

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

REVISED

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

LLS NO. 13-0336.02 Julie Pelegrin x2700

SENATE BILL 13-213

SENATE SPONSORSHIP

Johnston and Heath,

HOUSE SPONSORSHIP

Hamner,

Senate Committees
Education

House Committees
Education

A BILL FOR AN ACT

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

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.

HOUSE
Amended 2nd Reading
April 22, 2013

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.

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

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

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

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

4 **ARTICLE 54.5**

5 **Public School Finance Act**

6 PART 1

7 GENERAL PROVISIONS

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

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

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

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

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

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

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

10 (V) 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 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 CITIZEN-INITIATED STATEWIDE
25 BALLOT MEASURE TO INCREASE STATE TAX REVENUES FOR THE PURPOSE
26 OF FUNDING PRESCHOOL THROUGH TWELFTH GRADE PUBLIC EDUCATION,
27 AND DEPENDING ON THE AMOUNT OF THE INCREASE IN STATE TAX

1 REVENUES, IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT ALL OR A
2 PORTION OF THE INCREASE IN STATE TAX REVENUES BE APPROPRIATED AS
3 FOLLOWS:

4 (a) ONE HUNDRED MILLION DOLLARS ANNUALLY TO THE
5 EDUCATION INNOVATION GRANT FUND CREATED IN SECTION 22-54.5-311
6 (9);

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

9 (c);

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

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

17 (e) FIVE MILLION DOLLARS ANNUALLY TO THE DEPARTMENT TO
18 OFFSET THE COSTS INCURRED IN IMPLEMENTING A DATA SYSTEM TO
19 IMPLEMENT THE AVERAGE DAILY MEMBERSHIP COUNT AND THE FINANCIAL
20 AND HUMAN RESOURCE REPORTING SYSTEM DESCRIBED IN SECTION
21 22-44-105 (4);

22 (f) ONE MILLION DOLLARS ANNUALLY TO THE DEPARTMENT TO
23 PROVIDE PROFESSIONAL DEVELOPMENT PROGRAMS PURSUANT TO SECTION
24 22-2-142;

25 (g) ONE MILLION THREE HUNDRED THOUSAND DOLLARS ANNUALLY
26 FOR DISTRIBUTION TO THE BOARDS OF COOPERATIVE SERVICES PURSUANT
27 TO SECTION 22-5-122; AND

1 (h) ONE MILLION DOLLARS FOR MILL LEVY ELECTION
2 ADMINISTRATIVE COSTS PURSUANT TO SECTION 22-54.5-305.

3 (3) THE GENERAL ASSEMBLY FINDS THAT THE MONEYS
4 APPROPRIATED FOR THE FOLLOWING PURPOSES WILL BENEFIT THE
5 EDUCATION OF STUDENTS IN KINDERGARTEN THROUGH TWELFTH GRADE
6 AND PARTICIPANTS IN PRESCHOOL PROGRAMS BY IMPLEMENTING
7 PROGRAMMATIC ENHANCEMENTS:

8 (a) DISTRIBUTING TEACHER AND LEADERSHIP INVESTMENT
9 MONEYS PURSUANT TO SECTION 22-54.5-301 TO ASSIST DISTRICTS AND
10 INSTITUTE CHARTER SCHOOLS IN IMPLEMENTING EDUCATION REFORM
11 MEASURES;

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

13 (c) INCREASING THE ADDITIONAL FUNDING FOR ENGLISH
14 LANGUAGE LEARNERS;

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

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

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

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

22 (h) INCREASING THE FUNDING FOR STUDENTS ENROLLED IN
23 MULTI-DISTRICT ON-LINE SCHOOLS AND STUDENTS WHO PARTICIPATE IN
24 THE ASCENT PROGRAM;

25 (i) INCREASING THE FUNDING FOR GIFTED AND TALENTED
26 STUDENTS;

27 (j) DISTRIBUTING PER PUPIL SUPPLEMENTAL PAYMENTS PURSUANT

1 TO SECTION 22-54.5-303 TO ENSURE THAT ALL DISTRICTS RECEIVE A
2 MINIMUM LEVEL OF FUNDING;

3 (k) FUNDING THE EDUCATION INNOVATION GRANT PROGRAM
4 CREATED IN SECTION 22-54.5-311;

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

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

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

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

13 (p) FUNDING A MILL LEVY EQUALIZATION FACTOR FOR INSTITUTE
14 CHARTER SCHOOLS TO RAISE THE FUNDING FOR INSTITUTE CHARTER
15 SCHOOLS TO A LEVEL MORE COMPARABLE TO DISTRICTS;

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

18 (r) FUNDING THE IMPLEMENTATION OF A DATA SYSTEM THAT WILL
19 SUPPORT THE DATA COLLECTION FOR AND CALCULATION OF AVERAGE
20 DAILY MEMBERSHIP; AND

21 (s) FUNDING THE ELECTION COSTS INCURRED BY DISTRICTS THAT
22 SEEK VOTER APPROVAL FOR AN INCREASE IN THE TOTAL PROGRAM MILL
23 LEVY.

24 (4) THE GENERAL ASSEMBLY FURTHER FINDS THAT, IN ENACTING
25 THIS ARTICLE, IT HAS ADOPTED A FORMULA FOR THE SUPPORT OF SCHOOLS
26 FOR THE 2015-16 BUDGET YEAR AND BUDGET YEARS THEREAFTER;
27 HOWEVER, THE ADOPTION OF THE FORMULA DOES NOT REPRESENT A

1 COMMITMENT ON THE PART OF THE GENERAL ASSEMBLY CONCERNING THE
2 LEVEL OF TOTAL FUNDING FOR SCHOOLS FOR THE 2015-16 BUDGET YEAR
3 OR ANY BUDGET YEAR THEREAFTER.

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

14 (b) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF THIS
15 SUBSECTION (5) TO THE CONTRARY, THIS SUBSECTION (5) DOES NOT LIMIT
16 OR RESTRICT A COUNTY'S POWER TO REQUIRE THE RESERVATION OR
17 DEDICATION OF SITES AND LAND AREAS FOR SCHOOLS OR THE PAYMENT OF
18 MONEYS IN LIEU THEREOF PURSUANT TO SECTION 30-28-133 (4) (a), C.R.S.

19 **22-54.5-103. Definitions - repeal.** AS USED IN THIS ARTICLE,
20 UNLESS THE CONTEXT OTHERWISE REQUIRES:

21 (1) "ACCOUNTING DISTRICT" MEANS THE DISTRICT WITHIN WHOSE
22 GEOGRAPHIC BOUNDARIES AN INSTITUTE CHARTER SCHOOL IS PHYSICALLY
23 LOCATED.

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

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

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

20 (b) (I) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF
21 THIS SUBSECTION (4) TO THE CONTRARY, FOR PURPOSES OF CALCULATING
22 FUNDING PURSUANT TO THIS ARTICLE FOR THE 2015-16 AND 2016-17
23 BUDGET YEARS, "ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP"
24 MEANS THE NUMBER OF PUPILS ENROLLED IN A LOCAL EDUCATION
25 PROVIDER AND PARTICIPATING IN THE ASCENT PROGRAM ON OCTOBER
26 1 OF THE BUDGET YEAR FOR WHICH FUNDING IS CALCULATED.

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

1 (5) "AT-RISK" MEANS A PUPIL IS ENROLLED IN ONE OF GRADES
2 KINDERGARTEN THROUGH TWELVE AND IS ELIGIBLE FOR FREE OR
3 REDUCED-PRICE MEALS PURSUANT TO THE PROVISIONS OF THE FEDERAL
4 "NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ., OR THE
5 FEDERAL "CHILD NUTRITION ACT OF 1966", 42 U.S.C. SEC. 1771 ET SEQ.

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

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

12 (II) THE LOCAL EDUCATION PROVIDER'S AT-RISK PUPIL
13 PERCENTAGE MULTIPLIED BY THE LOCAL EDUCATION PROVIDER'S
14 ADJUSTED AVERAGE DAILY MEMBERSHIP.

15 (b) THE AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP OF A
16 DISTRICT INCLUDES THE AT-RISK PUPILS ENROLLED IN EACH DISTRICT
17 CHARTER SCHOOL OF THE DISTRICT.

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

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

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

4 (B) THE LOCAL EDUCATION PROVIDER'S AT-RISK PUPIL
5 PERCENTAGE MULTIPLIED BY THE LOCAL EDUCATION PROVIDER'S
6 ADJUSTED AVERAGE DAILY MEMBERSHIP.

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

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

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

23 (c) THE AT-RISK PUPIL PERCENTAGE OF A DISTRICT INCLUDES THE
24 AT-RISK PUPILS ENROLLED IN EACH DISTRICT CHARTER SCHOOL OF THE
25 DISTRICT.

26 (d) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (c) OF
27 SUBSECTION (26) OF THIS SECTION, THE AT-RISK PUPIL PERCENTAGE OF A

1 LOCAL EDUCATION PROVIDER INCLUDES THE AT-RISK PUPILS ENROLLED IN
2 A MULTI-DISTRICT ON-LINE SCHOOL OF THE LOCAL EDUCATION PROVIDER.

3 (e) (I) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF
4 THIS SUBSECTION (7) TO THE CONTRARY, FOR PURPOSES OF CALCULATING
5 FUNDING PURSUANT TO THIS ARTICLE FOR THE 2015-16 AND 2016-17
6 BUDGET YEARS, "AT-RISK PUPIL PERCENTAGE" MEANS THE NUMBER OF
7 AT-RISK PUPILS INCLUDED IN THE LOCAL EDUCATION PROVIDER'S
8 MEMBERSHIP IN GRADES ONE THROUGH EIGHT, OR, FOR AN INSTITUTE
9 CHARTER SCHOOL THAT DOES NOT SERVE GRADES ONE THROUGH EIGHT,
10 THE NUMBER OF AT-RISK PUPILS ENROLLED IN THE INSTITUTE CHARTER
11 SCHOOL, ON OCTOBER 1 OF THE BUDGET YEAR FOR WHICH FUNDING IS
12 CALCULATED.

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

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

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

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

27 (9) "AVERAGING PERIOD" MEANS A QUARTER OF A SCHOOL YEAR,

1 A HALF OF A SCHOOL YEAR, OR THE FULL SCHOOL YEAR, WHICHEVER IS
2 APPLICABLE.

3 (10) "BOARD OF EDUCATION" MEANS THE BOARD OF EDUCATION
4 OF A DISTRICT.

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

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

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

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

16 (15) "DISTRICT CHARTER SCHOOL" MEANS A CHARTER SCHOOL
17 AUTHORIZED BY A DISTRICT PURSUANT TO PART 1 OF ARTICLE 30.5 OF THIS
18 TITLE.

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

20 (a) WHO IS ENROLLED IN AN ELEMENTARY SCHOOL OR SECONDARY
21 SCHOOL;

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

25 (c) WHO IS RECEIVING EDUCATIONAL SERVICES THROUGH AN
26 ENGLISH LANGUAGE PROFICIENCY PROGRAM PURSUANT TO ARTICLE 24 OF
27 THIS TITLE.

1 (17) (a) "ENGLISH LANGUAGE LEARNER AVERAGE DAILY
2 MEMBERSHIP" MEANS THE NUMBER OF ENGLISH LANGUAGE LEARNER
3 PUPILS WHO ARE ENROLLED IN A LOCAL EDUCATION PROVIDER EACH
4 SCHOOL DAY, TOALED FOR THE AVERAGING PERIOD AND DIVIDED BY THE
5 NUMBER OF SCHOOL DAYS IN THE AVERAGING PERIOD.

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

11 (c) THE ENGLISH LANGUAGE LEARNER AVERAGE DAILY
12 MEMBERSHIP OF A DISTRICT INCLUDES THE ENGLISH LANGUAGE LEARNER
13 PUPILS ENROLLED IN EACH DISTRICT CHARTER SCHOOL OF THE DISTRICT.

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

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

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

27 (18) "ENGLISH LANGUAGE LEARNER PERCENTAGE" MEANS A LOCAL

1 EDUCATION PROVIDER'S ENGLISH LANGUAGE LEARNER AVERAGE DAILY
2 MEMBERSHIP DIVIDED BY THE LOCAL EDUCATION PROVIDER'S ADJUSTED
3 AVERAGE DAILY MEMBERSHIP.

4 (19) "FUNDED MEMBERSHIP" MEANS:

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

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

13 (II) 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 PRECEDING
16 FUNDING AVERAGING PERIOD; OR

17 (III) 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 TWO PRECEDING
20 FUNDING AVERAGING PERIODS; OR

21 (IV) 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 THREE PRECEDING
24 FUNDING AVERAGING PERIODS; OR

25 (V) THE AVERAGE OF THE DISTRICT'S OR INSTITUTE CHARTER
26 SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR THE FUNDING AVERAGING
27 PERIOD AND THE AVERAGE DAILY MEMBERSHIP FOR THE FOUR PRECEDING

1 FUNDING AVERAGING PERIODS.

2 (b) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF THIS
3 SUBSECTION (19) TO THE CONTRARY, FOR A BUDGET YEAR IN WHICH
4 AVERAGE DAILY MEMBERSHIP FOR THE FUNDING AVERAGING PERIOD IS
5 NOT AVAILABLE, THE DEPARTMENT SHALL USE THE DISTRICT'S OR THE
6 INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT, AS DEFINED IN SECTION
7 22-54-103 (10) AS IT EXISTED PRIOR TO REPEAL, FOR THAT BUDGET YEAR
8 FOR PURPOSES OF CALCULATING FUNDED MEMBERSHIP.

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

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

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

1 (b) (I) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF
2 THIS SUBSECTION (20) TO THE CONTRARY, FOR PURPOSES OF CALCULATING
3 FUNDING PURSUANT TO THIS ARTICLE FOR THE 2015-16 AND 2016-17
4 BUDGET YEARS, "FUNDING AVERAGING PERIOD" MEANS OCTOBER 1 OF THE
5 BUDGET YEAR FOR WHICH FUNDING IS CALCULATED.

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

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

12 (22) "INSTITUTE CHARTER SCHOOL" MEANS A CHARTER SCHOOL
13 THAT ENTERS INTO A CHARTER CONTRACT WITH THE STATE CHARTER
14 SCHOOL INSTITUTE PURSUANT TO THE PROVISIONS OF PART 5 OF ARTICLE
15 30.5 OF THIS TITLE.

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

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

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

23 (26) (a) "MEMBERSHIP" MEANS THE PUPILS WHO ARE ENROLLED IN
24 A LOCAL EDUCATION PROVIDER IN PRESCHOOL PURSUANT TO ARTICLE 28
25 OF THIS TITLE, THE PUPILS WHO ARE ENROLLED IN KINDERGARTEN, WHO
26 ARE ALL COUNTED AS FULL-TIME PUPILS, THE PUPILS WHO ARE ENROLLED
27 IN GRADES ONE THROUGH EIGHT, WHO ARE COUNTED AS EITHER FULL-TIME

1 OR PART-TIME PUPILS, AND THE PUPILS WHO ARE ENROLLED IN GRADES
2 NINE THROUGH TWELVE, WHO ARE ALL COUNTED AS FULL-TIME PUPILS;
3 EXCEPT THAT A PUPIL WHO IS PARTICIPATING IN A NONPUBLIC
4 HOME-BASED EDUCATIONAL PROGRAM PURSUANT TO SECTION 22-33-104.5
5 BUT ALSO ATTENDING A PUBLIC SCHOOL FOR A PORTION OF THE SCHOOL
6 DAY IS COUNTED AS EITHER FULL-TIME OR PART-TIME, WHICHEVER IS
7 APPLICABLE BASED ON RULES OF THE STATE BOARD. THE STATE BOARD, BY
8 RULE, SHALL SPECIFY THE POINT AT WHICH A PUPIL IS ENROLLED IN A
9 LOCAL EDUCATION PROVIDER AND THE CIRCUMSTANCES UNDER WHICH A
10 PUPIL CEASES TO BE ENROLLED IN A LOCAL EDUCATION PROVIDER.

