAGRAPH  
5 (e) TO THE CONTRARY, FOR THE 2013-14 BUDGET YEAR AND EACH BUDGET  
6 YEAR THEREAFTER, FOR THE PURPOSES OF THIS SUBSECTION (7), IF A  
7 DISTRICT'S FUNDED PUPIL COUNT CALCULATED PURSUANT TO THIS  
8 SUBSECTION (7) FOR A BUDGET YEAR IS FEWER THAN FIFTY PUPILS, THE  
9 DISTRICT'S FUNDED PUPIL COUNT FOR THE BUDGET YEAR IS FIFTY PUPILS.

10 **SECTION 3.** In Colorado Revised Statutes, 22-54-104, **amend**  
11 **as added by Senate Bill 13-108** (5) (g) (I) (D); and **add** (5) (g) (I) (E) as  
12 follows:

13 **22-54-104. District total program.** (5) For purposes of the  
14 formulas used in this section:

15 (g) (I) For the 2010-11 budget year and each budget year  
16 thereafter, the general assembly determines that stabilization of the state  
17 budget requires a reduction in the amount of the annual appropriation to  
18 fund the state's share of total program funding for all districts and the  
19 funding for institute charter schools. The department of education shall  
20 implement the reduction in total program funding through the application  
21 of a negative factor as provided in this paragraph (g). For the 2010-11  
22 budget year and each budget year thereafter, the department of education  
23 and the staff of the legislative council shall determine, based on budget  
24 projections, the amount of such reduction to ensure the following:

25 (D) That, for the 2013-14 budget year, and each budget year  
26 thereafter, the sum of the total program funding for all districts, including  
27 the funding for institute charter schools, after application of the negative

1 factor, is not less than ~~the sum of the total program funding for all~~  
2 ~~districts, including the funding for institute charter schools, after the~~  
3 ~~application of the negative factor for the immediately preceding budget~~  
4 ~~year, adjusted by the amount necessary to adjust the state average per~~  
5 ~~pupil revenues for the applicable budget year by the rate of inflation, as~~  
6 ~~defined in section 22-55-102 (7), for the calendar year ending in the~~  
7 ~~immediately preceding school district budget year~~ FIVE BILLION FIVE  
8 HUNDRED MILLION TWO HUNDRED SEVENTY-SIX THOUSAND SEVEN  
9 HUNDRED NINETY-FOUR DOLLARS (\$5,500,276,794); except that the  
10 department of education and the staff of the legislative council shall make  
11 mid-year revisions to replace projections with actual figures including,  
12 but not limited to, actual pupil enrollment, assessed valuations, and  
13 specific ownership tax revenue from the prior year, to determine any  
14 necessary changes in the amount of the reduction to maintain a total  
15 program funding amount for the applicable budget year that is consistent  
16 with this sub-subparagraph (D).

17 (E) THAT, FOR THE 2014-15 BUDGET YEAR, AND EACH BUDGET  
18 YEAR THEREAFTER, THE SUM OF THE TOTAL PROGRAM FUNDING FOR ALL  
19 DISTRICTS, INCLUDING THE FUNDING FOR INSTITUTE CHARTER SCHOOLS,  
20 AFTER APPLICATION OF THE NEGATIVE FACTOR, IS NOT LESS THAN THE SUM  
21 OF THE TOTAL PROGRAM FUNDING FOR ALL DISTRICTS, INCLUDING THE  
22 FUNDING FOR INSTITUTE CHARTER SCHOOLS, AFTER THE APPLICATION OF  
23 THE NEGATIVE FACTOR FOR THE IMMEDIATELY PRECEDING BUDGET YEAR,  
24 ADJUSTED BY THE AMOUNT NECESSARY TO ADJUST THE STATE AVERAGE  
25 PER PUPIL REVENUES FOR THE APPLICABLE BUDGET YEAR BY THE RATE OF  
26 INFLATION, AS DEFINED IN SECTION 22-55-102 (7), FOR THE CALENDAR  
27 YEAR ENDING IN THE IMMEDIATELY PRECEDING SCHOOL DISTRICT BUDGET

1 YEAR; EXCEPT THAT THE DEPARTMENT OF EDUCATION AND THE STAFF OF  
2 THE LEGISLATIVE COUNCIL SHALL MAKE MID-YEAR REVISIONS TO REPLACE  
3 PROJECTIONS WITH ACTUAL FIGURES INCLUDING, BUT NOT LIMITED TO,  
4 ACTUAL PUPIL ENROLLMENT, ASSESSED VALUATIONS, AND SPECIFIC  
5 OWNERSHIP TAX REVENUE FROM THE PRIOR YEAR, TO DETERMINE ANY  
6 NECESSARY CHANGES IN THE AMOUNT OF THE REDUCTION TO MAINTAIN A  
7 TOTAL PROGRAM FUNDING AMOUNT FOR THE APPLICABLE BUDGET YEAR  
8 THAT IS CONSISTENT WITH THIS SUB-SUBPARAGRAPH (E).

9           **SECTION 4.** In Colorado Revised Statutes, 22-54-114, **amend**  
10 (4) (c) as follows:

11           **22-54-114. State public school fund.** (4) (c) For the 2012-13  
12 budget year ~~and each budget year thereafter~~, the general assembly shall  
13 appropriate the amount calculated for at-risk supplemental aid pursuant  
14 to sections 22-30.5-112.2 and 22-30.5-513, up to three million eight  
15 hundred thirty-nine thousand six hundred twenty-seven dollars, from any  
16 amounts recovered and received by the department of education during  
17 the applicable budget year.

18           **SECTION 5.** In Colorado Revised Statutes, 22-54-124, **amend**  
19 (3) (a) (III) (A) as follows:

20           **22-54-124. State aid for charter schools - use of state education**  
21 **fund moneys - definitions.** (3) (a) (III) (A) The total amount of state  
22 education fund moneys to be appropriated for all eligible districts and for  
23 all eligible institute charter schools for the 2003-04 through 2011-12  
24 budget years shall be an amount equal to five million dollars; except that,  
25 for the 2006-07 budget year, an additional two million eight hundred  
26 thousand dollars shall be appropriated from the state education fund and  
27 shall be used for the purposes of this section, and for the 2008-09 budget

1 year, an additional one hundred thirty-five thousand dollars shall be  
2 appropriated from the state education fund and shall be distributed  
3 pursuant to section 22-54-133, as said section existed prior to its repeal  
4 in 2010. The total amount of state education fund moneys to be  
5 appropriated for all eligible districts and for all eligible institute charter  
6 schools for the 2012-13 budget year ~~and each budget year thereafter~~ is six  
7 million dollars. THE TOTAL AMOUNT OF STATE EDUCATION FUND MONEYS  
8 TO BE APPROPRIATED FOR ALL ELIGIBLE DISTRICTS AND FOR ALL ELIGIBLE  
9 INSTITUTE CHARTER SCHOOLS FOR THE 2013-14 BUDGET YEAR AND EACH  
10 BUDGET YEAR THEREAFTER IS SEVEN MILLION DOLLARS.