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

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

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

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

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

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

1 PUPIL IS:

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

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

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

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

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

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

26 (VII) A PUPIL WHO IS EXPELLED WITHIN THE APPLICABLE BUDGET
27 YEAR AND TO WHOM THE LOCAL EDUCATION PROVIDER PROVIDES

1 EDUCATIONAL SERVICES PURSUANT TO SECTION 22-33-203; AND
2 (VIII) A JUVENILE WHO IS HELD IN AN ADULT JAIL AND TO WHOM
3 THE DISTRICT PROVIDES EDUCATIONAL SERVICES PURSUANT TO SECTION
4 22-32-141.
5 (c) FOR PURPOSES OF THIS ARTICLE, MEMBERSHIP OF A LOCAL
6 EDUCATION PROVIDER DOES NOT INCLUDE:
7 (I) A PUPIL WHO IS PLACED IN A FACILITY, AS DEFINED IN SECTION
8 22-2-402 (3), AND WHO IS RECEIVING SERVICES THROUGH AN APPROVED
9 FACILITY SCHOOL, AS DEFINED IN SECTION 22-2-402 (1);
10 (II) A PUPIL WHO IS ENROLLED IN A MULTI-DISTRICT ON-LINE
11 SCHOOL; OR
12 (III) A PUPIL WHO IS PARTICIPATING IN THE ASCENT PROGRAM.
13 (27) "MULTI-DISTRICT ON-LINE SCHOOL" HAS THE SAME MEANING
14 AS PROVIDED IN SECTION 22-30.7-102 (6).
15 (28) (a) "ON-LINE AVERAGE DAILY MEMBERSHIP" MEANS THE
16 NUMBER OF ON-LINE PUPILS ENROLLED EACH SCHOOL DAY IN A
17 MULTI-DISTRICT ON-LINE SCHOOL OPERATED BY A LOCAL EDUCATION
18 PROVIDER, TOALED FOR THE AVERAGING PERIOD AND DIVIDED BY THE
19 NUMBER OF SCHOOL DAYS IN THE AVERAGING PERIOD. THE STATE BOARD
20 BY RULE SHALL DEFINE "ENROLLMENT" FOR PURPOSES OF MULTI-DISTRICT
21 ON-LINE SCHOOLS. THE ON-LINE AVERAGE DAILY MEMBERSHIP OF A
22 DISTRICT INCLUDES THE PUPILS ENROLLED IN A DISTRICT CHARTER SCHOOL
23 OF THE DISTRICT THAT IS A MULTI-DISTRICT ON-LINE SCHOOL.
24 (b) (I) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF
25 THIS SUBSECTION (28) TO THE CONTRARY, FOR PURPOSES OF CALCULATING
26 FUNDING PURSUANT TO THIS ARTICLE FOR THE 2015-16 AND 2016-17
27 BUDGET YEARS, "ON-LINE AVERAGE DAILY MEMBERSHIP" MEANS THE

1 NUMBER OF PUPILS ENROLLED ON OCTOBER 1 OF THE BUDGET YEAR FOR
2 WHICH FUNDING IS CALCULATED IN A MULTI-DISTRICT ON-LINE SCHOOL
3 OPERATED BY A LOCAL EDUCATION PROVIDER.

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

5 (29) "PRECEDING BUDGET YEAR" MEANS THE BUDGET YEAR THAT
6 IMMEDIATELY PRECEDES THE BUDGET YEAR FOR WHICH FUNDING IS
7 CALCULATED.

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

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

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

24 (31) "SCHOOL DAY" MEANS:


25 (a) FOR A DISTRICT, A DAY ON WHICH AT LEAST ONE SCHOOL OF
26 THE DISTRICT IS PROVIDING EDUCATIONAL SERVICES TO PUPILS ENROLLED
27 IN THE DISTRICT, INCLUDING PUPILS ENROLLED IN A DISTRICT CHARTER

1 SCHOOL OF THE DISTRICT; OR

2 (b) FOR AN INSTITUTE CHARTER SCHOOL, A DAY ON WHICH THE
3 INSTITUTE CHARTER SCHOOL IS PROVIDING EDUCATIONAL SERVICES TO
4 PUPILS ENROLLED IN THE INSTITUTE CHARTER SCHOOL.

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

7 (33) "SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE DISTRICT"
8 MEANS THE AMOUNT OF SPECIFIC OWNERSHIP TAX REVENUE THAT A
9 DISTRICT RECEIVES PURSUANT TO SECTION 42-3-107 (24), C.R.S., FOR THE
10 PRECEDING BUDGET YEAR THAT IS ATTRIBUTABLE TO ALL PROPERTY TAX
11 LEVIES MADE BY THE DISTRICT EXCEPT THOSE PROPERTY TAX LEVIES MADE
12 FOR THE PURPOSE OF SATISFYING BONDED INDEBTEDNESS OBLIGATIONS,
13 BOTH PRINCIPAL AND INTEREST, AND THOSE PROPERTY TAX LEVIES
14 AUTHORIZED AT ELECTIONS HELD UNDER THE PROVISIONS OF FORMER
15 SECTION 22-53-117, OR SECTION 22-54-108 OR 22-54-108.5 AS THEY
16 EXISTED BEFORE REPEAL, OR SECTION 22-54.5-205, 22-54.5-206,
17 22-54.5-207, OR 22-54.5-208.

18 
19 (34) "STATE BOARD" MEANS THE STATE BOARD OF EDUCATION
20 CREATED IN SECTION 1 OF ARTICLE IX OF THE STATE CONSTITUTION.

21 (35) "STATE SHARE" MEANS THE AMOUNT CALCULATED PURSUANT
22 TO SECTION 22-54.5-203 THAT A DISTRICT RECEIVES AS THE STATE SHARE
23 OF TOTAL PROGRAM.

24 (36) "STATEWIDE AVERAGE AT-RISK PUPIL PERCENTAGE" MEANS
25 THE TOTAL AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP OF ALL DISTRICTS
26 AND ALL INSTITUTE CHARTER SCHOOLS DIVIDED BY THE TOTAL ADJUSTED
27 AVERAGE DAILY MEMBERSHIP OF ALL DISTRICTS AND ALL INSTITUTE

1 CHARTER SCHOOLS.

2 (37) (a) "STATEWIDE AVERAGE DAILY MEMBERSHIP" MEANS THE
3 TOTAL MEMBERSHIP OF ALL DISTRICTS AND ALL INSTITUTE CHARTER
4 SCHOOLS IN THE STATE EACH SCHOOL DAY AND THE TOTAL NUMBER OF
5 PUPILS ENROLLED IN THE MULTI-DISTRICT ON-LINE SCHOOLS OF THE STATE
6 EACH SCHOOL DAY, TOEALED FOR THE AVERAGING PERIOD AND DIVIDED
7 BY THE NUMBER OF SCHOOL DAYS IN THE AVERAGING PERIOD.

8 (b) (I) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF
9 THIS SUBSECTION (37) TO THE CONTRARY, FOR PURPOSES OF CALCULATING
10 FUNDING PURSUANT TO THIS ARTICLE FOR THE 2015-16 AND 2016-17
11 BUDGET YEARS, "STATEWIDE AVERAGE DAILY MEMBERSHIP" MEANS THE
12 TOTAL MEMBERSHIP OF ALL DISTRICTS AND ALL INSTITUTE CHARTER
13 SCHOOLS IN THE STATE ON OCTOBER 1 OF THE BUDGET YEAR FOR WHICH
14 FUNDING IS CALCULATED.

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

16 (38) "STATEWIDE AVERAGE ENGLISH LANGUAGE LEARNER
17 PERCENTAGE" MEANS THE TOTAL ENGLISH LANGUAGE LEARNER AVERAGE
18 DAILY MEMBERSHIP OF ALL DISTRICTS AND ALL INSTITUTE CHARTER
19 SCHOOLS DIVIDED BY THE TOTAL ADJUSTED AVERAGE DAILY MEMBERSHIP
20 OF ALL DISTRICTS AND ALL INSTITUTE CHARTER SCHOOLS.

21

22

23 (39) "TOTAL PROGRAM" MEANS:

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

27 (b) THE FUNDING FOR AN INSTITUTE CHARTER SCHOOL, AS

1 DETERMINED PURSUANT TO SECTION 22-54.5-202, WHICH REPRESENTS THE
2 FINANCIAL BASE OF SUPPORT FOR THE INSTITUTE CHARTER SCHOOL.

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

6 **22-54.5-104. Rules - general provisions.** (1) THE STATE BOARD,
7 PURSUANT TO THE "STATE ADMINISTRATIVE PROCEDURE ACT", ARTICLE
8 4 OF TITLE 24, C.R.S., SHALL PROMULGATE RULES AS NECESSARY FOR THE
9 ADMINISTRATION AND ENFORCEMENT OF THIS ARTICLE.

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

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

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

1 CONTINUED APPLICATION OF THESE INVESTMENTS MUST BE MONITORED ON
2 A REGULAR BASIS TO ENSURE THAT THEY GENERATE THE DESIRED RESULTS
3 AND THAT THE INVESTMENTS ARE SUFFICIENT TO MEET THE STATUTORY
4 EDUCATION-REFORM REQUIREMENTS. BECAUSE THE ULTIMATE GOAL OF
5 THE STANDARDS-BASED EDUCATION SYSTEM IS MEETING THE
6 EDUCATIONAL STANDARDS SET FOR EACH LEVEL, FUTURE COST STUDIES
7 MUST EVALUATE WHERE FAILURE TO MEET THOSE STANDARDS INDICATES
8 A LACK OF RESOURCES AND TARGET FUTURE RESOURCES TO DIRECTLY
9 ADDRESS THOSE PROGRAMS, STUDENT GROUPS, OR SCHOOLS THAT
10 CONTINUE TO UNDERPERFORM.

11 (2) THE DEPARTMENT SHALL PREPARE A REPORT ANALYZING THE
12 RETURN ON THE INVESTMENT PROVIDED TO DISTRICTS AND INSTITUTE
13 CHARTER SCHOOLS PURSUANT TO THIS ARTICLE, AS DESCRIBED IN
14 SUBSECTION (3) OF THIS SECTION, AND A COST STUDY AS DESCRIBED IN
15 SUBSECTION (4) OF THIS SECTION, TO IDENTIFY ANY FUNDING DEFICITS
16 WITH REGARD TO SPECIFIC PROGRAMS, STUDENT GROUPS, OR OTHER AREAS
17 THAT ARE CRITICAL TO DISTRICTS AND INSTITUTE CHARTER SCHOOLS. THE
18 DEPARTMENT SHALL SUBMIT THE REPORT AND THE COST STUDY TO THE
19 STATE BOARD, THE GOVERNOR, AND THE EDUCATION COMMITTEES OF THE
20 SENATE AND THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR
21 COMMITTEES. THE DEPARTMENT SHALL SUBMIT THE FIRST COST STUDY NO
22 LATER THAN JANUARY 31, 2016. THE DEPARTMENT SHALL SUBMIT THE
23 REPORT AND SUBSEQUENT COST STUDIES NO LATER THAN JANUARY 31,
24 2020, AND NO LATER THAN JANUARY 31 EVERY FOUR YEARS THEREAFTER.
25 THE DEPARTMENT SHALL MAKE THE REPORT AND THE COST STUDY
26 AVAILABLE TO THE PUBLIC ON THE DEPARTMENT WEB SITE.

27 (3) (a) THE DEPARTMENT MAY PREPARE THE REPORT OF THE

1 RETURN ON THE INVESTMENT OF THE FUNDING PROVIDED BY THIS SECTION
2 EITHER DIRECTLY OR BY CONTRACT WITH ONE OR MORE PROVIDERS. THE
3 REPORT MUST ANALYZE THE RELATIONSHIP BETWEEN THE FUNDING
4 INVESTMENTS MADE THROUGH THIS ARTICLE AND THE SUBSEQUENT
5 LEVELS OF STUDENT ACADEMIC GROWTH AND ACHIEVEMENT, INCLUDING
6 PROGRESS IN ELIMINATING THE GROWTH AND ACHIEVEMENT GAPS AMONG
7 STUDENT GROUPS DISAGGREGATED BY RACE, AS MEASURED BY, AT A
8 MINIMUM, THE STATEWIDE ASSESSMENTS, SCHOOL ATTENDANCE RATES,
9 HIGH SCHOOL GRADUATION RATES, AND COLLEGE REMEDIATION RATES.
10 SPECIFICALLY, THE REPORT, AT A MINIMUM, MUST ANALYZE THE
11 FOLLOWING:

12 (I) DISTRICT SIZE, SCHOOL SIZE, DISTRICT AND SCHOOL LOCATION,
13 DISTRICT AND SCHOOL STUDENT DEMOGRAPHICS, AND OTHER DISTRICT
14 AND SCHOOL ATTRIBUTES, INCLUDING BUT NOT LIMITED TO DISTRICT AND
15 SCHOOL CALENDARS, STANDARD CLASS SIZES, AND SPECIALIZATION IN
16 SCHOOLS AND CURRICULA;

17 (II) THE AMOUNT OF FUNDING RECEIVED BY EACH DISTRICT, EACH
18 DISTRICT CHARTER SCHOOL, EACH NON-CHARTER PUBLIC SCHOOL, AND
19 EACH INSTITUTE CHARTER SCHOOL PURSUANT TO THIS ARTICLE AND
20 THROUGH CATEGORICAL PROGRAM FUNDING;

21 (III) STUDENT LEARNING CONDITIONS WITHIN EACH DISTRICT,
22 EACH SCHOOL THAT IS NOT A CHARTER SCHOOL, EACH DISTRICT CHARTER
23 SCHOOL, AND EACH INSTITUTE CHARTER SCHOOL USING DATA FROM THE
24 BIENNIAL TEACHING AND LEARNING CONDITIONS SURVEY ADMINISTERED
25 BY THE DEPARTMENT PURSUANT TO SECTION 22-2-503, OTHER VALID AND
26 RELIABLE DATA REGARDING STAFF, PARENT, AND STUDENT PERCEPTIONS,
27 AND OTHER VALID AND RELIABLE DATA THAT DISTRICTS AND PUBLIC

1 SCHOOLS MAY PROVIDE:

2 (IV) THE LEVELS OF ACHIEVEMENT ON THE PERFORMANCE
3 INDICATORS DESCRIBED IN SECTION 22-11-204, INCLUDING EACH OF THE
4 SPECIFIC MEASURES, BY EACH DISTRICT, EACH DISTRICT CHARTER SCHOOL,
5 EACH NON-CHARTER PUBLIC SCHOOL, AND EACH INSTITUTE CHARTER
6 SCHOOL;

7 (V) THE LEVEL OF INVESTMENTS IN PROGRAMS AND INITIATIVES
8 THAT ARE SPECIFICALLY DESIGNED TO ELIMINATE THE GROWTH AND
9 ACHIEVEMENT GAPS AMONG STUDENT GROUPS DISAGGREGATED BY RACE;

10 (VI) THE LEVEL OF INVESTMENTS IN EXPANDED LEARNING TIME
11 INITIATIVES AND THE TYPES OF INITIATIVES IMPLEMENTED;

12 (VII) INVESTMENTS IN TARGETED PROGRAMS, INCLUDING
13 PROGRAMS TO SERVE AT-RISK PUPILS, ENGLISH LANGUAGE LEARNERS,
14 STUDENT WITH DISABILITIES, AND GIFTED AND TALENTED STUDENTS, AND
15 THE ACADEMIC GROWTH AND ACHIEVEMENT LEVELS OF STUDENTS WITHIN
16 THESE GROUPS;

17 (VIII) CONCURRENT ENROLLMENT PURSUANT TO ARTICLE 35 OF
18 THIS TITLE, INCLUDING PARTICIPATION IN THE ASCENT PROGRAM,
19 POSTSECONDARY ENROLLMENT BY STUDENTS GRADUATING FROM
20 COLORADO HIGH SCHOOLS, INCLUDING THE TYPES OF POSTSECONDARY
21 CERTIFICATE AND DEGREE PROGRAMS, AND THE REMEDIATION RATES FOR
22 THOSE STUDENTS, ANALYZED FOR STUDENTS AS A WHOLE AND
23 DISAGGREGATED BY RACE; AND

24 (IX) THE POSTSECONDARY PERSISTENCE RATES AND THE NUMBER
25 OF YEARS TO OBTAIN POSTSECONDARY CREDENTIALS FOR STUDENTS WHO
26 GRADUATE FROM COLORADO HIGH SCHOOLS, ANALYZED FOR STUDENTS AS
27 A WHOLE AND DISAGGREGATED BY RACE.

1 (b) IN ADDITION, THE REPORT MUST CONFIRM THE LEVEL TO WHICH
2 EACH DISTRICT, EACH DISTRICT CHARTER SCHOOL, AND EACH INSTITUTE
3 CHARTER SCHOOL IMPLEMENTS THE FOLLOWING STATUTORY
4 REQUIREMENTS WITH INTEGRITY:

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

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

9 (III) THE "COLORADO READ ACT", PART 12 OF ARTICLE 7 OF THIS
10 TITLE;

11 (IV) THE "EDUCATION ACCOUNTABILITY ACT OF 2009", ARTICLE
12 11 OF THIS TITLE; AND

13 (V) THE "EXCEPTIONAL CHILDREN'S EDUCATIONAL ACT", ARTICLE
14 20 OF THIS TITLE.

15 (4) (a) THE DEPARTMENT SHALL CONTRACT FOR STUDIES OF THE
16 AMOUNT OF FUNDING REQUIRED FOR DISTRICTS, DISTRICT CHARTER
17 SCHOOLS, AND INSTITUTE CHARTER SCHOOLS TO SUCCESSFULLY
18 IMPLEMENT THE "PRESCHOOL TO POSTSECONDARY EDUCATION
19 ALIGNMENT ACT", PART 10 OF ARTICLE 7 OF THIS TITLE, THE "COLORADO
20 READ ACT", PART 12 OF ARTICLE 7 OF THIS TITLE, THE "LICENSED
21 PERSONNEL PERFORMANCE EVALUATION ACT", ARTICLE 9 OF THIS TITLE,
22 AND THE "EDUCATION ACCOUNTABILITY ACT OF 2009", ARTICLE 11 OF
23 THIS TITLE AND TO ELIMINATE THE GROWTH AND ACHIEVEMENT GAPS
24 AMONG STUDENT GROUPS DISAGGREGATED BY RACE. THE COST STUDY
25 MUST INCLUDE IDENTIFICATION OF SPECIFIC AREAS OF FUNDING DEFICIT
26 AND THE AMOUNT NEEDED TO REMEDY THE DEFICIT.

27 (b) IN CONTRACTING FOR THE COST STUDIES, THE DEPARTMENT

1 SHALL ENSURE THAT THE STUDIES IMPLEMENT MULTIPLE METHODS,
2 INCLUDING BUT NOT LIMITED TO:

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

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

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

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

21 **22-54.5-106. Effectiveness of article - applicability - rules.**

22 (1) THIS ARTICLE TAKES EFFECT UPON THE PROCLAMATION BY THE
23 GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION HELD NO LATER
24 THAN NOVEMBER 2017 AT WHICH A MAJORITY OF THOSE VOTING APPROVE
25 A CITIZEN-INITIATED INCREASE IN STATE TAX REVENUES FOR THE PURPOSE
26 OF FUNDING PRESCHOOL THROUGH TWELFTH GRADE PUBLIC EDUCATION,
27 SO LONG AS THE AMOUNT OF THE APPROVED REVENUE INCREASE IS EQUAL

1 TO OR GREATER THAN THE TOTAL ESTIMATED STATE FISCAL IMPACT
2 ASSOCIATED WITH THE PAYMENT OF THE STATE SHARE OF TOTAL PROGRAM
3 PURSUANT TO SECTION 22-54.5-203, INVESTMENT MONEYS PURSUANT TO
4 SECTION 22-54.5-301, HOLD-HARMLESS MONEYS PURSUANT TO SECTION
5 22-54.5-302, AND PER PUPIL SUPPLEMENTAL PAYMENTS PURSUANT TO
6 SECTION 22-54.5-303, IN THE SECOND BUDGET YEAR COMMENCING AFTER
7 THE INCREASE IS APPROVED, AS STATED IN THE FINAL FISCAL NOTE
8 PREPARED FOR SENATE BILL 13-213, ENACTED IN 2013.

9 (2) THE PROVISIONS OF THIS ARTICLE APPLY IN THE SECOND
10 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH
11 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE
12 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS
13 THEREAFTER; EXCEPT THAT, IN THE FIRST BUDGET YEAR COMMENCING
14 AFTER THE STATEWIDE ELECTION:

15

==

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

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

20

PART 2

21

TOTAL PROGRAM

22

AND LOCAL REVENUES

23

22-54.5-201. District total program. (1) THE DEPARTMENT

24

SHALL APPLY THE PROVISIONS OF THIS SECTION TO CALCULATE FOR EACH

25

DISTRICT AN AMOUNT THAT REPRESENTS THE FINANCIAL BASE OF SUPPORT

26

FOR PUBLIC EDUCATION IN THAT DISTRICT, WHICH AMOUNT IS KNOWN AS

27

THE DISTRICT'S TOTAL PROGRAM. EACH DISTRICT'S TOTAL PROGRAM IS

1 AVAILABLE TO THE DISTRICT TO FUND THE COSTS OF PROVIDING PUBLIC
2 EDUCATION, AND, EXCEPT AS OTHERWISE PROVIDED IN SECTION
3 22-54.5-410, THE DISTRICT HAS DISCRETION CONCERNING THE AMOUNTS
4 AND PURPOSES FOR WHICH THE MONEYS ARE BUDGETED AND EXPENDED.

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

7 (DISTRICT'S PER PUPIL FUNDING X (DISTRICT'S FUNDED
8 MEMBERSHIP - DISTRICT'S ON-LINE AVERAGE DAILY
9 MEMBERSHIP - DISTRICT'S ASCENT PROGRAM AVERAGE
10 DAILY MEMBERSHIP)) + DISTRICT'S AT-RISK FUNDING +
11 DISTRICT'S ENGLISH LANGUAGE LEARNER FUNDING +
12 DISTRICT'S ON-LINE FUNDING + DISTRICT'S ASCENT
13 PROGRAM FUNDING.

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

17 STATEWIDE BASE PER PUPIL FUNDING X DISTRICT SIZE
18 FACTOR.

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

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

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

3 If the district's funded	The district's
4 membership count is:	size factor shall be:
5 LESS THAN 276	1.5457 + (0.00376159 X THE
6	DIFFERENCE BETWEEN THE FUNDED
7	MEMBERSHIP AND 276).
8 276 OR MORE	
9 BUT LESS THAN 459	1.2385 + (0.00167869 X THE
10	DIFFERENCE BETWEEN THE FUNDED
11	MEMBERSHIP AND 459).
12 459 OR MORE	
13 BUT LESS THAN 1,027	1.1215 + (0.00020599 X THE
14	DIFFERENCE BETWEEN THE FUNDED
15	MEMBERSHIP AND 1,027).
16 1,027 OR MORE	
17 BUT LESS THAN 2,293	1.0533 + (0.00005387 X THE
18	DIFFERENCE BETWEEN THE FUNDED
19	MEMBERSHIP AND 2,293).
20 2,293 OR MORE	
21 BUT LESS THAN 4,023	1.0297 + (0.00001364 X THE
22	DIFFERENCE BETWEEN THE FUNDED
23	MEMBERSHIP AND 4,023).
24 4,023 OR MORE	
25 BUT LESS THAN 4,300	1.0 + (0.00010722 X THE DIFFERENCE
26	BETWEEN THE FUNDED MEMBERSHIP
27	AND 4,300).

1 4,300 OR MORE 1.0.

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

16 (III) IF THE REORGANIZATION OF A DISTRICT OR DISTRICTS RESULTS
17 IN ONE OR MORE OF THE DISTRICTS INVOLVED IN THE REORGANIZATION
18 HAVING A LOWER SIZE FACTOR THAN THE ORIGINAL DISTRICT OR DISTRICTS
19 HAD FOR THE BUDGET YEAR IMMEDIATELY PRECEDING REORGANIZATION,
20 THE SIZE FACTOR FOR THE NEW DISTRICT OR DISTRICTS IS DETERMINED AS
21 FOLLOWS:

22 (A) FOR THE FIRST BUDGET YEAR FOLLOWING REORGANIZATION,
23 THE SIZE FACTOR OF THE ORIGINAL DISTRICT FOR THE BUDGET YEAR
24 IMMEDIATELY PRECEDING REORGANIZATION OR, IF TWO OR MORE
25 DISTRICTS ARE INVOLVED IN THE REORGANIZATION, THE WEIGHTED
26 AVERAGE SIZE FACTOR OF THE ORIGINAL DISTRICTS FOR THE BUDGET YEAR
27 IMMEDIATELY PRECEDING REORGANIZATION. FOR PURPOSES OF THIS

1 SUB-SUBPARAGRAPH (A), THE WEIGHTED AVERAGE SIZE FACTOR IS THE
2 SUM OF THE AMOUNTS CALCULATED BY MULTIPLYING THE FUNDED
3 MEMBERSHIP OF THE ORIGINAL DISTRICTS BY THE SIZE FACTOR OF THE
4 ORIGINAL DISTRICTS AND DIVIDING THAT SUM BY THE TOTAL FUNDED
5 MEMBERSHIP OF THE ORIGINAL DISTRICTS.

6 (B) FOR THE SECOND BUDGET YEAR FOLLOWING REORGANIZATION,
7 THE SIZE FACTOR FOR THE PRIOR BUDGET YEAR MINUS AN AMOUNT EQUAL
8 TO ONE-FIFTH OF THE DIFFERENCE BETWEEN THE SIZE FACTOR FOR THE
9 PRIOR BUDGET YEAR AND THE SIZE FACTOR DETERMINED PURSUANT TO
10 SUBPARAGRAPH (I) OF THIS PARAGRAPH (c);

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

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

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

26 (F) FOR THE SIXTH BUDGET YEAR FOLLOWING REORGANIZATION
27 AND BUDGET YEARS THEREAFTER, THE SIZE FACTOR DETERMINED

1 PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (c).

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

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

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

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

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

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

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

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

11 (I) IF THE DISTRICT'S ENGLISH LANGUAGE LEARNER PERCENTAGE
12 IS EQUAL TO OR LESS THAN THE STATEWIDE AVERAGE ENGLISH LANGUAGE
13 LEARNER PERCENTAGE, THE DEPARTMENT SHALL USE THE FOLLOWING
14 FORMULA:

15 (STATEWIDE BASE PER PUPIL FUNDING X 20%) X DISTRICT'S
16 ENGLISH LANGUAGE LEARNER AVERAGE DAILY
17 MEMBERSHIP.

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

21 (((STATEWIDE BASE PER PUPIL FUNDING X 20%) X
22 (STATEWIDE AVERAGE ENGLISH LANGUAGE LEARNER
23 PERCENTAGE X DISTRICT'S ADJUSTED AVERAGE DAILY
24 MEMBERSHIP)) + ((STATEWIDE BASE PER PUPIL FUNDING X
25 DISTRICT'S ENGLISH LANGUAGE LEARNER FACTOR) X
26 (DISTRICT'S ENGLISH LANGUAGE LEARNER AVERAGE DAILY
27 MEMBERSHIP - (STATEWIDE AVERAGE ENGLISH LANGUAGE

1 LEARNER PERCENTAGE X DISTRICT'S ADJUSTED AVERAGE
2 DAILY MEMBERSHIP))).

3 (b) **English language learner factor.** IF THE DISTRICT'S ENGLISH
4 LANGUAGE LEARNER PERCENTAGE IS GREATER THAN THE STATEWIDE
5 AVERAGE ENGLISH LANGUAGE LEARNER PERCENTAGE, THE DISTRICT'S
6 ENGLISH LANGUAGE LEARNER FACTOR IS TWENTY PERCENT PLUS A 0.80
7 PERCENTAGE POINT FOR EACH PERCENTAGE POINT THAT THE DISTRICT'S
8 ENGLISH LANGUAGE LEARNER PERCENTAGE EXCEEDS THE STATEWIDE
9 AVERAGE ENGLISH LANGUAGE LEARNER PERCENTAGE; EXCEPT THAT A
10 DISTRICT'S ENGLISH LANGUAGE LEARNER FACTOR SHALL NOT EXCEED
11 FORTY PERCENT.

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

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

22 **22-54.5-202. Total program - institute charter schools.** (1) THE
23 CALCULATION OF TOTAL PROGRAM PURSUANT TO THE PROVISIONS OF THIS
24 SECTION REPRESENTS THE FINANCIAL BASE OF SUPPORT FOR EACH
25 INSTITUTE CHARTER SCHOOL, WHICH AMOUNT IS KNOWN AS THE INSTITUTE
26 CHARTER SCHOOL'S TOTAL PROGRAM. EACH INSTITUTE CHARTER SCHOOL'S
27 TOTAL PROGRAM IS AVAILABLE TO THE INSTITUTE CHARTER SCHOOL TO

1 FUND THE COSTS OF PROVIDING PUBLIC EDUCATION TO PUPILS ENROLLED
2 IN THE INSTITUTE CHARTER SCHOOL. THE INSTITUTE CHARTER SCHOOL HAS
3 DISCRETION CONCERNING THE AMOUNTS AND PURPOSES FOR WHICH THE
4 MONEYS ARE BUDGETED AND EXPENDED.

5 (2) **Total program funding.** AN INSTITUTE CHARTER SCHOOL'S
6 TOTAL PROGRAM IS CALCULATED USING THE PER PUPIL FUNDING OF THE
7 INSTITUTE CHARTER SCHOOL'S ACCOUNTING DISTRICT AS CALCULATED
8 PURSUANT TO SECTION 22-54.5-201 (3). THE FORMULA FOR AN INSTITUTE
9 CHARTER SCHOOL'S TOTAL PROGRAM IS:

10 (AACCOUNTING DISTRICT'S PER PUPIL FUNDING X (INSTITUTE
11 CHARTER SCHOOL'S FUNDED MEMBERSHIP - INSTITUTE
12 CHARTER SCHOOL'S ON-LINE AVERAGE DAILY MEMBERSHIP
13 - INSTITUTE CHARTER SCHOOL'S ASCENT PROGRAM
14 AVERAGE DAILY MEMBERSHIP)) + INSTITUTE CHARTER
15 SCHOOL'S MILL LEVY EQUALIZATION FUNDING + INSTITUTE
16 CHARTER SCHOOL'S AT-RISK FUNDING + INSTITUTE CHARTER
17 SCHOOL'S ENGLISH LANGUAGE LEARNER FUNDING +
18 INSTITUTE CHARTER SCHOOL'S ON-LINE FUNDING +
19 INSTITUTE CHARTER SCHOOL'S ASCENT PROGRAM
20 FUNDING.

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

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

25 (AACCOUNTING DISTRICT'S PER PUPIL FUNDING X INSTITUTE
26 CHARTER SCHOOL'S MILL LEVY EQUALIZATION FACTOR) X
27 (INSTITUTE CHARTER SCHOOL'S FUNDED MEMBERSHIP -

1 INSTITUTE CHARTER SCHOOL'S ASCENT PROGRAM
2 AVERAGE DAILY MEMBERSHIP).

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

6 PER PUPIL MILL LEVY EQUALIZATION ÷ ACCOUNTING
7 DISTRICT'S PER PUPIL FUNDING

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

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

21 (I) IF THE INSTITUTE CHARTER SCHOOL'S AT-RISK PUPIL
22 PERCENTAGE IS EQUAL TO OR LESS THAN THE STATEWIDE AVERAGE
23 AT-RISK PUPIL PERCENTAGE, THE DEPARTMENT SHALL USE THE FOLLOWING
24 FORMULA:

25 (STATEWIDE BASE PER PUPIL FUNDING X 20%) X INSTITUTE
26 CHARTER SCHOOL'S AT-RISK PUPIL AVERAGE DAILY
27 MEMBERSHIP.

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

4 ((STATEWIDE BASE PER PUPIL FUNDING X 20%) X
5 (STATEWIDE AVERAGE AT-RISK PUPIL PERCENTAGE X
6 INSTITUTE CHARTER SCHOOL'S ADJUSTED AVERAGE DAILY
7 MEMBERSHIP)) + ((STATEWIDE BASE PER PUPIL FUNDING X
8 INSTITUTE CHARTER SCHOOL'S AT-RISK FACTOR) X
9 (INSTITUTE CHARTER SCHOOL'S AT-RISK PUPIL AVERAGE
10 DAILY MEMBERSHIP - (STATEWIDE AVERAGE AT-RISK PUPIL
11 PERCENTAGE X INSTITUTE CHARTER SCHOOL'S ADJUSTED
12 AVERAGE DAILY MEMBERSHIP))).

13 (b) **At-risk factor.** IF THE INSTITUTE CHARTER SCHOOL'S AT-RISK
14 PUPIL PERCENTAGE IS GREATER THAN THE STATEWIDE AVERAGE AT-RISK
15 PUPIL PERCENTAGE, THE INSTITUTE CHARTER SCHOOL'S AT-RISK FACTOR
16 IS TWENTY PERCENT PLUS A 0.40 PERCENTAGE POINT FOR EACH
17 PERCENTAGE POINT THAT THE INSTITUTE CHARTER SCHOOL'S AT-RISK
18 PUPIL PERCENTAGE EXCEEDS THE STATEWIDE AVERAGE AT-RISK PUPIL
19 PERCENTAGE; EXCEPT THAT AN INSTITUTE CHARTER SCHOOL'S AT-RISK
20 FACTOR SHALL NOT EXCEED FORTY PERCENT.

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

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

25 (I) IF THE INSTITUTE CHARTER SCHOOL'S ENGLISH LANGUAGE
26 LEARNER PERCENTAGE IS EQUAL TO OR LESS THAN THE STATEWIDE
27 AVERAGE ENGLISH LANGUAGE LEARNER PERCENTAGE, THE DEPARTMENT

1 SHALL USE THE FOLLOWING FORMULA:

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

5 (II) IF THE INSTITUTE CHARTER SCHOOL'S ENGLISH LANGUAGE
6 LEARNER PERCENTAGE IS GREATER THAN THE STATEWIDE AVERAGE
7 ENGLISH LANGUAGE LEARNER PERCENTAGE, THE DEPARTMENT SHALL USE
8 THE FOLLOWING FORMULA:

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

19 (b) **English language learner factor.** IF THE INSTITUTE CHARTER
20 SCHOOL'S ENGLISH LANGUAGE LEARNER PERCENTAGE IS GREATER THAN
21 THE STATEWIDE AVERAGE ENGLISH LANGUAGE LEARNER PERCENTAGE,
22 THE INSTITUTE CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER FACTOR
23 IS TWENTY PERCENT PLUS A 0.80 PERCENTAGE POINT FOR EACH
24 PERCENTAGE POINT THAT THE INSTITUTE CHARTER SCHOOL'S ENGLISH
25 LANGUAGE LEARNER PERCENTAGE EXCEEDS THE STATEWIDE AVERAGE
26 ENGLISH LANGUAGE LEARNER PERCENTAGE; EXCEPT THAT AN INSTITUTE
27 CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER FACTOR SHALL NOT

1 EXCEED FORTY PERCENT.

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

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

13 **22-54.5-203. Local and state shares of district total program**
14 **- total program mill levy - calculation.** (1) (a) NO LATER THAN JULY 1,
15 2015, NO LATER THAN JULY 1, 2020, AND NO LATER THAN JULY 1 EVERY
16 SIX YEARS THEREAFTER, THE DEPARTMENT SHALL CALCULATE THE LOCAL
17 SHARE AND STATE SHARE FOR EACH DISTRICT AS PROVIDED IN SUBSECTION
18 (2) OF THIS SECTION. THE DEPARTMENT SHALL PERFORM THE
19 CALCULATION USING THE MOST RECENT ASSESSED VALUATIONS OF
20 PROPERTY, THE MEDIAN FAMILY INCOME LEVELS BASED ON THE MOST
21 RECENT AMERICAN COMMUNITY SURVEY CONDUCTED BY THE UNITED
22 STATES CENSUS BUREAU, AND THE MEMBERSHIP CALCULATIONS FOR THE
23 MOST RECENT FUNDING AVERAGING PERIOD.