11 **SECTION 6.** In Colorado Revised Statutes, 22-54-129, **amend**  
12 **(2); repeal (1) (e); and add (1) (g) as follows:**

13 **22-54-129. Facility school funding - definitions - legislative**  
14 **declaration.** (1) As used in this section, unless the context otherwise  
15 requires:

16 (e) "State average per pupil revenue" means the total program of  
17 all districts for any budget year divided by the total funded pupil count of  
18 all districts for said budget year.

19 (g) "STATEWIDE BASE PER PUPIL FUNDING" MEANS THE AMOUNT  
20 ANNUALLY SPECIFIED IN SECTION 22-54-104 (5) (a).

21 (2) (a) THE GENERAL ASSEMBLY FINDS THAT:

22 (I) THE UNIQUE ENVIRONMENTS OF APPROVED FACILITY SCHOOLS  
23 AND STATE PROGRAMS AND THE POPULATION OF STUDENTS THAT THEY  
24 SERVE CREATE OBSTACLES TO LEARNING AND ACADEMIC GROWTH THAT  
25 OTHER PUBLIC SCHOOLS AND STUDENTS DO NOT ENCOUNTER;

26 (II) BECAUSE APPROVED FACILITY SCHOOLS AND STATE PROGRAMS  
27 MUST OPERATE YEAR-ROUND, THEIR NEED FOR FUNDING REMAINS

1 CONSTANT YEAR-ROUND; AND

2 (III) ALTHOUGH STUDENTS IN APPROVED FACILITY SCHOOLS MAY  
3 OR MAY NOT BE ECONOMICALLY AT-RISK, THE CIRCUMSTANCES THAT  
4 HAVE RESULTED IN THEIR PLACEMENT IN APPROVED FACILITY SCHOOLS  
5 AND STATE PROGRAMS MAKE IT LIKELY THAT THEY ARE ACADEMICALLY  
6 AT-RISK AND REQUIRE COSTLY EDUCATIONAL SUPPORT SERVICES TO  
7 ACHIEVE ACADEMIC GROWTH.

8 (b) THE GENERAL ASSEMBLY FINDS, THEREFORE, THAT IT IS  
9 APPROPRIATE TO FUND APPROVED FACILITY SCHOOLS AND STATE  
10 PROGRAMS:

11 (I) BY AN ADDITIONAL ONE-THIRD ABOVE THE STATEWIDE BASE  
12 PER PUPIL FUNDING AMOUNT TO RECOGNIZE THE INCREASED COSTS OF  
13 EDUCATING STUDENTS IN APPROVED FACILITY SCHOOLS AND STATE  
14 PROGRAMS YEAR-ROUND; AND

15 (II) BY AN ADDITIONAL FORTY PERCENT ABOVE THE STATEWIDE  
16 BASE PER PUPIL FUNDING AMOUNT TO OFFSET THE INCREASED COSTS  
17 INHERENT IN PROVIDING EDUCATION SERVICES TO THE STUDENTS WHO ARE  
18 PLACED IN APPROVED FACILITY SCHOOLS AND STATE PROGRAMS.

19 (c) (I) For the 2008-09 budget year and each budget year  
20 thereafter, THROUGH THE 2012-13 BUDGET YEAR, each approved facility  
21 school and state program that meets the requirements of this section shall  
22 receive education program funding, which shall be distributed pursuant  
23 to subsection (4) of this section. The amount of funding available for all  
24 approved facility schools and state programs in a budget year shall be an  
25 amount equal to the pupil enrollment of each approved facility school and  
26 state program for the applicable budget year multiplied by an amount  
27 equal to one and one-third of the state average per pupil revenue for the

1 applicable budget year.

2 (II) FOR THE 2013-14 BUDGET YEAR AND EACH BUDGET YEAR  
3 THEREAFTER, EACH APPROVED FACILITY SCHOOL AND STATE PROGRAM  
4 THAT MEETS THE REQUIREMENTS OF THIS SECTION MUST RECEIVE  
5 EDUCATION PROGRAM FUNDING, WHICH MUST BE DISTRIBUTED PURSUANT  
6 TO SUBSECTION (4) OF THIS SECTION. THE AMOUNT OF FUNDING  
7 AVAILABLE FOR ALL APPROVED FACILITY SCHOOLS AND STATE PROGRAMS  
8 IN A BUDGET YEAR IS AN AMOUNT EQUAL TO THE PUPIL ENROLLMENT OF  
9 EACH APPROVED FACILITY SCHOOL AND STATE PROGRAM FOR THE  
10 APPLICABLE BUDGET YEAR MULTIPLIED BY AN AMOUNT EQUAL TO ONE  
11 AND SEVENTY-THREE HUNDREDTHS OF THE STATEWIDE BASE PER PUPIL  
12 FUNDING FOR THE APPLICABLE BUDGET YEAR.

13 **SECTION 7.** In Colorado Revised Statutes, 22-7-1210, **amend**  
14 (1) (d); **repeal** (1) (c); and **add** (1) (e) as follows:

15 **22-7-1210. Early literacy fund - created - repeal.** (1) The early  
16 literacy fund is hereby created in the state treasury and is referred to in  
17 this section as the "fund". The fund shall consist of:

18 (c) ~~Moneys transferred to the fund pursuant to section 22-41-102~~  
19 ~~(3)(c); and~~

20 (d) (I) ~~Any other moneys that the general assembly may~~  
21 ~~appropriate or transfer to the fund~~ FOR THE 2013-14 BUDGET YEAR AND  
22 EACH BUDGET YEAR THEREAFTER, AN AMOUNT EQUAL TO SIXTEEN  
23 MILLION DOLLARS FROM THE STATE EDUCATION FUND. THE STATE  
24 TREASURER SHALL ANNUALLY TRANSFER SAID AMOUNT FROM THE STATE  
25 EDUCATION FUND TO THE EARLY LITERACY FUND.

26 (II) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT,  
27 FOR THE PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE

1 CONSTITUTION, PROVIDING STUDENTS ENROLLED IN KINDERGARTEN, FIRST,  
2 SECOND, OR THIRD GRADE WITH THE INSTRUCTIONAL PROGRAMMING,  
3 INTERVENTION INSTRUCTION, AND SUPPORT NECESSARY TO ENSURE THAT  
4 STUDENTS, BY THE COMPLETION OF THIRD GRADE, CAN DEMONSTRATE A  
5 LEVEL OF COMPETENCY IN READING SKILLS THAT IS NECESSARY TO  
6 SUPPORT THEM IN ACHIEVING THE ACADEMIC STANDARDS AND  
7 EXPECTATIONS APPLICABLE TO THE FOURTH-GRADE CURRICULUM IS A  
8 PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND MAY THEREFORE  
9 RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION  
10 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

11 (e) ANY OTHER MONEYS THAT THE GENERAL ASSEMBLY MAY  
12 APPROPRIATE OR TRANSFER TO THE FUND.