24 (b) BASED ON EACH DISTRICT'S LOCAL SHARE OF TOTAL PROGRAM
25 CALCULATED PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (1), THE
26 DEPARTMENT, AS PROVIDED IN SUBSECTION (3) OF THIS SECTION, SHALL
27 CALCULATE THE NUMBER OF MILLS THAT EACH DISTRICT IS EXPECTED TO

1 LEVY BEGINNING IN THE FIRST BUDGET YEAR FOLLOWING RECALCULATION
2 OF THE LOCAL SHARE AND STATE SHARE AND FOR EACH BUDGET YEAR
3 THEREAFTER UNTIL THE DEPARTMENT AGAIN RECALCULATES THE LOCAL
4 SHARE AND STATE SHARE OF TOTAL PROGRAM PURSUANT TO PARAGRAPH
5 (a) OF THIS SUBSECTION (1).

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

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

22 (c) **Calculation of local share for each district.** (I) FOR
23 PURPOSES OF CALCULATING EACH DISTRICT'S TOTAL PROGRAM MILL LEVY,
24 EACH DISTRICT'S LOCAL SHARE OF TOTAL PROGRAM IS AN AMOUNT EQUAL
25 TO THE DISTRICT'S TOTAL PROGRAM FOR THE BUDGET YEAR IN WHICH THE
26 DEPARTMENT CALCULATES THE LOCAL SHARE MULTIPLIED BY THE
27 DISTRICT'S LOCAL SHARE RATIO. A DISTRICT'S LOCAL SHARE RATIO IS AN

1 AMOUNT EQUAL TO ONE MINUS THE SQUARE ROOT OF:
2 (DISTRICT'S EQUALIZATION RATIO SQUARED + (DISTRICT'S
3 AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP ÷ DISTRICT'S
4 ADJUSTED AVERAGE DAILY MEMBERSHIP) SQUARED) ÷ 2.
5 (II) EACH DISTRICT'S EQUALIZATION RATIO IS EQUAL TO:
6 1 - (0.4 X ((DISTRICT'S NORMALIZED ADJUSTED ASSESSED
7 VALUATION ÷ DISTRICT'S AVERAGE DAILY MEMBERSHIP) ÷
8 (STATEWIDE ASSESSED VALUATION ÷ STATEWIDE AVERAGE
9 DAILY MEMBERSHIP))).
10 (III) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (II)
11 OF THIS PARAGRAPH (c), IF THE CALCULATION OF A DISTRICT'S
12 EQUALIZATION RATIO RESULTS IN A NEGATIVE NUMBER, THE DISTRICT'S
13 EQUALIZATION RATIO IS ZERO.
14 (IV) THE ADJUSTED ASSESSED VALUATION IS AN AMOUNT EQUAL
15 TO THE ASSESSED VALUATION FOR A DISTRICT MULTIPLIED BY THE RATIO
16 THAT THE MEDIAN FAMILY INCOME OF THE DISTRICT BEARS TO THE
17 STATEWIDE MEDIAN FAMILY INCOME. TO ENSURE THAT THE TOTAL
18 STATEWIDE ADJUSTED ASSESSED VALUATION EQUALS THE TOTAL
19 STATEWIDE ASSESSED VALUATION, A DISTRICT'S NORMALIZED ADJUSTED
20 ASSESSED VALUATION IS AN AMOUNT EQUAL TO:
21 STATEWIDE ASSESSED VALUATION X (DISTRICT'S ADJUSTED
22 ASSESSED VALUATION ÷ STATEWIDE ADJUSTED ASSESSED
23 VALUATION).
24 (3) **Total program mill levy.** (a) USING EACH DISTRICT'S LOCAL
25 SHARE CALCULATED PURSUANT TO SUBSECTION (2) OF THIS SECTION, THE
26 DEPARTMENT SHALL CALCULATE FOR EACH DISTRICT THE NUMBER OF
27 MILLS NECESSARY TO PRODUCE PROPERTY TAX REVENUES IN AN AMOUNT

1 EQUAL TO THE DISTRICT'S CALCULATED LOCAL SHARE OF TOTAL PROGRAM
2 MINUS THE AMOUNT OF SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE
3 DISTRICT FOR THE PROPERTY TAX YEAR IN WHICH THE DEPARTMENT
4 CALCULATED THE DISTRICT'S LOCAL SHARE. THE DEPARTMENT SHALL
5 CALCULATE THE NUMBER OF MILLS USING THE DISTRICT'S ASSESSED
6 VALUATION OF PROPERTY FOR THE PROPERTY TAX YEAR IN WHICH THE
7 DEPARTMENT CALCULATED THE DISTRICT'S LOCAL SHARE.

8 (b) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPHS (c) AND (d)
9 OF THIS SUBSECTION (3), BEGINNING WITH THE FIRST BUDGET YEAR
10 FOLLOWING THE CALCULATION OF STATE AND LOCAL SHARES PURSUANT
11 TO THIS SECTION AND IN EACH OF THE FOLLOWING BUDGET YEARS UNTIL
12 THE DEPARTMENT RECALCULATES THE STATE AND LOCAL SHARES, EACH
13 DISTRICT SHALL LEVY THE GREATER OF:

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

17 (II) THE NUMBER OF MILLS THAT THE DISTRICT LEVIED IN THE
18 PRECEDING BUDGET YEAR.

19 (c) IF THE TOTAL PROGRAM MILL LEVY UNDER PARAGRAPH (b) OF
20 THIS SUBSECTION (3) FOR A DISTRICT THAT HAS NOT OBTAINED VOTER
21 APPROVAL TO RETAIN AND SPEND REVENUES IN EXCESS OF THE
22 CONSTITUTIONAL PROPERTY TAX REVENUE LIMITATION IS GREATER THAN
23 THE NUMBER OF MILLS ALLOWABLE UNDER THE CONSTITUTIONAL
24 PROPERTY TAX REVENUE LIMITATION, THE DISTRICT'S TOTAL PROGRAM
25 MILL LEVY IS THE MAXIMUM NUMBER OF MILLS ALLOWABLE UNDER THE
26 CONSTITUTIONAL PROPERTY TAX REVENUE LIMITATION. IN CALCULATING
27 LOCAL GROWTH FOR PURPOSES OF DETERMINING THE CONSTITUTIONAL

1 PROPERTY TAX REVENUE LIMITATION IMPOSED ON A DISTRICT UNDER THIS
2 PARAGRAPH (c), A DISTRICT'S STUDENT ENROLLMENT IS THE DISTRICT'S
3 FUNDED MEMBERSHIP.

4 (d) IF A DISTRICT'S TOTAL PROGRAM AS CALCULATED BEFORE
5 APPLICATION OF THE NEGATIVE FACTOR PURSUANT TO SECTION 22-54-104
6 (5) (g), AS IT EXISTED PRIOR TO REPEAL, FOR THE 2014-15 BUDGET YEAR
7 IS GREATER THAN THE DISTRICT'S TOTAL PROGRAM CALCULATED
8 PURSUANT TO SECTION 22-54.5-201 FOR THE 2015-16 BUDGET YEAR, AND
9 THE AMOUNT OF PROPERTY TAX REVENUE GENERATED BY THE DISTRICT'S
10 TOTAL PROGRAM MILL LEVY PLUS THE AMOUNT OF SPECIFIC OWNERSHIP
11 TAX REVENUE PAID TO THE DISTRICT IS GREATER THAN THE DISTRICT'S
12 TOTAL PROGRAM AS CALCULATED PURSUANT TO SECTION 22-54.5-201 FOR
13 THE 2015-16 BUDGET YEAR, THEN THE DISTRICT'S TOTAL PROGRAM MILL
14 LEVY IS REDUCED BY THE NUMBER OF MILLS REQUIRED TO GENERATE
15 PROPERTY TAX REVENUE IN AN AMOUNT EQUAL TO THE DIFFERENCE
16 BETWEEN THE DISTRICT'S TOTAL PROGRAM AS CALCULATED BEFORE
17 APPLICATION OF THE NEGATIVE FACTOR PURSUANT TO SECTION 22-54-104
18 (5) (g), AS IT EXISTED PRIOR TO REPEAL, FOR THE 2014-15 BUDGET YEAR
19 AND THE DISTRICT'S TOTAL PROGRAM CALCULATED PURSUANT TO SECTION
20 22-54.5-201 FOR THE 2015-16 BUDGET YEAR. THE AMOUNT BY WHICH
21 PROPERTY TAX REVENUE IS REDUCED PURSUANT TO THIS PARAGRAPH (d)
22 IS COUNTED TOWARD THE LIMITATION ON ADDITIONAL LOCAL REVENUES
23 FOR COST OF LIVING EXPENSES AS PROVIDED IN SECTION 22-54.5-208 (4).

24 (e) IF A DISTRICT'S TOTAL PROGRAM MILL LEVY, AS REDUCED
25 PURSUANT TO PARAGRAPH (d) OF THIS SUBSECTION (3), IF APPLICABLE,
26 PRODUCES AN AMOUNT OF PROPERTY TAX REVENUE THAT EXCEEDS THE
27 DISTRICT'S TOTAL PROGRAM IN A BUDGET YEAR, THE DISTRICT SHALL USE

1 THE EXCESS REVENUES TO REPLACE CATEGORICAL PROGRAM SUPPORT
2 FUNDS AS PROVIDED IN SECTION 22-54.5-204.

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

5 (4) (a) IF A DISTRICT'S TOTAL PROGRAM MILL LEVY, AS
6 CALCULATED PURSUANT TO SUBSECTION (3) OF THIS SECTION, IS GREATER
7 THAN THE MILL LEVY REQUIRED FOR THE PRECEDING BUDGET YEAR, ■ ■ ■
8 ■ THE DISTRICT MAY SEEK VOTER APPROVAL FOR A MILL LEVY INCREASE
9 ■ DURING THE PERIOD FOR WHICH THE TOTAL PROGRAM MILL LEVY
10 APPLIES.

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

19 (c) IF A DISTRICT THAT HAS OBTAINED VOTER APPROVAL TO
20 RETAIN AND SPEND REVENUES IN EXCESS OF THE CONSTITUTIONAL
21 PROPERTY TAX REVENUE LIMITATION OBTAINS VOTER APPROVAL AFTER
22 MARCH 16, 2009, TO AGAIN BECOME SUBJECT TO THE CONSTITUTIONAL
23 PROPERTY TAX REVENUE LIMITATION, THE DEPARTMENT SHALL
24 CALCULATE THE DISTRICT'S STATE SHARE OF TOTAL PROGRAM AS IF THE
25 DISTRICT LEVIED THE NUMBER OF MILLS THAT IT WOULD HAVE LEVIED IN
26 THE APPLICABLE BUDGET YEAR IF THE DISTRICT HAD MAINTAINED ITS
27 AUTHORITY TO RETAIN AND SPEND REVENUES IN EXCESS OF THE PROPERTY

1 TAX REVENUE LIMITATION.

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

12 (5) (a) EXCEPT AS OTHERWISE PROVIDED IN SECTIONS 22-54.5-205
13 TO 22-54.5-208, A DISTRICT SHALL NOT CERTIFY A LEVY FOR ITS GENERAL
14 FUND IN EXCESS OF THAT AUTHORIZED BY THIS SECTION; EXCEPT THAT, IF
15 A DISTRICT'S CERTIFIED LEVY BEFORE THE EFFECTIVE DATE OF THIS
16 SECTION INCLUDED A LEVY AUTHORIZED BY SECTION 22-53-117,
17 22-54-106 (2) (b), 22-54-107, 22-54-107.5, 22-54-108, OR 22-54-108.5,
18 AS THESE SECTIONS EXISTED PRIOR TO REPEAL, THE DISTRICT MAY
19 CONTINUE TO CERTIFY A LEVY THAT INCLUDES THOSE LEVIES.

20 (b) A DISTRICT SHALL NOT SEEK VOTER APPROVAL TO IMPOSE
21 ADDITIONAL MILL LEVIES FOR ITS GENERAL FUND IN EXCESS OF THAT
22 AUTHORIZED BY THIS SECTION AND SECTIONS 22-54.5-205 TO 22-54.5-208.
23 VOTER APPROVAL OBTAINED BY A DISTRICT UNDER SECTION 20 OF
24 ARTICLE X OF THE STATE CONSTITUTION TO BE CAPABLE OF RECEIVING
25 ADDITIONAL REVENUES WITHIN THE LIMITATIONS ON THE DISTRICT'S
26 FISCAL YEAR SPENDING FOR ANY BUDGET YEAR DOES NOT CONSTITUTE
27 VOTER APPROVAL FOR THE DISTRICT TO CERTIFY A LEVY FOR ITS GENERAL

1 FUND IN EXCESS OF THAT AUTHORIZED BY THIS SECTION AND SECTIONS
2 22-54.5-205 TO 22-54.5-208.

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

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

18 (b) BEGINNING WITH THE FIRST JULY SPECIFIC OWNERSHIP TAX
19 PAYMENT DUE AFTER THE NEW DISTRICT IS ESTABLISHED AND CONTINUING
20 UNTIL THE NEW DISTRICT RECEIVES ITS FIRST PAYMENT OF SPECIFIC
21 OWNERSHIP TAX REVENUES FROM THE COUNTY TREASURER, THE
22 DEPARTMENT SHALL:

23 (I) INCREASE THE STATE'S SHARE OF THE NEW DISTRICT'S TOTAL
24 PROGRAM BY AN AMOUNT EQUAL TO THE RATIO OF THE TOTAL VALUATION
25 FOR ASSESSMENT OF TAXABLE PROPERTY LOCATED IN THE NEW DISTRICT
26 TO THE TOTAL VALUATION FOR ASSESSMENT OF TAXABLE PROPERTY
27 LOCATED IN THE OLD DISTRICT MULTIPLIED BY THE SPECIFIC OWNERSHIP

1 TAX REVENUE PAYABLE TO THE OLD DISTRICT; AND

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

4 **22-54.5-204. Buy-out of categorical programs.** (1) IF A
5 DISTRICT'S TOTAL PROGRAM MILL LEVY, AS REDUCED PURSUANT TO
6 SECTION 22-54.5-203 (3) (d), IF APPLICABLE, RESULTS IN AN AMOUNT OF
7 PROPERTY TAX REVENUE THAT EXCEEDS THE DISTRICT'S TOTAL PROGRAM,
8 THE DISTRICT SHALL USE THE EXCESS REVENUE TO REPLACE, ON A PRO
9 RATA BASIS, ANY CATEGORICAL PROGRAM SUPPORT MONEYS THAT THE
10 DISTRICT WOULD OTHERWISE BE ELIGIBLE TO RECEIVE FROM THE STATE.
11 THE DEPARTMENT SHALL USE THE AMOUNT OF CATEGORICAL PROGRAM
12 SUPPORT MONEYS REPLACED BY LOCAL PROPERTY TAX REVENUE
13 PURSUANT TO THE PROVISIONS OF THIS SUBSECTION (1) TO MAKE
14 PAYMENTS OF CATEGORICAL PROGRAM SUPPORT MONEYS TO ELIGIBLE
15 DISTRICTS. IF THE APPROPRIATIONS FOR CATEGORICAL PROGRAMS ARE
16 LESS THAN THE TOTAL CATEGORICAL PROGRAM SUPPORT MONEYS TO
17 WHICH DISTRICTS ARE ENTITLED UNDER APPLICABLE PROVISIONS OF LAW,
18 THE DEPARTMENT SHALL APPLY THE MONEYS THAT ARE REPLACED BY
19 LOCAL PROPERTY TAX REVENUE TO CATEGORICAL PROGRAMS IN THE
20 FOLLOWING ORDER:

21 (a) FIRST, TRANSPORTATION AID PURSUANT TO ARTICLE 51 OF THIS
22 TITLE;

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

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

27 (2) FOR PURPOSES OF THIS SECTION, "CATEGORICAL PROGRAM

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

17 (3) A DISTRICT THAT LEVIED ADDITIONAL MILLS PURSUANT TO
18 SECTION 22-54-107, AS IT EXISTED PRIOR TO REPEAL, TO GENERATE
19 PROPERTY TAX REVENUES IN AN AMOUNT EQUAL TO THE AMOUNT OF
20 CATEGORICAL PROGRAM SUPPORT MONEYS THAT THE DISTRICT WOULD
21 OTHERWISE BE ELIGIBLE TO RECEIVE FROM THE STATE SHALL CONTINUE
22 COLLECTING THOSE PROPERTY TAX REVENUES AND USING THE REVENUES
23 TO REPLACE CATEGORICAL SUPPORT MONEYS AS PROVIDED IN THIS
24 SECTION.

25 **22-54.5-205. Authorization of additional local revenues -**
26 **operating moneys.** (1) (a) THE BOARD OF EDUCATION OF A DISTRICT ■
27 ■ MAY SEEK TO RAISE AND EXPEND LOCAL PROPERTY TAX REVENUES IN

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

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

21 (2) A DISTRICT MUST SUBMIT THE QUESTION TO RAISE AND EXPEND
22 ADDITIONAL LOCAL PROPERTY TAXES PURSUANT TO THIS SECTION TO THE
23 ELIGIBLE ELECTORS AT AN ELECTION HELD IN ACCORDANCE WITH SECTION
24 20 OF ARTICLE X OF THE STATE CONSTITUTION AND TITLE 1, C.R.S. IF THE
25 QUESTION IS APPROVED BY A MAJORITY OF THE ELIGIBLE ELECTORS
26 VOTING IN THE ELECTION, THE DISTRICT IS AUTHORIZED TO COLLECT THE
27 ADDITIONAL LEVY IN EXCESS OF THE DISTRICT'S TOTAL PROGRAM MILL

1 LEVY FOR THE DISTRICT'S GENERAL FUND FOR THE THEN-CURRENT BUDGET
2 YEAR AND EACH BUDGET YEAR THEREAFTER.

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

9 (b) THE TOTAL ADDITIONAL LOCAL PROPERTY TAX REVENUES THAT
10 A DISTRICT MAY RECEIVE PURSUANT TO ELECTIONS HELD PURSUANT TO
11 THIS SECTION SHALL NOT EXCEED UNDER ANY CIRCUMSTANCES THE
12 GREATER OF:

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

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

17 (A) THE DISTRICT'S TOTAL PROGRAM AS CALCULATED FOR THE
18 2014-15 BUDGET YEAR PURSUANT TO SECTION 22-54-104, AS IT EXISTED
19 PRIOR TO REPEAL, BEFORE APPLICATION OF THE NEGATIVE FACTOR
20 PURSUANT TO SECTION 22-54-104 (5) (g) AS IT EXISTED PRIOR TO REPEAL;
21 PLUS

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

25 (C) THE AMOUNT, IF ANY, OF ADDITIONAL LOCAL REVENUES THE
26 DISTRICT RECEIVES FOR THE APPLICABLE BUDGET YEAR AS A RESULT OF A
27 MILL LEVY INCREASE FOR A COST OF LIVING ADJUSTMENT APPROVED

1 BEFORE JUNE 7, 2002, PURSUANT TO SECTION 22-54-107.5, AS IT EXISTED
2 PRIOR TO REPEAL, OR FOR A COST OF LIVING ADJUSTMENT APPROVED
3 PURSUANT TO SECTION 22-54-108, AS SPECIFICALLY AUTHORIZED BY THE
4 LIMITATION INCREASE IN SECTION 22-54-108 (3) (b) (III) (A), AS IT
5 EXISTED PRIOR TO REPEAL; PLUS

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

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

12 (F) THE AMOUNT, IF ANY, THE DISTRICT RECEIVES FROM THE STATE
13 IN CATEGORICAL PROGRAM SUPPORT MONEYS FOR THE APPLICABLE
14 BUDGET YEAR; OR

15 (III) TWO HUNDRED THOUSAND DOLLARS.

16 (c) THE FOLLOWING REVENUES APPLY TO CALCULATING THE
17 LIMITATION IN THIS SUBSECTION (3):

18 (I) ANY ADDITIONAL LOCAL PROPERTY TAX REVENUES
19 AUTHORIZED FOR A DISTRICT AT ELECTIONS HELD PURSUANT TO SECTION
20 22-53-117, 22-54-107, 22-54-107.5, OR 22-54-108, AS EACH SECTION
21 EXISTED PRIOR TO REPEAL;

22 (II) THE DIFFERENCE BETWEEN THE DISTRICT'S TOTAL PROGRAM
23 FOR THE 1994-95 BUDGET YEAR, AS CALCULATED PURSUANT TO SECTION
24 22-54-104.3 (3), AS IT EXISTED PRIOR TO REPEAL, AND THE DISTRICT'S
25 TOTAL PROGRAM FOR THE 1994-95 BUDGET YEAR, AS CALCULATED
26 PURSUANT TO SECTION 22-54-104 (2), AS IT EXISTED PRIOR TO REPEAL;
27 AND

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

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

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

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

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

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

19 (V) ANY ADDITIONAL LOCAL PROPERTY TAX REVENUES
20 AUTHORIZED FOR COST OF LIVING EXPENSES AS PROVIDED IN SECTION
21 22-54.5-208.

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

25 (f) IF THE ADDITIONAL LOCAL PROPERTY TAX REVENUES ALREADY
26 AUTHORIZED EXCEEDS THE LIMITATION, THE DISTRICT SHALL NOT HOLD AN
27 ELECTION PURSUANT TO THE PROVISIONS OF THIS SECTION UNTIL THE

1 LIMITATION IS GREATER THAN THE ADDITIONAL LOCAL PROPERTY TAX
2 REVENUES ALREADY AUTHORIZED.

3 (4) IF A DISTRICT RECEIVED VOTER APPROVAL FOR ADDITIONAL
4 LOCAL PROPERTY TAX REVENUES PURSUANT TO SECTION 22-53-117,
5 22-54-107.5, 22-54-108, OR 22-54-108.5, AS THESE SECTIONS EXISTED
6 PRIOR TO REPEAL, THE DISTRICT MAY CONTINUE COLLECTING THE
7 APPROVED ADDITIONAL LOCAL PROPERTY TAX REVENUES AND USING THE
8 REVENUES FOR THE PURPOSES AND TIME PERIOD AUTHORIZED BY THE
9 VOTERS.

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

24 (b) IN ADDITION, IF A DISTRICT RECEIVES BY PROPER
25 SUBMITTAL A VALID INITIATIVE PETITION TO RAISE AND EXPEND LOCAL
26 PROPERTY TAX REVENUES IN EXCESS OF THE DISTRICT'S TOTAL PROGRAM
27 TO PROVIDE FUNDING FOR EARLY CHILDHOOD EDUCATION PROGRAMS,

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

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

16 (d) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OR (b)
17 OF THIS SUBSECTION (1) TO THE CONTRARY, A DISTRICT THAT DOES NOT
18 RECEIVE PER PUPIL SUPPLEMENTAL PAYMENTS PURSUANT TO SECTION
19 22-54.5-303 MUST LEVY ITS FULL TOTAL PROGRAM MILL LEVY BEFORE IT
20 MAY SEEK VOTER APPROVAL, WHETHER BY ACTION OF THE BOARD OF
21 EDUCATION OR BY INITIATIVE PETITION, TO RAISE AND EXPEND LOCAL
22 PROPERTY TAX REVENUES PURSUANT TO THIS SECTION.

23 (2) A DISTRICT MUST SUBMIT THE QUESTION TO RAISE AND EXPEND
24 ADDITIONAL LOCAL PROPERTY TAXES PURSUANT TO THIS SECTION TO THE
25 ELIGIBLE ELECTORS AT AN ELECTION HELD IN ACCORDANCE WITH SECTION
26 20 OF ARTICLE X OF THE STATE CONSTITUTION AND TITLE 1, C.R.S. IF THE
27 QUESTION IS APPROVED BY A MAJORITY OF THE ELIGIBLE ELECTORS

1 VOTING IN THE ELECTION, THE DISTRICT IS AUTHORIZED TO COLLECT THE
2 ADDITIONAL LEVY FOR THE THEN-CURRENT BUDGET YEAR AND EACH
3 BUDGET YEAR THEREAFTER FOR THE PURPOSES SPECIFIED IN SUBSECTION
4 (1) OF THIS SECTION, WHICH ADDITIONAL LEVY IS IN EXCESS OF THE
5 DISTRICT'S TOTAL PROGRAM MILL LEVY AND IN EXCESS OF ANY OTHER
6 AUTHORIZED ADDITIONAL LOCAL PROPERTY TAX LEVIES.

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

19 (4) 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 (5) A DISTRICT THAT OBTAINS VOTER APPROVAL PURSUANT TO
26 THIS SECTION TO IMPOSE AN ADDITIONAL MILL LEVY TO FUND EARLY
27 CHILDHOOD EDUCATION PROGRAMS IN THE DISTRICT MUST ESTABLISH ITS

1 EARLY CHILDHOOD EDUCATION PROGRAM USING EVIDENCE-BASED
2 RESEARCH DEMONSTRATING THE TYPES OF PROGRAMS AND METHODS
3 APPROPRIATE FOR AN EARLY CHILDHOOD EDUCATION PROGRAM.

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5 **22-54.5-207. Authorization of additional local revenues -**
6 **technology and building maintenance and operation.** (1) (a) THE
7 BOARD OF EDUCATION OF A DISTRICT ■ ■ MAY SEEK TO RAISE AND
8 EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE DISTRICT'S
9 TOTAL PROGRAM TO PROVIDE FUNDING FOR TECHNOLOGY AND BUILDING
10 MAINTENANCE AND OPERATION BY SUBMITTING TO THE ELIGIBLE
11 ELECTORS OF THE DISTRICT THE QUESTION OF WHETHER THE DISTRICT
12 SHOULD BE AUTHORIZED TO RAISE AND EXPEND ADDITIONAL LOCAL
13 PROPERTY TAX REVENUES FOR THAT PURPOSE. IN ADDITION, IF A DISTRICT
14 ■ ■ RECEIVES BY PROPER SUBMITTAL A VALID INITIATIVE PETITION TO
15 RAISE AND EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE
16 DISTRICT'S TOTAL PROGRAM TO PROVIDE FUNDING FOR TECHNOLOGY AND
17 BUILDING MAINTENANCE AND OPERATION, THE BOARD OF EDUCATION OF
18 THE DISTRICT MUST SUBMIT THE QUESTION TO THE ELIGIBLE ELECTORS OF
19 THE DISTRICT. AN INITIATIVE PETITION SUBMITTED PURSUANT TO THIS
20 SUBSECTION (1) MUST BE SIGNED BY AT LEAST FIVE PERCENT OF THE
21 ELIGIBLE ELECTORS IN THE DISTRICT AT THE TIME THE 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 DEPOSIT THE REVENUES RECEIVED FROM THE ADDITIONAL MILL
17 LEVY IN THE TECHNOLOGY AND BUILDING MAINTENANCE AND OPERATION
18 FUND OF THE DISTRICT CREATED IN SECTION 22-45-103 (1) (i).

19 (4) 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 == ==
26 **22-54.5-208. Authorization of additional local revenues - cost**
27 **of living expenses.** (1) (a) THE BOARD OF EDUCATION OF A DISTRICT

1 MAY SEEK TO RAISE AND EXPEND LOCAL PROPERTY TAX REVENUES IN
2 EXCESS OF THE DISTRICT'S TOTAL PROGRAM, SUBJECT TO THE LIMITATIONS
3 SPECIFIED IN SUBSECTION (4) OF THIS SECTION, TO PROVIDE FUNDING FOR
4 COST OF LIVING EXPENSES FOR DISTRICT EMPLOYEES BY SUBMITTING TO
5 THE ELIGIBLE ELECTORS OF THE DISTRICT THE QUESTION OF WHETHER THE
6 DISTRICT SHOULD BE AUTHORIZED TO RAISE AND EXPEND ADDITIONAL
7 LOCAL PROPERTY TAX REVENUES FOR THAT PURPOSE. IN ADDITION, IF A
8 DISTRICT RECEIVES BY PROPER SUBMITTAL A VALID INITIATIVE
9 PETITION TO RAISE AND EXPEND LOCAL PROPERTY TAX REVENUES IN
10 EXCESS OF THE DISTRICT'S TOTAL PROGRAM, SUBJECT TO THE LIMITATIONS
11 SPECIFIED IN SUBSECTION (4) OF THIS SECTION, TO PROVIDE FUNDING FOR
12 COST OF LIVING EXPENSES FOR DISTRICT EMPLOYEES, THE BOARD OF
13 EDUCATION OF THE DISTRICT MUST SUBMIT THE QUESTION TO THE
14 ELIGIBLE ELECTORS OF THE DISTRICT. AN INITIATIVE PETITION SUBMITTED
15 PURSUANT TO THIS SUBSECTION (1) MUST BE SIGNED BY AT LEAST FIVE
16 PERCENT OF THE ELIGIBLE ELECTORS IN THE DISTRICT AT THE TIME THE
17 PETITION IS FILED.

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

25 (2) A DISTRICT MUST SUBMIT THE QUESTION TO RAISE AND EXPEND
26 ADDITIONAL LOCAL PROPERTY TAXES PURSUANT TO THIS SECTION TO THE
27 ELIGIBLE ELECTORS AT AN ELECTION HELD IN ACCORDANCE WITH SECTION

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

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

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

21 (b) (I) THE TOTAL ADDITIONAL LOCAL PROPERTY TAX REVENUES
22 THAT A DISTRICT MAY RECEIVE PURSUANT TO ELECTIONS HELD PURSUANT
23 TO THIS SECTION SHALL NOT EXCEED UNDER ANY CIRCUMSTANCES AN
24 AMOUNT EQUAL TO THE PORTION OF THE DISTRICT'S TOTAL PROGRAM
25 GENERATED BY APPLICATION OF THE DISTRICT'S COST OF LIVING FACTOR,
26 CALCULATED FOR THE 2014-15 BUDGET YEAR PURSUANT TO SECTION
27 22-54-104 (5) (c), AS IT EXISTED PRIOR TO REPEAL, BEFORE APPLICATION

1 OF THE NEGATIVE FACTOR REQUIRED IN SECTION 22-54-104 (5) (g), AS IT
2 EXISTED PRIOR TO REPEAL.

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

8 (c) THE AMOUNT BY WHICH A DISTRICT'S TOTAL PROGRAM
9 PROPERTY TAX REVENUE IS REDUCED PURSUANT TO SECTION 22-54.5-203
10 (3) (d) APPLIES TO CALCULATING THE LIMITATION IN THIS SUBSECTION (4).

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

14 (e) IF THE ADDITIONAL LOCAL PROPERTY TAX REVENUES ALREADY
15 AUTHORIZED EXCEEDS THE LIMITATION SPECIFIED IN THIS SUBSECTION (4),
16 THE DISTRICT SHALL NOT HOLD AN ELECTION PURSUANT TO THE
17 PROVISIONS OF THIS SECTION UNTIL THE LIMITATION IS GREATER THAN THE
18 ADDITIONAL LOCAL PROPERTY TAX REVENUES ALREADY AUTHORIZED.

19 (5) FOR PURPOSES OF THIS SECTION, "COST OF LIVING EXPENSES"
20 INCLUDES THE COSTS OF FOOD, HOUSING, CLOTHING, AND
21 TRANSPORTATION THAT MAY BE GREATER WITHIN THE DISTRICT THAN IN
22 OTHER AREAS OF THE STATE BECAUSE OF THE ECONOMIC CONDITIONS
23 EXISTING WITHIN THE DISTRICT.

24 ==
25 **22-54.5-209. Loans to alleviate cash flow deficits -**
26 **lease-purchase agreements - definitions.** (1) (a) (I) UPON APPROVAL BY
27 THE STATE TREASURER OF AN APPLICATION TO PARTICIPATE IN AN

1 INTEREST-FREE OR LOW-INTEREST LOAN PROGRAM SUBMITTED BY A
2 DISTRICT PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (1), THE
3 STATE TREASURER SHALL MAKE AVAILABLE TO THE DISTRICT IN ANY
4 MONTH OF THE BUDGET YEAR AN INTEREST-FREE OR LOW-INTEREST LOAN
5 FROM THE STATE GENERAL FUND OR FROM THE PROCEEDS OF THE TAX AND
6 REVENUE ANTICIPATION NOTES ISSUED PURSUANT TO SECTION 29-15-112,
7 C.R.S., IN AN AMOUNT FOR THE MONTH AS CERTIFIED BY THE CHIEF
8 FINANCIAL OFFICER AND THE SUPERINTENDENT OF THE DISTRICT.