13 **SECTION 8.** In Colorado Revised Statutes, 22-9-105.7, **amend**  
14 (3) as follows:

15 **22-9-105.7. Great teachers and leaders fund - created - gifts,**  
16 **grants, and donations.** (3) (a) For fiscal years 2010-11 and 2011-12, if  
17 two hundred fifty thousand dollars is not credited to the fund through  
18 federal grants on or before September 30, 2010, the commissioner shall  
19 notify the state treasurer of the difference. As provided for in section  
20 22-54-117 (1) (g), upon receipt of such notice, the state treasurer shall  
21 transfer to the fund the amount of the difference out of the contingency  
22 reserve fund, created pursuant to section 22-54-117 for the  
23 implementation of section 22-9-105.5. If there is an insufficient amount  
24 in the contingency reserve fund, the state treasurer shall transfer to the  
25 fund any remaining amount of the difference from the state education  
26 fund, created in section 17 (4) of article IX of the state constitution for the  
27 implementation of section 22-9-105.5.

1 (b) (I) FOR FISCAL YEAR 2013-14, THE STATE TREASURER SHALL  
2 TRANSFER TWO HUNDRED THOUSAND DOLLARS TO THE FUND FROM THE  
3 STATE EDUCATION FUND.

4 (II) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT,  
5 FOR THE PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE  
6 CONSTITUTION, THE IMPLEMENTATION OF THE STATE COUNCIL FOR  
7 EDUCATOR EFFECTIVENESS IS A PROGRAM FOR ACCOUNTABLE EDUCATION  
8 REFORM AND MAY THEREFORE RECEIVE FUNDING FROM THE STATE  
9 EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE  
10 STATE CONSTITUTION.

11 **SECTION 9.** In Colorado Revised Statutes, 22-20-114, **amend**  
12 (1) (c) (I); and **add** (1) (c) (III) as follows:

13 **22-20-114. Funding of programs.** (1) Subject to the provisions  
14 of subsection (3) of this section, for the 2005-06 budget year and each  
15 budget year thereafter, the total amount appropriated to the department for  
16 the payment of costs incurred by administrative units for the provision of  
17 special education programs shall be distributed to each administrative unit  
18 that provides educational services for children with disabilities as follows:

19 (c) (I) If any amount of the total annual appropriation remains  
20 after the distributions specified in paragraphs (a), (a.5), and (b) of this  
21 subsection (1) have been made, and after the distribution of the portion  
22 of the total annual appropriation designated for high cost grants pursuant  
23 to subsection (2) of this section has been made, six thousand dollars per  
24 child with one or more disabilities, as described in subparagraph (II) of  
25 this paragraph (c), for a percentage of such children receiving special  
26 education services from the administrative unit. The department shall  
27 annually determine the percentage of such children for which an

1 administrative unit may receive additional funding pursuant to this  
2 paragraph (c) based on the amount of the remaining appropriation, THE  
3 MONEYS AVAILABLE PURSUANT TO SUB-PARAGRAPH (III) OF THIS  
4 PARAGRAPH (c), and the per-pupil amount of six thousand dollars.

5 (III) (A) FOR THE 2013-14 BUDGET YEAR AND EACH BUDGET YEAR  
6 THEREAFTER, IN ADDITION TO ANY AMOUNT THAT IS AVAILABLE PURSUANT  
7 TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (c), THE GENERAL ASSEMBLY  
8 SHALL APPROPRIATE TWENTY MILLION DOLLARS FROM THE STATE  
9 EDUCATION FUND TO THE DEPARTMENT FOR THE PURPOSES OF THIS  
10 PARAGRAPH (c).

11 (B) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT,  
12 FOR THE PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE  
13 CONSTITUTION, PROVIDING ADDITIONAL MONEYS TO CHILDREN WITH ONE  
14 OR MORE DISABILITIES, AS DESCRIBED IN SUBPARAGRAPH (II) OF THIS  
15 PARAGRAPH (c), FOR A PERCENTAGE OF SUCH CHILDREN RECEIVING  
16 SPECIAL EDUCATION SERVICES FROM AN ADMINISTRATIVE UNIT IS A  
17 PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND MAY THEREFORE  
18 RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION  
19 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

20 **SECTION 10.** In Colorado Revised Statutes, **add** 22-28-104.3 as  
21 follows:

22 **22-28-104.3. Early childhood at-risk enhancement.**

23 (1) NOTWITHSTANDING THE NUMBER OF CHILDREN WHO MAY ANNUALLY  
24 PARTICIPATE IN THE COLORADO PRESCHOOL PROGRAM PURSUANT TO  
25 SECTION 22-28-104 (2) (a), FOR THE 2013-14 BUDGET YEAR AND EACH  
26 BUDGET YEAR THEREAFTER, AN ADDITIONAL THREE THOUSAND TWO  
27 HUNDRED CHILDREN MAY ANNUALLY PARTICIPATE IN THE COLORADO

1 PRESCHOOL PROGRAM. THE DEPARTMENT SHALL ALLOCATE THE  
2 AUTHORITY TO ENROLL THE ADDITIONAL CHILDREN IN THE SAME MANNER  
3 PROVIDED IN SECTION 22-28-104; EXCEPT THAT THE PROVISIONS OF  
4 SECTION 22-28-104 (2) (b) DO NOT APPLY.

5 (2) IN ALLOCATING THE AUTHORITY TO ENROLL CHILDREN IN THE  
6 COLORADO PRESCHOOL PROGRAM PURSUANT TO THIS SECTION, THE  
7 DEPARTMENT SHALL ALLOW A SCHOOL DISTRICT TO ENROLL A CHILD IN  
8 THE PROGRAM USING TWO POSITIONS SO THAT THE CHILD MAY ATTEND A  
9 FULL-DAY PRESCHOOL PORTION OF THE DISTRICT'S PRESCHOOL PROGRAM  
10 OR TO USE A PRESCHOOL PROGRAM POSITION TO ENROLL A CHILD IN A  
11 FULL-DAY OF THE DISTRICT'S EXISTING FULL-DAY KINDERGARTEN  
12 PROGRAM.

13 (3) THE COLORADO PRESCHOOL PROGRAM POSITIONS THAT THE  
14 DEPARTMENT ALLOCATES TO A SCHOOL DISTRICT PURSUANT TO  
15 SUBSECTION (1) OF THIS SECTION AND THAT ARE USED TO ALLOW A CHILD  
16 TO ATTEND A HALF-DAY OR FULL-DAY OF PRESCHOOL THROUGH A  
17 DISTRICT'S PRESCHOOL PROGRAM ARE SUBJECT TO ALL OF THE  
18 REQUIREMENTS OF THIS ARTICLE; EXCEPT THAT THE PROVISIONS OF  
19 SECTION 22-28-104 (4) (b) DO NOT APPLY TO POSITIONS ALLOCATED  
20 PURSUANT TO SUBSECTION (1) OF THIS SECTION.