9 (II) THE STATE TREASURER SHALL DETERMINE THE METHOD FOR
10 CALCULATING CASH DEFICITS AND ESTABLISH REPORTING MECHANISMS
11 NECESSARY TO ENSURE CONSISTENT AND ACCURATE REPORTING OF CASH
12 DEFICITS. THE TREASURER SHALL NOT MAKE A LOAN IN A MONTH UNLESS
13 THE DISTRICT DEMONSTRATES, THROUGH THE SUBMISSION OF THE ACTUAL
14 OR PROJECTED FINANCIAL OR BUDGETARY STATEMENTS REQUIRED BY THE
15 STATE TREASURER, THAT A GENERAL FUND CASH DEFICIT WILL EXIST FOR
16 THAT MONTH AND THAT THE DISTRICT HAS THE CAPACITY TO REPAY THE
17 LOAN BY JUNE 25 OF THE STATE FISCAL YEAR IN WHICH THE LOAN IS MADE.
18 THIS SUBPARAGRAPH (II) APPLIES TO A LOAN MADE FROM THE STATE
19 GENERAL FUND OR FROM THE PROCEEDS OF THE TAX AND REVENUE
20 ANTICIPATION NOTES ISSUED PURSUANT TO SECTION 29-15-112, C.R.S.

21 (b) A DISTRICT THAT CHOOSES TO PARTICIPATE IN THE
22 INTEREST-FREE OR LOW-INTEREST LOAN PROGRAM MUST SUBMIT AN
23 APPLICATION TO THE STATE TREASURER. A DISTRICT'S INITIAL
24 APPLICATION TO PARTICIPATE IN THE INTEREST-FREE OR LOW-INTEREST
25 LOAN PROGRAM IS SUBJECT TO APPROVAL BY A RESOLUTION ADOPTED BY
26 THE DISTRICT BOARD OF EDUCATION AS FOLLOWS:

27 (I) FOR A MONTH IN WHICH THE DISTRICT SEEKS AN EMERGENCY

1 LOAN PURSUANT TO PARAGRAPH (e) OF THIS SUBSECTION (1), THE CHIEF
2 FINANCIAL OFFICER OF THE DISTRICT AND THE DISTRICT SUPERINTENDENT
3 MUST PRESENT THE EMERGENCY LOAN REQUEST TO THE DISTRICT BOARD
4 OF EDUCATION, EXPLAINING THE NEED FOR THE EMERGENCY LOAN AND
5 THE REQUESTED AMOUNT. THE DISTRICT BOARD OF EDUCATION, BY
6 MAJORITY VOTE, MUST APPROVE OR DISAPPROVE THE EMERGENCY LOAN
7 REQUEST AND THE AMOUNT. IF THE DISTRICT BOARD OF EDUCATION
8 APPROVES THE EMERGENCY LOAN REQUEST, THE CHIEF FINANCIAL OFFICER
9 AND THE DISTRICT SUPERINTENDENT MUST REQUEST THE EMERGENCY
10 LOAN FROM, AND CERTIFY THE APPROVED AMOUNT OF THE EMERGENCY
11 LOAN AS APPROVED BY THE DISTRICT BOARD OF EDUCATION TO, THE STATE
12 TREASURER AS PROVIDED IN PARAGRAPH (a) OF THIS SUBSECTION (1).

13 (II) IF, TO RECEIVE AN INTEREST-FREE LOAN, A DISTRICT SEEKS TO
14 HAVE TAX AND REVENUE ANTICIPATION NOTES ISSUED ON ITS BEHALF
15 PURSUANT TO SECTION 29-15-112, C.R.S., THE CHIEF FINANCIAL OFFICER
16 OF THE DISTRICT AND THE DISTRICT SUPERINTENDENT MUST PRESENT A
17 REQUEST TO THE DISTRICT BOARD OF EDUCATION TO PARTICIPATE IN THE
18 INTEREST-FREE LOAN PROGRAM AND TO HAVE TAX AND REVENUE
19 ANTICIPATION NOTES ISSUED ON ITS BEHALF. THE REQUEST MUST EXPLAIN
20 THE DISTRICT'S ANTICIPATED CASH FLOW DEFICIT FOR THE UPCOMING
21 CALENDAR YEAR AND THE TOTAL AMOUNT OF TAX AND REVENUE
22 ANTICIPATION NOTES THAT NEED TO BE ISSUED ON ITS BEHALF TO COVER
23 THE DEFICIT. THE DISTRICT BOARD OF EDUCATION, BY MAJORITY VOTE,
24 MUST APPROVE OR DISAPPROVE THE PARTICIPATION IN THE INTEREST-FREE
25 LOAN PROGRAM AND THE AMOUNT OF TAX ANTICIPATION AND REVENUE
26 NOTES TO BE ISSUED ON BEHALF OF THE DISTRICT. IF THE DISTRICT BOARD
27 OF EDUCATION APPROVES THE PARTICIPATION IN THE INTEREST-FREE LOAN

1 PROGRAM AND THE ISSUANCE OF TAX AND REVENUE ANTICIPATION NOTES,
2 THE CHIEF FINANCIAL OFFICER AND THE DISTRICT SUPERINTENDENT MUST
3 CERTIFY TO THE STATE TREASURER THE AMOUNT OF THE TAX AND
4 REVENUE NOTES, AS APPROVED BY THE DISTRICT BOARD OF EDUCATION,
5 THAT SHALL BE ISSUED ON BEHALF OF THE DISTRICT. THEREAFTER, A
6 DISTRICT IS NOT REQUIRED TO RECEIVE APPROVAL FOR AN INTEREST-FREE
7 LOAN MADE FROM THE PROCEEDS OF THE TAX AND REVENUE ANTICIPATION
8 NOTES THAT RECEIVED PRIOR APPROVAL BY THE DISTRICT BOARD OF
9 EDUCATION.

10 (c) THE STATE TREASURER MAY NOT MAKE A LOAN UNDER THIS
11 SECTION TO PROVIDE ASSISTANCE FOR MATTERS THAT ARE ELIGIBLE FOR
12 PAYMENT FROM THE CONTINGENCY RESERVE FUND PURSUANT TO SECTION
13 22-54.5-310 OR TO COVER A FORESEEABLE LEVEL OF UNCOLLECTIBLE
14 PROPERTY TAXES, NOR MAY A DISTRICT USE A LOAN FOR THE
15 SIMULTANEOUS PURCHASE AND SALE OF THE SAME SECURITY OR AN
16 EQUIVALENT SECURITY IN ORDER TO PROFIT FROM PRICE DISPARITY.

17 (d) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (e) OF THIS
18 SUBSECTION (1), THE STATE TREASURER MUST MAKE ALL LOANS TO A
19 DISTRICT FROM THE PROCEEDS OF THE TAX AND REVENUE ANTICIPATION
20 NOTES ISSUED PURSUANT TO SECTION 29-15-112, C.R.S.

21 (e) IF THE AMOUNT OF THE TAX AND REVENUE ANTICIPATION
22 NOTES, IF ANY, ISSUED ON BEHALF OF A DISTRICT AS DETERMINED BY THE
23 STATE TREASURER PURSUANT TO SECTION 29-15-112 (2) (f), C.R.S., IS NOT
24 SUFFICIENT TO COVER A DISTRICT'S CASH DEFICIT, THEN THE STATE
25 TREASURER MAY, IN HIS OR HER DISCRETION, MAKE AVAILABLE TO THE
26 DISTRICT AN EMERGENCY LOAN FROM THE STATE GENERAL FUND. THE
27 EMERGENCY LOAN MUST ACCRUE INTEREST AT THE SAME RATE AS THE

1 RATE OF INTEREST PAID BY THE STATE TREASURER ON NOTES ISSUED BY
2 THE STATE PURSUANT TO PART 9 OF ARTICLE 75 OF TITLE 24, C.R.S.

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

15 (b) FOR THE MONTHS OF MARCH, APRIL, AND MAY OF EACH
16 BUDGET YEAR, A DISTRICT THAT RECEIVES A LOAN UNDER THE PROVISIONS
17 OF PARAGRAPH (d) OF SUBSECTION (1) OF THIS SECTION SHALL BEGIN TO
18 REPAY THE LOAN AS ESTABLISHED BY THE DISTRICT'S AGREEMENT WITH
19 THE STATE TREASURER. ALL LOANS MUST BE REPAYED BY JUNE 25 OF THE
20 STATE FISCAL YEAR IN WHICH THE LOAN WAS MADE OR ON A LATER
21 ALTERNATIVE DATE AS DETERMINED BY THE STATE TREASURER.

22 (c) IF A DISTRICT DEFAULTS ON A LOAN THAT IS MADE FROM THE
23 PROCEEDS OF THE TAX AND REVENUE ANTICIPATION NOTES ISSUED
24 PURSUANT TO SECTION 29-15-112, C.R.S., BY FAILING TO REPAY THE LOAN
25 ON OR BEFORE THE DATE REQUIRED, INTEREST MUST ACCRUE ON THE
26 UNPAID BALANCE FROM THE DATE OF DEFAULT UNTIL THE LOAN IS REPAYED
27 IN AN AMOUNT THAT IS EQUAL TO THE INTEREST PAID BY THE STATE

1 TREASURER ON NOTES ISSUED BY THE STATE PURSUANT TO PART 9 OF
2 ARTICLE 75 OF TITLE 24, C.R.S.

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

4 (I) "AVAILABLE RESOURCES" MEANS ANY AVAILABLE CASH AND
5 INVESTMENTS IN DISTRICT FUNDS THAT CAN BE USED TO ALLEVIATE
6 GENERAL FUND CASH SHORTFALLS, INCLUDING BUT NOT LIMITED TO THE
7 DISTRICT'S CAPITAL RESERVE FUND AND ANY FUND OR ACCOUNT WITHIN
8 THE GENERAL FUND ESTABLISHED SOLELY FOR THE MANAGEMENT OF
9 RISK-RELATED ACTIVITIES. "AVAILABLE RESOURCES" DOES NOT INCLUDE
10 CASH THAT IS LEGALLY SEGREGATED OR PLEDGED BY CONTRACT OR RULE
11 OF THE STATE BOARD.

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

15 (e) A LIEN IN THE AMOUNT OF A LOAN MADE FROM THE PROCEEDS
16 OF THE TAX AND REVENUE ANTICIPATION NOTES ISSUED PURSUANT TO
17 SECTION 29-15-112, C.R.S., PLUS ANY INTEREST SPECIFIED IN PARAGRAPH
18 (c) OF THIS SUBSECTION (2), ATTACHES TO DISTRICT PROPERTY TAX
19 REVENUES, EXCEPT FOR BOND REDEMPTION FUND REVENUES, COLLECTED
20 DURING THE STATE FISCAL YEAR IN WHICH THE LOAN WAS MADE, AND THE
21 LIEN HAS PRIORITY OVER ALL OTHER EXPENDITURES FROM THE REVENUES
22 UNTIL THE LOAN IS REPAYED IN FULL. THE COUNTY TREASURER OF THE
23 COUNTY IN WHICH THE HEADQUARTERS OF THE DISTRICT ARE LOCATED IS
24 JOINTLY RESPONSIBLE WITH THE DISTRICT FOR REPAYMENT OF A LOAN
25 MADE PURSUANT TO THIS SECTION, PLUS ANY INTEREST SPECIFIED IN
26 PARAGRAPH (c) OF THIS SUBSECTION (2). IF A DISTRICT FAILS TO REPAY A
27 LOAN TO THE STATE TREASURER IN ACCORDANCE WITH THE PROVISIONS OF

1 THIS SECTION, THE STATE TREASURER MUST NOTIFY THE COUNTY
2 TREASURER OF THE COUNTY IN WHICH THE HEADQUARTERS OF THE
3 DISTRICT ARE LOCATED THAT THE DISTRICT IS IN DEFAULT ON THE LOAN
4 AND THE AMOUNT OF THE DEFAULT, PLUS ANY INTEREST SPECIFIED IN
5 PARAGRAPH (c) OF THIS SUBSECTION (2). THE COUNTY TREASURER MUST
6 WITHHOLD ANY MONEYS OF THE DISTRICT IN THE COUNTY TREASURER'S
7 POSSESSION IN AN AMOUNT EQUAL TO THE AMOUNT OF THE DEFAULT, PLUS
8 ANY INTEREST SPECIFIED IN PARAGRAPH (c) OF THIS SUBSECTION (2), AND
9 TRANSMIT THE MONEYS TO THE STATE TREASURER. IF THE AMOUNT OF
10 MONEYS OF THE DISTRICT IN THE COUNTY TREASURER'S POSSESSION AT
11 THE TIME NOTICE OF THE DEFAULT IS GIVEN IS LESS THAN THE AMOUNT OF
12 THE DEFAULT, THE COUNTY TREASURER MUST WITHHOLD ADDITIONAL
13 MONEYS OF THE DISTRICT UNTIL SUCH TIME AS THE DEFAULT, PLUS ANY
14 INTEREST SPECIFIED IN PARAGRAPH (c) OF THIS SUBSECTION (2), IS
15 COMPLETELY PAID TO THE STATE TREASURER.

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

18 (A) THE STATE TREASURER DENIES THE DISTRICT A LOAN
19 PURSUANT TO THE PROVISIONS OF THIS SECTION, IN WHICH CASE THE FAIR
20 MARKET VALUE OF THE PROPERTY IS EQUAL TO OR GREATER THAN THE
21 AMOUNT OF THE PURCHASE PRICE; OR

22 (B) THE DISTRICT IS UNABLE TO PAY A LOAN BACK IN THE SAME
23 STATE FISCAL YEAR IN WHICH THE LOAN WAS MADE, IN WHICH CASE THE
24 FAIR MARKET VALUE OF THE REAL PROPERTY IS EQUAL TO OR GREATER
25 THAN THE OUTSTANDING BALANCE OF THE LOAN TO THE STATE
26 TREASURER.

27 (II) THE SALE PURSUANT TO THIS PARAGRAPH (f) MAY BE MADE

1 ONLY IF:

2 (A) AT THE SAME TIME OF THE SALE, THE STATE TREASURER
3 LEASES BACK ALL OF THE PROPERTY TO THE DISTRICT PURSUANT TO A
4 LEASE-PURCHASE AGREEMENT THAT IS SUBJECT TO ANNUAL
5 APPROPRIATION BY THE SCHOOL DISTRICT;

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

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

11 (III) THE PROVISIONS OF PARAGRAPH (e) OF THIS SUBSECTION (2)
12 APPLY TO THE LEASE-PURCHASE AGREEMENT, AND A LIEN SHALL NOT
13 ATTACH TO ANY DISTRICT TAX REVENUES TO SECURE THE DISTRICT'S
14 LEASE PAYMENTS. THE LEASE-PURCHASE AGREEMENT DOES NOT
15 AUTHORIZE THE DISTRICT TO RECEIVE FEE TITLE TO THE PROPERTY THAT
16 IS THE SUBJECT OF THE LEASE-PURCHASE AGREEMENT BEFORE THE
17 EXPIRATION OF THE TERMS OF THE LEASE-PURCHASE AGREEMENT.

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

20 (V) IF A DISTRICT DEFAULTS IN THE PAYMENT OF RENT REQUIRED
21 BY THE LEASE-PURCHASE AGREEMENT, IT HAS THIRTY DAYS TO CURE THE
22 DEFAULT. IF AFTER THIRTY DAYS THE DISTRICT HAS NOT CURED THE
23 DEFAULT AND IF THE DISTRICT REMAINS IN POSSESSION OF THE PROPERTY,
24 THE STATE TREASURER MUST RECOVER POSSESSION OF THE PROPERTY
25 PURSUANT TO THE PROVISIONS OF ARTICLE 40 OF TITLE 13, C.R.S. IF A
26 COURT ENTERS A JUDGMENT IN FAVOR OF THE STATE TREASURER AND
27 ISSUES A WRIT OF RESTITUTION PURSUANT TO SECTION 13-40-115, C.R.S.,

1 THE STATE TREASURER MUST LIQUIDATE THE PROPERTY TO THE BEST
2 ADVANTAGE OF THE STATE.

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

8 (4) A DISTRICT THAT RECEIVES A LOAN PURSUANT TO THIS SECTION
9 IS SUBJECT TO AN AUDIT THAT THE STATE AUDITOR CONDUCTS OR
10 CONTRACTS FOR. THE DISTRICT MUST BE PENALIZED THROUGH THE
11 WITHHOLDING OF STATE SHARE IF AN AUDIT FINDS THE DISTRICT USED THE
12 LOAN IN A MANNER CONTRARY TO THE PROVISIONS OF THIS SECTION.

13 PART 3

14 ADDITIONAL STATE FUNDING

15 **22-54.5-301. Teaching and leadership investment - definitions.**

16 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
17 REQUIRES:

18 (a) "DISTRICT" MEANS A DISTRICT THAT DOES NOT RECEIVE A
19 PER-PUPIL SUPPLEMENTAL PAYMENT PURSUANT TO SECTION 22-54.5-303
20 (2) OR RECEIVES A PER-PUPIL SUPPLEMENTAL PAYMENT FOR WHICH THE
21 PER PUPIL AMOUNT FOR THE APPLICABLE BUDGET YEAR IS LESS THAN ONE
22 HUNDRED FIFTY-NINE DOLLARS.

23 (b) "ELIGIBLE INSTITUTE CHARTER SCHOOL" MEANS AN INSTITUTE
24 CHARTER SCHOOL THAT IS NOT A MULTI-DISTRICT ON-LINE SCHOOL AND
25 THAT DOES NOT RECEIVE A PER-PUPIL SUPPLEMENTAL PAYMENT PURSUANT
26 TO SECTION 22-54.5-303 (2) OR RECEIVES A PER-PUPIL SUPPLEMENTAL
27 PAYMENT FOR WHICH THE PER PUPIL AMOUNT FOR THE APPLICABLE

1 BUDGET YEAR IS LESS THAN ONE HUNDRED FIFTY-NINE DOLLARS.

2 (c) "GROWTH TAX REVENUES" MEANS THE AMOUNT OF STATE
3 REVENUES GENERATED IN THE APPLICABLE INCOME TAX YEAR AS A RESULT
4 OF A CITIZEN-INITIATED STATEWIDE BALLOT QUESTION THAT INCREASES
5 STATE TAX REVENUES FOR THE PURPOSE OF FUNDING PRESCHOOL
6 THROUGH TWELFTH GRADE PUBLIC EDUCATION, WHICH AMOUNT OF STATE
7 REVENUES EXCEEDS THE AMOUNT SPECIFIED IN THE STATEWIDE BALLOT
8 QUESTION.

9 (d) "SUPPLEMENTAL PAYMENT RECIPIENT" MEANS A DISTRICT, OR
10 AN INSTITUTE CHARTER SCHOOL THAT IS NOT A MULTI-DISTRICT ON-LINE
11 SCHOOL, FOR WHICH THE PER PUPIL AMOUNT OF THE PER-PUPIL
12 SUPPLEMENTAL PAYMENT RECEIVED PURSUANT TO SECTION 22-54.5-303
13 (2) FOR THE APPLICABLE BUDGET YEAR IS EQUAL TO OR GREATER THAN
14 ONE HUNDRED FIFTY-NINE DOLLARS.

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

19 (2) IN ADDITION TO THE STATE SHARE CALCULATED PURSUANT TO
20 SECTION 22-54.5-203 FOR DISTRICTS AND SUPPLEMENTAL PAYMENT
21 RECIPIENTS THAT ARE DISTRICTS AND THE TOTAL PROGRAM FUNDING FOR
22 ELIGIBLE INSTITUTE CHARTER SCHOOLS AND SUPPLEMENTAL PAYMENT
23 RECIPIENTS THAT ARE INSTITUTE CHARTER SCHOOLS, EACH DISTRICT,
24 SUPPLEMENTAL PAYMENT RECIPIENT, AND ELIGIBLE INSTITUTE CHARTER
25 SCHOOL SHALL ANNUALLY RECEIVE THE PER PUPIL AMOUNT OF TEACHING
26 AND LEADERSHIP INVESTMENT MONEYS DESCRIBED IN SUBSECTION (3) OF
27 THIS SECTION, MULTIPLIED BY THE DISTRICT'S, THE SUPPLEMENTAL

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

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

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

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

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

7 $\$441 + ((\text{TOTAL INVESTMENT MONEYS} - (\$600 \times (\text{TOTAL}$
8 $\text{AVERAGE DAILY MEMBERSHIP OF DISTRICTS} + \text{TOTAL}$
9 $\text{AVERAGE DAILY MEMBERSHIP OF ELIGIBLE INSTITUTE$
10 $\text{CHARTER SCHOOLS})) \div \text{TOTAL AVERAGE DAILY MEMBERSHIP}$
11 $\text{OF SUPPLEMENTAL PAYMENT RECIPIENTS})$.

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

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

1 CHARTER SCHOOLS.

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

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

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

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

17 22-54.5-302. Hold-harmless moneys - state share
18 hold-harmless fund - created - definitions. (1) FOR PURPOSES OF THIS
19 SECTION:

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

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

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

27 (2) (a) IF THE RECALCULATION OF STATE AND LOCAL SHARES OF

1 TOTAL PROGRAM PURSUANT TO SECTION 22-54.5-203 RESULTS IN A
2 DISTRICT RECEIVING A LOWER AMOUNT OF STATE FUNDING, THE DISTRICT
3 IS ELIGIBLE TO RECEIVE HOLD-HARMLESS MONEYS AS PROVIDED IN THIS
4 SECTION. THE DEPARTMENT SHALL ANNUALLY CALCULATE A DISTRICT'S
5 HOLD-HARMLESS MONEYS USING THE DISTRICT'S STATE FUNDING, TOTAL
6 PROGRAM, AND INVESTMENT MONEYS FOR THE APPLICABLE BUDGET YEAR
7 IN THE FOLLOWING FORMULA:

8 (DISTRICT'S 2014-15 STATE SHARE - DISTRICT'S STATE
9 FUNDING) + (0.02 X (DISTRICT'S TOTAL PROGRAM +
10 DISTRICT'S INVESTMENT MONEYS)

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

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

25 (3) (a) THERE IS CREATED IN THE STATE TREASURY THE STATE
26 SHARE HOLD-HARMLESS FUND CONSISTING OF SUCH MONEYS AS THE
27 GENERAL ASSEMBLY MAY APPROPRIATE TO THE FUND. THE MONEYS IN THE

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

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

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

19 **22-54.5-303. Per pupil supplemental payment - per pupil**
20 **supplemental fund - created - definitions.** (1) FOR PURPOSES OF THIS
21 SECTION:

22 (a) "DISTRICT'S PER PUPIL REVENUE" MEANS, FOR EACH BUDGET
23 YEAR, THE SUM OF THE AMOUNT OF LOCAL PROPERTY TAX REVENUES
24 GENERATED FROM THE NUMBER OF MILLS A DISTRICT LEVIES FOR TOTAL
25 PROGRAM PLUS THE SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE
26 DISTRICT PLUS THE STATE SHARE PAID TO THE DISTRICT PLUS ANY
27 HOLD-HARMLESS MONEYS PAID TO THE DISTRICT PURSUANT TO SECTION

1 22-54.5-302, DIVIDED BY THE DISTRICT'S FUNDED MEMBERSHIP FOR THE
2 APPLICABLE BUDGET YEAR.

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

5 (c) "INSTITUTE CHARTER SCHOOL'S PER PUPIL REVENUE" MEANS,
6 FOR EACH BUDGET YEAR, THE AMOUNT OF STATE FUNDING PAID TO THE
7 INSTITUTE CHARTER SCHOOL DIVIDED BY THE INSTITUTE CHARTER
8 SCHOOL'S FUNDED MEMBERSHIP FOR THE APPLICABLE BUDGET YEAR.

9 (d) "STATE AVERAGE PER PUPIL REVENUE" MEANS THE TOTAL
10 PROGRAM OF ALL DISTRICTS AND ALL INSTITUTE CHARTER SCHOOLS FOR
11 A BUDGET YEAR PLUS THE TOTAL AMOUNT OF HOLD-HARMLESS MONEYS
12 PAID BY THE STATE PURSUANT TO SECTION 22-54.5-302 FOR THE BUDGET
13 YEAR, DIVIDED BY THE TOTAL FUNDED MEMBERSHIP OF ALL DISTRICTS AND
14 ALL INSTITUTE CHARTER SCHOOLS FOR THE BUDGET YEAR.

15 (2) (a) SUBJECT TO AVAILABLE APPROPRIATIONS, THE
16 DEPARTMENT SHALL ANNUALLY PAY PER PUPIL SUPPLEMENTAL PAYMENTS
17 TO DISTRICTS AND INSTITUTE CHARTER SCHOOLS TO ENSURE THAT, FOR
18 EACH BUDGET YEAR, EACH DISTRICT'S PER PUPIL REVENUE AND EACH
19 INSTITUTE CHARTER SCHOOL'S PER PUPIL REVENUE IS AT LEAST EQUAL TO
20 NINETY-FIVE PERCENT OF THE STATE AVERAGE PER PUPIL REVENUE. THE
21 DEPARTMENT SHALL ANNUALLY IDENTIFY THE DISTRICTS AND INSTITUTE
22 CHARTER SCHOOLS THAT MAY RECEIVE PER PUPIL SUPPLEMENTAL
23 PAYMENTS AS PROVIDED IN THIS SECTION.

24 (b) THE DEPARTMENT SHALL CALCULATE THE AMOUNT PAYABLE
25 TO EACH DISTRICT BY SUBTRACTING THE DISTRICT'S PER PUPIL REVENUE
26 FOR THE APPLICABLE BUDGET YEAR FROM AN AMOUNT EQUAL TO
27 NINETY-FIVE PERCENT OF THE STATE AVERAGE PER PUPIL REVENUE FOR

1 THE APPLICABLE BUDGET YEAR AND MULTIPLYING THE DIFFERENCE BY THE
2 DISTRICT'S FUNDED MEMBERSHIP FOR THE APPLICABLE BUDGET YEAR.

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

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

14 (3) (a) SUBJECT TO AVAILABLE APPROPRIATIONS, THE
15 DEPARTMENT SHALL PAY AN AT-RISK SUPPLEMENTAL PAYMENT TO EACH
16 DISTRICT AND EACH INSTITUTE CHARTER SCHOOL IN EACH BUDGET YEAR
17 IN WHICH:

18 (I) THE DISTRICT OR THE INSTITUTE CHARTER SCHOOL IS ELIGIBLE
19 FOR PER PUPIL SUPPLEMENTAL PAYMENTS PURSUANT TO THIS SECTION;
20 AND

21 (II) THE DISTRICT'S OR THE INSTITUTE CHARTER SCHOOL'S AT-RISK
22 PUPIL PERCENTAGE IS EQUAL TO OR GREATER THAN A PERCENTAGE THAT
23 IS TEN PERCENTAGE POINTS LESS THAN THE STATEWIDE AVERAGE AT-RISK
24 PUPIL PERCENTAGE FOR THE APPLICABLE BUDGET YEAR.

25 (b) THE AT-RISK SUPPLEMENTAL PAYMENT FOR A DISTRICT OR AN
26 INSTITUTE CHARTER SCHOOL THAT MEETS THE REQUIREMENTS STATED IN
27 PARAGRAPH (a) OF THIS SUBSECTION (3) IS AN AMOUNT EQUAL TO

1 TWENTY-THREE PERCENT OF THE DISTRICT'S OR THE INSTITUTE CHARTER
2 SCHOOL'S AT-RISK FUNDING CALCULATED FOR THE APPLICABLE BUDGET
3 YEAR PURSUANT TO SECTION 22-54.5-201 (4) OR 22-54.5-202 (4),
4 WHICHEVER IS APPLICABLE.

5 (4) (a) THERE IS CREATED IN THE STATE TREASURY THE PER PUPIL
6 SUPPLEMENTAL FUND CONSISTING OF SUCH MONEYS AS THE GENERAL
7 ASSEMBLY MAY APPROPRIATE TO THE FUND. THE MONEYS IN THE FUND
8 ARE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY TO
9 THE DEPARTMENT FOR DISTRIBUTION TO DISTRICTS AND INSTITUTE
10 CHARTER SCHOOLS 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 (5) IN A BUDGET YEAR IN WHICH THE GENERAL ASSEMBLY DOES
20 NOT APPROPRIATE A SUFFICIENT AMOUNT TO FULLY FUND THE PER PUPIL
21 SUPPLEMENTAL PAYMENTS AUTHORIZED IN SUBSECTION (2) OF THIS
22 SECTION AND THE AT-RISK SUPPLEMENTAL PAYMENTS AUTHORIZED IN
23 SUBSECTION (3) OF THIS SECTION, THE DEPARTMENT SHALL REDUCE EACH
24 DISTRICT'S AND EACH INSTITUTE CHARTER SCHOOL'S PER PUPIL
25 SUPPLEMENTAL PAYMENT AND AT-RISK SUPPLEMENTAL PAYMENT BY THE
26 SAME PERCENTAGE THAT THE DEFICIT BEARS TO THE AMOUNT REQUIRED
27 TO FULLY FUND THE PER PUPIL SUPPLEMENTAL PAYMENTS AUTHORIZED BY

1 SUBSECTION (2) OF THIS SECTION AND THE AT-RISK SUPPLEMENTAL
2 PAYMENTS AUTHORIZED IN SUBSECTION (3) OF THIS SECTION.

3 **22-54.5-304. Mill levy equalization - mill levy equalization**
4 **fund - created - definitions.** (1) FOR PURPOSES OF THIS SECTION:

5 (a) "DISTRICT MILL LEVY EQUALIZATION PAYMENT" MEANS AN
6 AMOUNT EQUAL TO:

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

12 (II) THE AMOUNT OF PROPERTY TAX REVENUES RECEIVED FROM
13 THE LEVY OF TWO AND FIVE-TENTHS MILLS BY THE ELIGIBLE DISTRICT FOR
14 THE PROPERTY TAX YEAR IN WHICH THE ELIGIBLE DISTRICT APPLIES FOR
15 THE MILL LEVY EQUALIZATION PAYMENT.

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

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

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

1 AND

2 (II) RECEIVES VOTER APPROVAL ON OR AFTER NOVEMBER 1, 2013,
3 FOR AN INCREASE OF AT LEAST TWO AND FIVE-TENTHS IN THE NUMBER OF
4 PROPERTY TAX MILLS THAT THE DISTRICT LEVIES FOR PURPOSES OF TOTAL
5 PROGRAM OR IN THE NUMBER OF PROPERTY TAX MILLS THAT THE DISTRICT
6 IS AUTHORIZED TO LEVY PURSUANT TO SECTION 22-54.5-205, 22-54.5-206,
7 22-54.5-207, OR 22-54.5-208. FOR A DISTRICT TO QUALIFY AS AN
8 "ELIGIBLE DISTRICT", THE BALLOT MEASURE MUST BE WORDED AS A
9 SPECIFIC INCREASE IN THE NUMBER OF MILLS LEVIED AND NOT AS AN
10 INCREASE IN THE AMOUNT OF PROPERTY TAX REVENUES COLLECTED.

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

13

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

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

25

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26 (3) A MILL LEVY EQUALIZATION PAYMENT THAT A DISTRICT
27 RECEIVES PURSUANT TO THIS SECTION IS IN ADDITION TO ANY OTHER

1 STATE MONEYS THAT THE DISTRICT RECEIVES FOR THE APPLICABLE
2 BUDGET YEAR.

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

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

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

24 **22-54.5-305. Mill levy elections - administrative costs.** (1) A
25 DISTRICT THAT, PURSUANT TO SECTION 22-54.5-203 (4) (a), CHOOSES TO
26 SEEK VOTER APPROVAL FOR A MILL LEVY INCREASE MAY APPLY TO THE
27 DEPARTMENT FOR REIMBURSEMENT OF ELECTION COSTS IF:

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

4 (b) THE COUNTY CLERK AND RECORDER'S OFFICE THAT
5 ADMINISTERS THE ELECTION REQUIRES THE DISTRICT TO PAY THE
6 ADMINISTRATION COSTS FOR THE ELECTION.

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

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

19 **22-54.5-306. Small attendance center aid.** (1) A DISTRICT IS
20 ELIGIBLE FOR AID PURSUANT TO THIS SECTION IF:

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

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

1 AND

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

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

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

1 (4) IF A SCHOOL DISTRICT RECEIVES SMALL ATTENDANCE CENTER
2 AID PURSUANT TO THIS SECTION FOR A SMALL ATTENDANCE CENTER THAT
3 IS A DISTRICT CHARTER SCHOOL, THE SCHOOL DISTRICT MUST FORWARD
4 THE ENTIRE AMOUNT OF THE AID TO THE DISTRICT CHARTER SCHOOL FOR
5 WHICH IT WAS RECEIVED.

6

7 **22-54.5-307. National school meal programs - appropriation**
8 **of state matching funds - definitions.** (1) AS USED IN THIS SECTION,
9 UNLESS THE CONTEXT OTHERWISE REQUIRES:

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

14 (b) "SCHOOL FOOD AUTHORITY" MEANS:

15 (I) A SCHOOL DISTRICT OR THE STATE CHARTER SCHOOL
16 INSTITUTE;

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

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

22 (IV) A DISTRICT CHARTER SCHOOL OR AN INSTITUTE CHARTER
23 SCHOOL THAT:

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

27 (B) THE DEPARTMENT AUTHORIZES AS A SCHOOL FOOD AUTHORITY

1 PURSUANT TO SECTION 22-32-120 (5).

2 (2) THE GENERAL ASSEMBLY SHALL APPROPRIATE BY SEPARATE
3 LINE ITEM AN AMOUNT TO COMPLY WITH THE REQUIREMENTS FOR STATE
4 MATCHING FUNDS UNDER THE FEDERAL "NATIONAL SCHOOL LUNCH ACT",
5 42 U.S.C. SEC. 1751 ET SEQ. THE DEPARTMENT SHALL DEVELOP
6 PROCEDURES TO ALLOCATE AND DISBURSE THE FUNDS AMONG
7 PARTICIPATING SCHOOL FOOD AUTHORITIES EACH YEAR IN AN EQUITABLE
8 MANNER SO AS TO COMPLY WITH THE REQUIREMENTS OF THE FEDERAL
9 ACT.