21 **SECTION 11.** In Colorado Revised Statutes, **add** 22-28-115 as  
22 follows:

23 **22-28-115. Expanding quality incentive program - legislative**  
24 **declaration.** (1) THE GENERAL ASSEMBLY FINDS THAT:

25 (a) QUALITY PRESCHOOL PROGRAMS ARE VITAL TO THE HEALTH  
26 AND WELL-BEING OF THE CHILDREN IN COLORADO;

27 (b) THE HUMAN CAPACITY TO DEVELOP AND CHANGE IS GREATEST

1 FROM BIRTH TO FIVE YEARS, WHEN THE BRAIN IS MOST MALLEABLE AND  
2 ABLE TO CHANGE IN RESPONSE TO EDUCATION AND STIMULATION;

3 (c) THE INVESTMENT MADE IN QUALITY PRESCHOOL BENEFITS  
4 CHILDREN, PARENTS, AND THE COMMUNITY IN THE LONG TERM;

5 (d) CHILDREN WHO PARTICIPATE IN THE COLORADO PRESCHOOL  
6 PROGRAM ARE LESS LIKELY TO REPEAT A GRADE OR REQUIRE SPECIAL  
7 EDUCATION SERVICES AND MORE LIKELY TO SHOW DESIRABLE ACADEMIC  
8 GROWTH AND ACHIEVEMENT;

9 (e) HIGH-QUALITY PRESCHOOL PROGRAMS ARE KNOWN TO RESULT  
10 IN GREATER KINDERGARTEN READINESS AND ACADEMIC ACHIEVEMENT;

11 AND

12 (f) GRANTS TO IMPROVE PRESCHOOL PROGRAMS RECOGNIZE AND  
13 SUPPORT THE COST OF PROVIDING HIGH-QUALITY EARLY LEARNING,  
14 ENSURE PRESCHOOL PROGRAM SUSTAINABILITY, AND RESULT IN A BETTER  
15 RETURN ON THE MONEY INVESTED IN THE PRESCHOOL PROGRAM.

16 (2) THERE IS CREATED IN THE DEPARTMENT WITHIN THE  
17 COLORADO PRESCHOOL PROGRAM THE EXPANDING QUALITY INCENTIVE  
18 PROGRAM, REFERRED TO IN THIS SECTION AS THE "PROGRAM". THROUGH  
19 THE PROGRAM, AN ELIGIBLE SCHOOL DISTRICT MAY APPLY TO THE  
20 DEPARTMENT TO RECEIVE AN INITIAL GRANT TO PAY THE COST OF  
21 OBTAINING A SCHOOL-READINESS QUALITY RATING PURSUANT TO SECTION  
22 26-6.5-106 (5), C.R.S., FOR THE DISTRICT'S PRESCHOOL PROGRAM AND,  
23 BASED ON THE QUALITY RATING THAT THE DISTRICT'S PRESCHOOL  
24 PROGRAM ACHIEVES, TO RECEIVE A QUALITY IMPROVEMENT GRANT THAT  
25 THE DISTRICT MUST USE TO ENHANCE THE QUALITY OF THE DISTRICT'S  
26 PRESCHOOL PROGRAM.

27 (3) (a) THE SCHOOL DISTRICT PRESCHOOL PROGRAM ADVISORY

1 COUNCIL FOR A SCHOOL DISTRICT SHALL ASSESS THE SCHOOL DISTRICT'S  
2 NEED TO PARTICIPATE IN THE PROGRAM AND RECOMMEND TO THE SCHOOL  
3 DISTRICT BOARD OF EDUCATION WHETHER IT WOULD BE BENEFICIAL FOR  
4 THE SCHOOL DISTRICT TO APPLY TO THE DEPARTMENT TO PARTICIPATE IN  
5 THE PROGRAM.

6 (b) FOR THE 2013-14 BUDGET YEAR AND EVERY SECOND BUDGET  
7 YEAR THEREAFTER, AN ELIGIBLE SCHOOL DISTRICT MAY, UPON  
8 RECOMMENDATION OF THE SCHOOL DISTRICT PRESCHOOL PROGRAM  
9 ADVISORY COUNCIL, APPLY TO THE DEPARTMENT TO PARTICIPATE IN THE  
10 PROGRAM. A SCHOOL DISTRICT IS AN ELIGIBLE SCHOOL DISTRICT FOR  
11 PURPOSES OF THIS SECTION IF IT HAS ESTABLISHED A PRESCHOOL PROGRAM  
12 THROUGH THIS ARTICLE THAT IS IN COMPLIANCE WITH THE REQUIREMENTS  
13 OF THE COLORADO PRESCHOOL PROGRAM AND IS LICENSED BY THE  
14 DEPARTMENT OF HUMAN SERVICES PURSUANT TO ARTICLE 6 OF TITLE 26,  
15 C.R.S. ONLY THE CLASSROOMS WITHIN THE SCHOOL DISTRICT'S  
16 PRESCHOOL PROGRAM IN WHICH ONE OR MORE STUDENTS ARE ENROLLED  
17 THROUGH THE COLORADO PRESCHOOL PROGRAM MAY PARTICIPATE IN THE  
18 PROGRAM.

19 (c) IF A SCHOOL DISTRICT THAT, PURSUANT TO SECTION 22-28-109,  
20 CONTRACTS OUT ALL OR ANY PORTION OF THE SCHOOL DISTRICT'S  
21 PRESCHOOL PROGRAM TO A HEAD START AGENCY OR TO ONE OR MORE  
22 CHILD CARE AGENCIES LOCATED IN THE SCHOOL DISTRICT APPLIES TO  
23 PARTICIPATE IN THE PROGRAM, THE SCHOOL DISTRICT SHALL ALLOW THE  
24 HEAD START AGENCY OR CHILD CARE AGENCIES TO PARTICIPATE IN THE  
25 PROGRAM THROUGH THE SCHOOL DISTRICT. THE SCHOOL DISTRICT SHALL  
26 ENSURE THAT THE NUMBER OF HEAD START OR CHILD CARE AGENCY  
27 CONTRACT CLASSROOMS OF THE DISTRICT THAT PARTICIPATE IN THE

1 PROGRAM BEARS THE SAME PERCENTAGE TO THE TOTAL NUMBER OF  
2 PRESCHOOL CLASSROOMS OF THE DISTRICT THAT PARTICIPATE IN THE  
3 PROGRAM AS THE NUMBER OF HEAD START OR CHILD CARE AGENCY  
4 CONTRACT CLASSROOMS BEARS TO THE TOTAL NUMBER OF PRESCHOOL  
5 PROGRAM CLASSROOMS OF THE DISTRICT.

6 (4) (a) THE DEPARTMENT SHALL OPERATE THE PROGRAM ON A  
7 TWO-YEAR BUDGET CYCLE. IN THE FIRST BUDGET YEAR, AN ELIGIBLE  
8 SCHOOL DISTRICT MAY APPLY TO THE PROGRAM AND RECEIVE A  
9 SCHOOL-READINESS QUALITY RATING AS PROVIDED IN SECTION 26-6.5-106,  
10 C.R.S. A CLASSROOM THAT IS RATED WITH ZERO, ONE, OR TWO STARS MAY  
11 RECEIVE A QUALITY IMPROVEMENT GRANT IN THE FIRST AND SECOND  
12 BUDGET YEARS OF THE CYCLE IN AN AMOUNT EQUAL TO THREE THOUSAND  
13 DOLLARS PER CLASSROOM PER YEAR. THE DISTRICT MUST USE A GRANT  
14 RECEIVED PURSUANT TO THIS SUBSECTION (4) IN FURTHERANCE OF THE  
15 DISTRICT'S QUALITY IMPROVEMENT PLAN GENERATED BY THE QUALITY  
16 IMPROVEMENT RATING.

17 (b) A SCHOOL DISTRICT PRESCHOOL PROGRAM CLASSROOM THAT  
18 IS OPERATED BY A HEAD START OR CHILD CARE AGENCY PURSUANT TO  
19 SECTION 22-28-109 AND THAT RECEIVES A QUALITY IMPROVEMENT GRANT  
20 PURSUANT TO THE PROGRAM MUST RECEIVE ONE HUNDRED PERCENT OF  
21 THE GRANT ALLOWED IN EACH YEAR OF THE PROGRAM.

22 (5) AT THE CONCLUSION OF THE SECOND BUDGET YEAR IN WHICH  
23 A DISTRICT RECEIVES A QUALITY IMPROVEMENT GRANT PURSUANT TO THIS  
24 SECTION, THE DISTRICT SHALL SUBMIT A REPORT TO THE DEPARTMENT  
25 THAT INCLUDES THE FOLLOWING INFORMATION:

26 (a) THE NUMBER OF CLASSROOMS FOR WHICH THE SCHOOL  
27 DISTRICT RECEIVED QUALITY IMPROVEMENT GRANTS PURSUANT TO THE

1 PROGRAM;

2 (b) THE PURPOSES FOR WHICH THE DISTRICTS USED THE QUALITY  
3 IMPROVEMENT GRANTS; AND

4 (c) THE PROGRESS MADE BY THE SCHOOL DISTRICT IN INCREASING  
5 THE QUALITY OF THE SCHOOL DISTRICT'S PRESCHOOL PROGRAM AS A  
6 RESULT OF THE QUALITY IMPROVEMENT GRANTS.

7 (6) IN ITS ANNUAL REPORT TO THE GENERAL ASSEMBLY  
8 REGARDING THE COLORADO PRESCHOOL PROGRAM, THE DEPARTMENT  
9 SHALL INCLUDE THE FOLLOWING INFORMATION ABOUT THE EXPANDING  
10 QUALITY INCENTIVE PROGRAM:

11 (a) THE NUMBER OF DISTRICTS THAT APPLIED TO PARTICIPATE IN  
12 THE PROGRAM AND THE NUMBER OF DISTRICTS THAT WERE APPROVED TO  
13 PARTICIPATE IN THE PROGRAM;

14 (b) THE NUMBER OF PRESCHOOL CLASSROOMS THAT ACHIEVED A  
15 QUALITY RATING AS A RESULT OF THE PROGRAM AND THE QUALITY LEVELS  
16 OF THE CLASSROOMS THAT WERE RATED;

17 (c) THE NUMBER OF QUALITY IMPROVEMENT GRANTS THAT WERE  
18 AWARDED; AND

19 (d) BASED ON THE INFORMATION PROVIDED IN THE DISTRICTS'  
20 REPORTS TO THE DEPARTMENT PURSUANT TO SUBSECTION (5) OF THIS  
21 SECTION, THE WAYS IN WHICH THE DISTRICTS USED THE QUALITY  
22 IMPROVEMENT GRANTS TO IMPROVE QUALITY IN THEIR PRESCHOOL  
23 CLASSROOMS.

24 (7) THE STATE BOARD SHALL PROMULGATE RULES FOR THE  
25 IMPLEMENTATION OF THIS SECTION. THE RULES MUST BE PROMULGATED  
26 IN ACCORDANCE WITH THE "STATE ADMINISTRATIVE PROCEDURE ACT",  
27 ARTICLE 4 OF TITLE 24, C.R.S., AND MUST ESTABLISH THE FOLLOWING:

1 (a) AN APPLICATION PROCESS THROUGH WHICH AN ELIGIBLE  
2 SCHOOL DISTRICT MAY APPLY TO THE PROGRAM, WHICH PROCESS IS  
3 CREATED IN CONJUNCTION WITH THE COLORADO DEPARTMENT OF HUMAN  
4 SERVICES AND COMPLIES WITH COLORADO PRESCHOOL PROGRAM  
5 REQUIREMENTS, STATE LICENCING REQUIREMENTS, AND THE STATE'S  
6 QUALITY RATING AND IMPROVEMENT SYSTEM REQUIREMENTS;

7 (b) AN APPLICATION TIME LINE TO ENSURE THAT ALL ELIGIBLE  
8 SCHOOL DISTRICTS THAT CHOOSE TO PARTICIPATE IN THE PROGRAM APPLY  
9 IN THE FIRST YEAR OF THE PROGRAM'S TWO-YEAR CYCLE AND RECEIVE A  
10 QUALITY RATING IN THE FIRST YEAR;

11 (c) THE DEADLINE BY WHICH EACH SCHOOL DISTRICT THAT  
12 PARTICIPATES IN THE PROGRAM MUST SUBMIT A REPORT TO THE  
13 DEPARTMENT AS REQUIRED IN SUBSECTION (5) OF THIS SECTION;

14 (d) A PROCESS AND CRITERIA FOR SELECTING SCHOOL DISTRICTS  
15 TO PARTICIPATE IN THE PROGRAM IF THE NUMBER OF SCHOOL DISTRICTS  
16 THAT APPLY TO THE PROGRAM EXCEEDS THE NUMBER OF SCHOOL  
17 DISTRICTS THAT MAY PARTICIPATE IN THE PROGRAM BASED ON THE  
18 AVAILABLE FUNDING AND RESOURCES FOR THE PROGRAM; AND

19 (e) ANY OTHER RULES DEEMED NECESSARY TO IMPLEMENT AND  
20 OPERATE THE PROGRAM.

21 (8) (a) FOR THE 2013-14 BUDGET YEAR AND EACH BUDGET YEAR  
22 THEREAFTER, THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE  
23 MONEYS FROM THE STATE EDUCATION FUND OR ANY OTHER SOURCE TO  
24 THE DEPARTMENT FOR THE PURPOSES OF THIS SECTION.

25 (b) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT,  
26 FOR THE PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE  
27 CONSTITUTION, THE EXPANDING QUALITY INCENTIVE PROGRAM WITHIN

1 THE COLORADO PRESCHOOL PROGRAM IS A PROGRAM FOR ACCOUNTABLE  
2 EDUCATION REFORM AND MAY THEREFORE RECEIVE FUNDING FROM THE  
3 STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF  
4 THE STATE CONSTITUTION.

5 **SECTION 12.** In Colorado Revised Statutes, 22-41-102, **amend**  
6 (3) (a); **repeal** (3) (c); and **add** (3) (d) as follows:

7 **22-41-102. Fund inviolate - repeal.** (3) (a) Except as provided  
8 in paragraph (b) of this subsection (3), for the 2010-11 state fiscal year  
9 ~~and each state fiscal year thereafter~~ THROUGH THE 2012-13 FISCAL YEAR,  
10 the first eleven million dollars of any interest or income earned on the  
11 investment of the moneys in the public school fund shall be credited to  
12 the state public school fund created in section 22-54-114 for distribution  
13 as provided by law. ~~Prior to the 2013-14 state fiscal year,~~ Any amount of  
14 such interest and income earned on the investment of the moneys in the  
15 state public school fund in excess of eleven million dollars, other than  
16 interest and income credited to the public school capital construction  
17 assistance fund, created in section 22-43.7-104 (1), pursuant to section  
18 22-43.7-104 (2) (b) (I), shall remain in the fund and shall become part of  
19 the principal of the fund.

20 (c) ~~For the 2013-14 state fiscal year and for each state fiscal year~~  
21 ~~thereafter,~~ any amount of interest or income earned on the investment of  
22 ~~moneys in the public school fund in excess of eleven million dollars,~~  
23 ~~other than interest and income credited to the public school capital~~  
24 ~~construction assistance fund, created in section 22-43.7-104 (1), pursuant~~  
25 ~~to section 22-43.7-104 (2) (b) (I), shall be credited to the early literacy~~  
26 ~~fund created in section 22-7-1210; except that the amount credited to the~~  
27 ~~early literacy fund pursuant to this paragraph (c) shall not exceed sixteen~~

1 ~~million dollars in any state fiscal year.~~

2 (d) FOR THE 2013-14 STATE FISCAL YEAR AND EACH STATE FISCAL  
3 YEAR THEREAFTER, THE FIRST SIXTEEN MILLION DOLLARS OF ANY  
4 INTEREST OR INCOME EARNED ON THE INVESTMENT OF THE MONEYS IN THE  
5 PUBLIC SCHOOL FUND SHALL BE CREDITED TO THE STATE PUBLIC SCHOOL  
6 FUND CREATED IN SECTION 22-54-114 FOR DISTRIBUTION AS PROVIDED BY  
7 LAW. ANY AMOUNT OF SUCH INTEREST AND INCOME EARNED ON THE  
8 INVESTMENT OF THE MONEYS IN THE STATE PUBLIC SCHOOL FUND IN  
9 EXCESS OF SIXTEEN MILLION DOLLARS, OTHER THAN INTEREST AND  
10 INCOME CREDITED TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION  
11 ASSISTANCE FUND, CREATED IN SECTION 22-43.7-104 (1), PURSUANT TO  
12 SECTION 22-43.7-104 (2) (b) (I), SHALL REMAIN IN THE FUND AND SHALL  
13 BECOME PART OF THE PRINCIPAL OF THE FUND.

14

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15 **SECTION 13.** In Colorado Revised Statutes, **add** article 94 to  
16 title 22 as follows:

17

## **ARTICLE 94**

18

### **Quality Teacher Recruitment**

19

20

**22-94-101. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE  
CONTEXT OTHERWISE REQUIRES:

21

22

(1) "DEPARTMENT" MEANS THE DEPARTMENT OF EDUCATION  
CREATED AND EXISTING PURSUANT TO SECTION 24-1-115, C.R.S.

23

24

25

(2) "DISTRICT" MEANS A SCHOOL DISTRICT, A GROUP OF SCHOOL  
DISTRICTS, OR A BOARD OF COOPERATIVE SERVICES AS DEFINED IN SECTION  
22-5-103 (2).

26

27

(3) "HIGHLY QUALIFIED" HAS THE SAME MEANING AS PROVIDED IN  
20 U.S.C. SEC. 7801 (23).

1           (4) "PROGRAM" MEANS A QUALITY TEACHER RECRUITMENT  
2 PROGRAM CREATED BY A VENDOR THROUGH A CONTRACT WITH THE  
3 DEPARTMENT.

4           (5) "VENDOR" MEANS A FOR-PROFIT OR NONPROFIT  
5 ORGANIZATION.

6           **22-94-102. Contract to create quality teacher recruitment**

7 **program.** (1) THE DEPARTMENT SHALL CONTRACT WITH A VENDOR, IN  
8 PARTNERSHIP WITH A DISTRICT, TO CREATE A QUALITY TEACHER  
9 RECRUITMENT PROGRAM TO RECRUIT, SELECT, TRAIN, AND RETAIN HIGHLY  
10 QUALIFIED TEACHERS TO TEACH IN PUBLIC SCHOOLS AND IN SCHOOL  
11 DISTRICTS IN THE STATE THAT CAN DEMONSTRATE A HISTORIC DIFFICULTY  
12 IN RECRUITING AND RETAINING HIGHLY QUALIFIED TEACHERS. IN  
13 CONTRACTING WITH A VENDOR IN PARTNERSHIP WITH A DISTRICT, THE  
14 DEPARTMENT SHALL ENSURE THAT THE VENDOR WILL PLACE HIGHLY  
15 QUALIFIED TEACHERS IN THE DISTRICT BY THE BEGINNING OF THE 2014-15  
16 SCHOOL YEAR.

17           (2) IN AWARDING A CONTRACT PURSUANT TO SUBSECTION (1) OF  
18 THIS SECTION, THE DEPARTMENT SHALL TAKE INTO CONSIDERATION THE  
19 NUMBER OF DISTRICTS IN WHICH THE VENDOR WILL PLACE HIGHLY  
20 QUALIFIED TEACHERS, THE NUMBER OF HIGHLY QUALIFIED TEACHERS THAT  
21 THE VENDOR WILL PLACE, AND THE POTENTIAL NUMBER OF CHILDREN WHO  
22 WILL BE TAUGHT BY THE HIGHLY QUALIFIED TEACHERS. THE DEPARTMENT  
23 SHALL ENSURE THAT IT AWARDS THE CONTRACT TO ONE OR MORE  
24 VENDORS THAT SATISFY THE FOLLOWING CRITERIA:

25           (a) THE VENDOR COMMITS TO WORKING WITH ONE OR MORE  
26 SCHOOL DISTRICTS IN THE STATE FOR AT LEAST TWO YEARS TO RECRUIT  
27 AND PLACE HIGHLY QUALIFIED TEACHERS;

1 (b) THE VENDOR HAS A DOCUMENTED HISTORY OF RECRUITING,  
2 TRAINING, AND RETAINING HIGHLY QUALIFIED TEACHERS IN AREAS OF  
3 COLORADO OR OTHER STATES THAT HAVE HAD HISTORIC DIFFICULTY IN  
4 RECRUITING AND RETAINING HIGHLY QUALIFIED TEACHERS;

5 (c) THE VENDOR COMMITS TO PLACING ONLY TEACHERS WHO ARE  
6 DEEMED HIGHLY QUALIFIED;

7 (d) THE VENDOR CAN DEMONSTRATE THAT THE TEACHERS IT HAS  
8 PLACED IN PUBLIC SCHOOLS AND SCHOOL DISTRICTS IN THE PAST, EITHER  
9 IN COLORADO OR IN OTHER STATES, ACHIEVE HIGH ACADEMIC GROWTH  
10 FROM THEIR STUDENTS BASED ON STATE ACHIEVEMENT DATA OR  
11 INDEPENDENT STUDIES;

12 (e) THE VENDOR HAS A DOCUMENTED HISTORY OF PROVIDING  
13 PROFESSIONAL DEVELOPMENT FOR TEACHERS, INCLUDING INDUCTION,  
14 TRAINING, ON-GOING SUPPORT, AND EVALUATIONS; AND

15 (f) THE VENDOR COMMITS TO MATCHING NO LESS THAN ONE  
16 HUNDRED PERCENT OF ANY MONEYS THAT THE DEPARTMENT PAYS  
17 THROUGH A CONTRACT ENTERED INTO PURSUANT TO SUBSECTION (1) OF  
18 THIS SECTION. A VENDOR THAT RESPONDS TO THE DEPARTMENT'S  
19 SOLICITATION FOR A CONTRACT ISSUED PURSUANT TO SUBSECTION (1) OF  
20 THIS SECTION SHALL PROVIDE WRITTEN DOCUMENTATION FROM ONE OR  
21 MORE PRIVATE OR CORPORATE DONORS THAT PLEDGE TO MAKE GIFTS,  
22 GRANTS, OR DONATIONS TO THE VENDOR THAT, IN TOTAL, EQUAL AT LEAST  
23 THE AMOUNT THAT THE DEPARTMENT HAS SPECIFIED WILL BE AVAILABLE  
24 FOR THE PURPOSES OF A CONTRACT PURSUANT TO SUBSECTION (1) OF THIS  
25 SECTION FOR THE APPLICABLE FISCAL YEAR. THE WRITTEN  
26 DOCUMENTATION MUST ALSO INCLUDE THE DATE BY WHICH THE VENDOR  
27 WILL RECEIVE THE GIFTS, GRANTS, OR DONATIONS TO BE USED IN

1 FURTHERANCE OF THE REQUIREMENTS OF THIS ARTICLE.

2 (3) THE VENDOR WITH WHICH THE DEPARTMENT CONTRACTS TO  
3 OPERATE A PROGRAM PURSUANT TO THIS ARTICLE SHALL USE ANY MONEYS  
4 PAID TO THE VENDOR IN CONNECTION WITH THE CONTRACT TO RECRUIT,  
5 TRAIN, AND PLACE HIGHLY QUALIFIED TEACHERS TO TEACH IN PUBLIC  
6 SCHOOLS OR SCHOOL DISTRICTS IN COLORADO THAT HAVE HAD HISTORIC  
7 DIFFICULTY IN RECRUITING AND RETAINING HIGHLY QUALIFIED TEACHERS.  
8 THE VENDOR SHALL PROVIDE THE NECESSARY ADMINISTRATIVE SERVICES  
9 TO OPERATE THE PROGRAM AND SHALL NOT USE ANY STATE MONEYS FOR  
10 THESE PURPOSES.

11 **22-94-103. Annual reports.** (1) A VENDOR THAT ENTERS INTO A  
12 CONTRACT WITH THE DEPARTMENT TO ESTABLISH AND OPERATE A  
13 PROGRAM PURSUANT TO THIS ARTICLE SHALL, FOR THE DURATION OF THE  
14 CONTRACT, SUBMIT A REPORT TO THE DEPARTMENT THAT INCLUDES THE  
15 DATA AND PERFORMANCE METRICS FROM THE PRIOR SCHOOL YEAR AS  
16 SPECIFIED IN SUBSECTION (3) OF THIS SECTION.

17 (2) IN ADDITION TO THE REPORT REQUIRED PURSUANT TO  
18 SUBSECTION (1) OF THIS SECTION, THE DEPARTMENT SHALL CONTRACT  
19 WITH A THIRD PARTY TO EVALUATE AND SUBMIT TO THE DEPARTMENT A  
20 REPORT AFTER THE FIRST YEAR OF THE PROGRAM AND A FINAL REPORT  
21 AFTER THE SECOND YEAR OF THE PROGRAM REGARDING THE PROGRESS OF  
22 THE VENDOR BASED ON THE DATA AND PERFORMANCE METRICS SPECIFIED  
23 IN SUBSECTION (3) OF THIS SECTION. THE DEPARTMENT MAY USE UP TO  
24 TWO PERCENT OF THE MONEYS APPROPRIATED BY THE GENERAL ASSEMBLY  
25 FOR THE PURPOSES OF THIS ARTICLE IN THE APPLICABLE FISCAL YEAR TO  
26 CONTRACT FOR THE REPORT REQUIRED IN THIS SUBSECTION (2).

27 (3) THE REPORTS REQUIRED IN SUBSECTIONS (1) AND (2) OF THIS

1 SECTION MUST INCLUDE BUT NEED NOT BE LIMITED TO:

2 (a) THE NUMBER OF STUDENTS IN THE STATE WHO ARE TAUGHT BY  
3 TEACHERS WHO ARE PLACED IN PUBLIC SCHOOLS OR DISTRICTS IN THE  
4 STATE THROUGH A PROGRAM;

5 (b) THE AVERAGE LENGTH OF TIME THAT TEACHERS PLACED IN  
6 DISTRICTS THROUGH A PROGRAM REMAIN IN THE DISTRICT IN WHICH THEY  
7 ARE PLACED;

8 (c) THE NAMES OF THE PUBLIC SCHOOLS AND DISTRICTS IN WHICH  
9 TEACHERS ARE PLACED THROUGH A PROGRAM;

10 (d) THE SUBJECTS AND GRADE LEVELS TAUGHT BY THE TEACHERS  
11 WHO ARE PLACED THROUGH THE PROGRAM; AND

12 (e) THE EFFECTIVENESS RATINGS OF THE TEACHERS PLACED  
13 THROUGH THE PROGRAM PURSUANT TO SECTION 22-9-106.

14 (4) THE DEPARTMENT SHALL SUBMIT AN ANNUAL REPORT TO THE  
15 OFFICE OF THE GOVERNOR, THE STATE BOARD OF EDUCATION, AND THE  
16 MEMBERS OF THE EDUCATION COMMITTEES OF THE HOUSE OF  
17 REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR COMMITTEES,  
18 SUMMARIZING THE FINDINGS FROM THE TWO REPORTS SUBMITTED TO THE  
19 DEPARTMENT PURSUANT TO THIS SECTION.

20 **SECTION 14. In Colorado Revised Statutes, 24-75-220, add (4)**  
21 **as follows:**

22 **24-75-220. Transfer of general fund surplus to state education**  
23 **fund. (4) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY,**  
24 **ON THE DATE ON WHICH THE STATE CONTROLLER PUBLISHES THE**  
25 **COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE STATE FOR THE**  
26 **FISCAL YEAR 2013-14, AFTER MAKING THE TRANSFER REQUIRED PURSUANT**  
27 **TO SECTION 24-75-222, AS ENACTED IN SENATE BILL 13-236, THE STATE**

1 TREASURER SHALL TRANSFER TO THE STATE EDUCATION FUND CREATED  
2 IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION, ONE-HALF  
3 OF THE REMAINING GENERAL FUND SURPLUS DESIGNATED IN ACCORDANCE  
4 WITH SECTION 24-75-201 (1) FOR THE FISCAL YEAR 2013-14.

5 **SECTION 15. Appropriation - adjustments to the 2013 long**  
6 **bill. (1)** For the implementation of this act, appropriations made in the  
7 annual general appropriation act to the department of education for the  
8 fiscal year beginning July 1, 2013, are adjusted as follows:

9 (a) The cash funds appropriation from the state education fund  
10 created in section 17 (4) (a) of article IX of the state constitution, for the  
11 state share of districts' total program funding, is increased by  
12 \$35,240,757.

13 (b) The cash funds appropriation from the state education fund  
14 created in section 17 (4) (a) of article IX of the state constitution, for the  
15 state share of districts' total program funding, is increased by \$11,602,977  
16 to support additional Colorado preschool program participants authorized  
17 in section 22-28-104.3, Colorado Revised Statutes.

18 (c) The cash funds appropriation from the state education fund  
19 created in section 17 (4) (a) of article IX of the state constitution, for  
20 hold-harmless full-day kindergarten funding, is increased by \$44,823.

21 (d) The cash funds appropriation from the state education fund  
22 created in section 17 (4) (a) of article IX of the state constitution, for state  
23 aid to charter school facilities, is increased by \$1,000,000.

24 (e) The cash funds appropriation from the early literacy fund  
25 created in section 22-7-1210 (1), Colorado Revised Statutes, from interest  
26 and income earned on the investment of moneys in the public school fund  
27 that is credited to the early literacy fund pursuant to section 22-41-102 (3)

1 (c), Colorado Revised Statutes, for the early literacy competitive grant  
2 program, is decreased by \$566,062.

3 (f) The cash funds appropriation from the early literacy fund  
4 created in section 22-7-1210 (1), Colorado Revised Statutes, from interest  
5 and income earned on the investment of moneys in the public school fund  
6 that is credited to the early literacy fund pursuant to section 22-41-102 (3)  
7 (c), Colorado Revised Statutes, for early literacy program per pupil  
8 intervention funding, is decreased by \$9,850,000.

9 (g) The cash funds appropriation from the state education fund  
10 created in section 17 (4) (a) of article IX of the state constitution, for  
11 special education programs for children with disabilities, is increased by  
12 \$20,000,000 pursuant to section 22-20-114 (c) (III) (A), Colorado  
13 Revised Statutes.

14 (h) The cash funds appropriation from the state education fund  
15 created in section 17 (4) (a) of article IX of the state constitution, for  
16 facility school funding, is increased by \$2,506,290 pursuant to section  
17 22-54-129, Colorado Revised Statutes.

18 (i) The cash funds appropriation from the state education fund  
19 created in section 17 (4) (a) of article IX of the state constitution, for  
20 stipends for nationally board certified teachers, is increased by  
21 \$1,339,200.

22 (j) The cash funds appropriation from the state public school fund  
23 created in section 22-54-114 (1), Colorado Revised Statutes, from audit  
24 recoveries that are credited to the fund pursuant to section 22-54-114 (4),  
25 Colorado Revised Statutes, for at-risk supplemental aid, is decreased by  
26 \$3,839,627.

27 (2) In addition to any other appropriation, there is hereby

1 appropriated, out of any moneys in the state education fund created in  
2 section 17 (4) (a) of article IX of the state constitution, not otherwise  
3 appropriated, to the department of education, for the fiscal year beginning  
4 July 1, 2013, the sum of \$5,000,000, or so much thereof as may be  
5 necessary, to be allocated to grant programs, distributions, and other  
6 assistance for the expanding quality incentive program.

7 (3) In addition to any other appropriation, there is hereby  
8 appropriated, out of any moneys in the early literacy fund created in  
9 section 22-7-1210 (1), Colorado Revised Statutes, not otherwise  
10 appropriated, to the department of education, for the fiscal year beginning  
11 July 1, 2013, the sum of \$16,000,000, or so much thereof as may be  
12 necessary, to be allocated to the early literacy program. Said sum is from  
13 moneys transferred from the state education fund created in section 17 (4)  
14 (a) of article IX of the state constitution pursuant to section 22-7-1210 (1)  
15 (d) (I), Colorado Revised Statutes, to be allocated as follows:

16 (a) \$566,062 for the early literacy competitive grant program; and  
17 (b) \$15,433,938 for early literacy program per pupil intervention  
18 funding.

19 (4) In addition to any other appropriation, there is hereby  
20 appropriated, out of any moneys in the state education fund created in  
21 section 17 (4) (a) of article IX of the state constitution, not otherwise  
22 appropriated, to the department of education, for the fiscal year beginning  
23 July 1, 2013, the sum of \$3,000,000, or so much thereof as may be  
24 necessary, to be allocated to grant programs, distributions, and other  
25 assistance for the quality teacher recruitment program.

26 (5) In addition to any other appropriation, there is hereby  
27 appropriated, out of any moneys in the great teachers and leaders fund

1 created in section 22-9-105.7 (1), Colorado Revised Statutes, not  
2 otherwise appropriated, to the department of education, for the fiscal year  
3 beginning July 1, 2013, the sum of \$200,000, or so much thereof as may  
4 be necessary, to be allocated to management and administration for  
5 educator effectiveness implementation. Said sum is from moneys  
6 transferred from the state education fund created in section 17 (4) (a) of  
7 article IX of the state constitution pursuant to section 22-9-105.7 (3) (b)  
8 (I), Colorado Revised Statutes.

9 (6) In addition to any other appropriation, there is hereby  
10 appropriated, out of any moneys in the general fund, not otherwise  
11 appropriated, to the department of human services, for the fiscal year  
12 beginning July 1, 2013, the sum of \$43,898 and 0.7 FTE, or so much  
13 thereof as may be necessary, to be allocated to the division of child care  
14 for child care licensing and administration activities.

15 (7) In addition to any other appropriation, there is hereby  
16 appropriated, out of any moneys in the state public school fund created in  
17 section 22-54-114 (1), Colorado Revised Statutes, not otherwise  
18 appropriated, to the department of education, for the fiscal year beginning  
19 July 1, 2013, the sum of \$3,839,627, or so much thereof as may be  
20 necessary, to be allocated for at-risk supplemental aid. This amount shall  
21 be from interest and income earned on the investment of moneys in the  
22 public school fund that is credited to the state public school fund pursuant  
23 to section 22-41-102 (3) (d), Colorado Revised Statutes.

24 **SECTION 16. Appropriation to the department of education**  
25 **for the fiscal year beginning July 1, 2013. In section 2 of Senate Bill**  
26 **13-230, amend Part III (2) (A) Footnote 4, as follows:**

1            Section 2. Appropriation.  
2        4        Department of Education, Assistance to Public Schools, Public  
3            School Finance, State Share of Districts' Total Program Funding  
4            -- Pursuant to Section 22-35-108 (2) (a), C.R.S., the purpose of  
5            this footnote is to specify what portion of this appropriation is  
6            intended to be available for the Accelerating Students Through  
7            Concurrent Enrollment (ASCENT) Program for FY 2013-14. It is  
8            the intent of the General Assembly that the Department of  
9            Education be authorized to utilize up to \$2,709,450 \$2,727,900 of  
10           this appropriation to fund qualified students designated as  
11           ASCENT Program participants. This amount is calculated based  
12           on an estimated 450 FTE participants funded at a rate of \$6,021  
13           \$6,062 per FTE pursuant to Section 22-54-104 (4.7), C.R.S.

14           **SECTION 17. Safety clause.** The general assembly hereby finds,  
15        determines, and declares that this act is necessary for the immediate  
16        preservation of the public peace, health, and safety.