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

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

23 (c) A DISTRICT CHARTER SCHOOL, AN INSTITUTE CHARTER SCHOOL,
24 OR A CHARTER SCHOOL COLLABORATIVE THAT IS A SCHOOL FOOD
25 AUTHORITY IS ELIGIBLE TO RECEIVE MONEYS PURSUANT TO THIS
26 SUBSECTION (3) ONLY IF IT IS A LOW-PERFORMING SCHOOL. A DISTRICT
27 CHARTER SCHOOL OR AN INSTITUTE CHARTER SCHOOL THAT IS A SCHOOL

1 FOOD AUTHORITY THAT RECEIVES MONEYS PURSUANT TO THIS SECTION
2 MUST USE THE MONEYS TO CREATE, EXPAND, OR ENHANCE ITS SCHOOL
3 BREAKFAST PROGRAM WITH THE GOAL OF IMPROVING THE ACADEMIC
4 PERFORMANCE OF THE STUDENTS ATTENDING THE DISTRICT CHARTER
5 SCHOOL OR THE INSTITUTE CHARTER SCHOOL.

6 **22-54.5-308. Declining enrollment districts with new charter**
7 **schools - additional aid - definitions.** (1) AS USED IN THIS SECTION,
8 UNLESS THE CONTEXT OTHERWISE REQUIRES:

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

14 (b) "NEW CHARTER SCHOOL ENROLLMENT" MEANS THE AVERAGE
15 DAILY MEMBERSHIP OF A CHARTER SCHOOL FOR THE FUNDING AVERAGING
16 PERIOD FOR THE FIRST BUDGET YEAR IN WHICH THE CHARTER SCHOOL
17 OPERATES.

18 (2) IN A BUDGET YEAR IN WHICH A NEW DISTRICT CHARTER SCHOOL
19 THAT IS NOT A MULTI-DISTRICT ON-LINE SCHOOL IS OPENED IN A DECLINING
20 ENROLLMENT DISTRICT, THE DECLINING ENROLLMENT DISTRICT MUST
21 RECEIVE ADDITIONAL AID AS SPECIFIED IN THIS SECTION TO HELP MITIGATE
22 THE IMPACT OF THE ENROLLMENT OF PUPILS IN THE NEW DISTRICT
23 CHARTER SCHOOL WHO MIGHT OTHERWISE HAVE ATTENDED A
24 TRADITIONAL SCHOOL IN THE DECLINING ENROLLMENT DISTRICT. THE
25 ADDITIONAL AID IS AVAILABLE ONLY FOR THE FIRST YEAR OF OPERATION
26 OF A NEW DISTRICT CHARTER SCHOOL IN A DECLINING ENROLLMENT
27 DISTRICT.

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

17 **22-54.5-309. State assistance for charter schools - use of state**
18 **education fund moneys - definitions.** (1) AS USED IN THIS SECTION,
19 UNLESS THE CONTEXT OTHERWISE REQUIRES:

20 (a) "CAPITAL CONSTRUCTION" MEANS CONSTRUCTION,
21 DEMOLITION, REMODELING, FINANCING, PURCHASING, OR LEASING OF
22 LAND, BUILDINGS, OR FACILITIES USED TO EDUCATE PUPILS ENROLLED IN
23 OR TO BE ENROLLED IN A CHARTER SCHOOL.

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

27 (c) "DISTRICT'S CERTIFIED CHARTER SCHOOL AVERAGE DAILY

1 MEMBERSHIP" MEANS THE PROJECTED TOTAL AVERAGE DAILY
2 MEMBERSHIP OF PUPILS WHO ARE NOT ON-LINE PUPILS, AS DEFINED IN
3 SECTION 22-30.5-103 (6), FOR ALL QUALIFIED CHARTER SCHOOLS THAT
4 RECEIVE FUNDING FROM THE DISTRICT PURSUANT TO SECTION
5 22-30.5-111.5 FOR THE FUNDING AVERAGING PERIOD FOR THE BUDGET
6 YEAR FOR WHICH STATE EDUCATION FUND MONEYS ARE APPROPRIATED
7 AND DISTRIBUTED PURSUANT TO SUBSECTION (4) OF THIS SECTION, AS
8 CERTIFIED BY THE DEPARTMENT PURSUANT TO PARAGRAPH (b) OF
9 SUBSECTION (3) OF THIS SECTION DURING THE BUDGET YEAR THAT
10 IMMEDIATELY PRECEDES THE APPLICABLE BUDGET YEAR. ■

11 (d) "INSTITUTE CHARTER SCHOOLS' CERTIFIED AVERAGE DAILY
12 MEMBERSHIP" MEANS THE PROJECTED TOTAL AVERAGE DAILY
13 MEMBERSHIP OF PUPILS WHO ARE NOT ON-LINE PUPILS, AS DEFINED IN
14 SECTION 22-30.5-502 (9), FOR ALL QUALIFIED INSTITUTE CHARTER
15 SCHOOLS THAT RECEIVE FUNDING PURSUANT TO SECTION 22-30.5-513.5
16 FOR THE FUNDING AVERAGING PERIOD FOR THE BUDGET YEAR FOR WHICH
17 STATE EDUCATION FUND MONEYS ARE APPROPRIATED AND DISTRIBUTED
18 PURSUANT TO SUBSECTION (4) OF THIS SECTION, AS CERTIFIED BY THE
19 DEPARTMENT PURSUANT TO PARAGRAPH (b) OF SUBSECTION (3) OF THIS
20 SECTION DURING THE BUDGET YEAR THAT IMMEDIATELY PRECEDES THE
21 APPLICABLE BUDGET YEAR.

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

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

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

27 (C) A CHARTER SCHOOL THAT IS OPERATING OR WILL OPERATE IN

1 THE NEXT BUDGET YEAR IN A FACILITY THAT IS LISTED ON THE STATE
2 INVENTORY OF REAL PROPERTY AND IMPROVEMENTS AND OTHER CAPITAL
3 ASSETS MAINTAINED BY THE DEPARTMENT OF PERSONNEL PURSUANT TO
4 SECTION 24-30-1303.5, C.R.S., AND THAT IS OBLIGATED TO MAKE LEASE
5 PAYMENTS FOR USE OF THE FACILITY.

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

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

9 (B) A CHARTER SCHOOL THAT DOES NOT HAVE CAPITAL
10 CONSTRUCTION COSTS;

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

17 (D) A CHARTER SCHOOL THAT OPERATES, OR WILL OPERATE IN THE
18 NEXT BUDGET YEAR, IN A FACILITY THAT IS NOT LISTED ON THE STATEWIDE
19 FINANCIAL ASSISTANCE PRIORITY ASSESSMENT LIST AS PROVIDED IN
20 22-43.7-108; OR

21 (E) A CHARTER SCHOOL THAT OPERATES, OR WILL OPERATE IN THE
22 NEXT BUDGET YEAR, IN A FACILITY THAT IS BUILT USING FINANCIAL
23 ASSISTANCE AWARDED PURSUANT TO THE "BUILDING EXCELLENT
24 SCHOOLS TODAY ACT", ARTICLE 43.7 OF THIS TITLE.

25 (2) (a) A DISTRICT IS ELIGIBLE TO RECEIVE STATE EDUCATION FUND
26 MONEYS FOR DISTRICT CHARTER SCHOOL CAPITAL CONSTRUCTION
27 PURSUANT TO THIS SECTION IF AT LEAST ONE QUALIFIED DISTRICT

1 CHARTER SCHOOL RECEIVES FUNDING FROM THE DISTRICT PURSUANT TO
2 SECTION 22-30.5-111.5 DURING THE BUDGET YEAR FOR WHICH STATE
3 EDUCATION FUND MONEYS ARE DISTRIBUTED.

4 (b) AN INSTITUTE CHARTER SCHOOL IS ELIGIBLE TO RECEIVE STATE
5 EDUCATION FUND MONEYS FOR INSTITUTE CHARTER SCHOOL CAPITAL
6 CONSTRUCTION IF THE INSTITUTE CHARTER SCHOOL RECEIVES FUNDING
7 FROM THE STATE CHARTER SCHOOL INSTITUTE PURSUANT TO SECTION
8 22-30.5-513.5 DURING THE BUDGET YEAR FOR WHICH STATE EDUCATION
9 FUND MONEYS ARE DISTRIBUTED.

10 (3) (a) (I) THE GENERAL ASSEMBLY SHALL ANNUALLY
11 APPROPRIATE FROM THE STATE EDUCATION FUND CREATED IN SECTION 17
12 (4) OF ARTICLE IX OF THE STATE CONSTITUTION TO THE DEPARTMENT THE
13 AMOUNT REQUIRED ■ ■ FOR DISTRIBUTION PURSUANT TO THIS SECTION.

14 (II) THE DEPARTMENT SHALL DISTRIBUTE THE MONEYS
15 APPROPRIATED FOR ELIGIBLE DISTRICTS AND ELIGIBLE INSTITUTE CHARTER
16 SCHOOLS AS FOLLOWS:

17 (A) EACH QUALIFIED CHARTER SCHOOL THAT OPERATES DURING
18 THE APPLICABLE BUDGET YEAR IN A FACILITY THAT THE QUALIFIED
19 CHARTER SCHOOL OWNS AND THAT HAS DEMONSTRABLE CAPITAL
20 CONSTRUCTION COSTS RECEIVES AN AMOUNT EQUAL TO FOUR HUNDRED
21 FIFTY DOLLARS MULTIPLIED BY THE QUALIFIED CHARTER SCHOOL'S
22 AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE BUDGET YEAR;

23 (B) EACH QUALIFIED CHARTER SCHOOL THAT OPERATES DURING
24 THE APPLICABLE BUDGET YEAR IN A FACILITY THAT IS NOT OWNED BY A
25 DISTRICT OR BY THE QUALIFIED CHARTER SCHOOL AND THAT HAS
26 DEMONSTRABLE CAPITAL CONSTRUCTION COSTS RECEIVES AN AMOUNT
27 EQUAL TO THREE HUNDRED DOLLARS MULTIPLIED BY THE QUALIFIED

1 CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE
2 BUDGET YEAR; AND

3 (C) EACH QUALIFIED CHARTER SCHOOL THAT OPERATES DURING
4 THE APPLICABLE BUDGET YEAR IN A FACILITY THAT IS OWNED BY A
5 DISTRICT OR THAT IS LISTED ON THE STATE INVENTORY OF REAL PROPERTY
6 AND IMPROVEMENTS AND OTHER CAPITAL ASSETS MAINTAINED BY THE
7 DEPARTMENT OF PERSONNEL PURSUANT TO SECTION 24-30-1303.5, C.R.S.,
8 AND THAT HAS DEMONSTRABLE CAPITAL CONSTRUCTION COSTS RECEIVES
9 AN AMOUNT EQUAL TO ONE HUNDRED DOLLARS MULTIPLIED BY THE
10 QUALIFIED CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR THE
11 APPLICABLE BUDGET YEAR.

12 (b) NO LATER THAN FEBRUARY 1 OF EACH BUDGET YEAR, THE
13 DEPARTMENT SHALL CERTIFY TO THE EDUCATION COMMITTEES OF THE
14 SENATE AND THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR
15 COMMITTEES, AND TO THE JOINT BUDGET COMMITTEE OF THE GENERAL
16 ASSEMBLY THE PROJECTED TOTAL AVERAGE DAILY MEMBERSHIP FOR ALL
17 QUALIFIED CHARTER SCHOOLS IN THE STATE FOR THE FUNDING AVERAGING
18 PERIOD FOR THE NEXT BUDGET YEAR, AS DERIVED FROM REPORTS
19 PROVIDED TO THE DEPARTMENT BY DISTRICTS PURSUANT TO SECTION
20 22-30.5-111.5 (2) AND BY INSTITUTE CHARTER SCHOOLS PURSUANT TO
21 SECTION 22-30.5-513.5 (2).

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

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

6 (6) IN A BUDGET YEAR IN WHICH THE GENERAL ASSEMBLY DOES
7 NOT APPROPRIATE A SUFFICIENT AMOUNT TO FULLY FUND THE
8 REQUIREMENTS OF THIS SECTION, THE DEPARTMENT SHALL REDUCE EACH
9 QUALIFIED CHARTER SCHOOL'S DISTRIBUTION BY THE SAME PERCENTAGE
10 THAT THE DEFICIT BEARS TO THE AMOUNT REQUIRED TO FULLY FUND THE
11 REQUIREMENTS OF THIS SECTION.

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

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

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

25 (8) THE GENERAL ASSEMBLY FINDS THAT, FOR PURPOSES OF
26 SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, PROVIDING
27 FUNDING FOR CHARTER SCHOOL CAPITAL CONSTRUCTION FROM MONEYS

1 IN THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX
2 OF THE STATE CONSTITUTION IS A PERMISSIBLE USE OF THE MONEYS IN THE
3 STATE EDUCATION FUND BECAUSE THE MONEYS ARE BEING USED FOR
4 PUBLIC SCHOOL BUILDING CAPITAL CONSTRUCTION AS AUTHORIZED BY
5 SECTION 17 (4) (b) OF ARTICLE IX OF THE STATE CONSTITUTION.

6



7 **22-54.5-310. Contingency reserve fund - created -**
8 **supplemental assistance.** (1) (a) THERE IS CREATED IN THE STATE
9 TREASURY THE CONTINGENCY RESERVE FUND, WHICH CONSISTS OF SUCH
10 MONEYS AS THE GENERAL ASSEMBLY MAY ANNUALLY APPROPRIATE TO
11 THE FUND. IN DECIDING THE AMOUNT TO APPROPRIATE TO THE
12 CONTINGENCY RESERVE FUND, THE GENERAL ASSEMBLY MAY TAKE INTO
13 CONSIDERATION ANY RECOMMENDATIONS THE DEPARTMENT MAY MAKE,
14 BUT THE GENERAL ASSEMBLY IS NOT OBLIGATED TO PROVIDE
15 SUPPLEMENTAL ASSISTANCE TO ALL DISTRICTS THAT MAY BE IN NEED OR
16 TO FULLY FUND THE TOTAL AMOUNT OF THE NEED. ANY UNEXPENDED
17 BALANCE IN THE CONTINGENCY RESERVE FUND AT THE END OF A FISCAL
18 YEAR MUST REMAIN IN THE FUND AND DOES NOT REVERT TO THE STATE
19 GENERAL FUND AND SHALL NOT BE TRANSFERRED TO ANOTHER FUND.

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

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

26 (II) FINANCIAL EMERGENCIES ARISING FROM THE NONPAYMENT OF
27 PROPERTY TAXES PENDING THE OUTCOME OF AN ADMINISTRATIVE APPEAL

1 OR LITIGATION OR BOTH CHALLENGING THE INCLUSION OF THE VALUE OF
2 CERTAIN PROPERTY IN A COUNTY'S ABSTRACT OF ASSESSMENT THAT
3 RESULTED FROM A CHANGE IN THE APPLICABLE STATE LAW;

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

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

13 (V) UNUSUAL FINANCIAL BURDEN CAUSED BY INSTRUCTION OF
14 CHILDREN WHO FORMERLY RESIDED OUTSIDE THE DISTRICT BUT ARE
15 ASSIGNED TO LIVE WITHIN THE DISTRICT BY COURTS OR PUBLIC WELFARE
16 AGENCIES. SUPPLEMENTAL ASSISTANCE UNDER THIS CIRCUMSTANCE MUST
17 NOT EXCEED THE ADDITIONAL COST FOR CURRENT OPERATIONS INCURRED
18 BY THIS CIRCUMSTANCE.

19 (VI) UNUSUAL FINANCIAL BURDEN CAUSED BY AN INCREASE IN A
20 DISTRICT'S AVERAGE DAILY MEMBERSHIP DURING A SCHOOL YEAR.
21 SUPPLEMENTAL ASSISTANCE UNDER THIS CIRCUMSTANCE MUST NOT
22 EXCEED THE ADDITIONAL COST INCURRED BY THE DISTRICT DUE TO THE
23 INCREASE IN AVERAGE DAILY MEMBERSHIP. ONLY DISTRICTS WITH A
24 FUNDED MEMBERSHIP OF TWO THOUSAND OR FEWER ARE ELIGIBLE FOR
25 SUPPLEMENTAL ASSISTANCE UNDER THIS SUBPARAGRAPH (VI).

26 (VII) UNUSUAL FINANCIAL BURDEN CAUSED BY A SIGNIFICANT
27 DECLINE IN AVERAGE DAILY MEMBERSHIP AS A RESULT OF DETACHMENT

1 AND ANNEXATION PURSUANT TO A REORGANIZATION PLAN APPROVED
2 PURSUANT TO ARTICLE 30 OF THIS TITLE.

3 (c) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (b) OF
4 THIS SUBSECTION (1) CONCERNING CIRCUMSTANCES UNDER WHICH THE
5 STATE BOARD MAY APPROVE AND ORDER PAYMENTS FROM THE
6 CONTINGENCY RESERVE FUND, THE STATE BOARD, IN CASES OF EXTREME
7 EMERGENCY, MAY TAKE INTO CONSIDERATION SUCH OTHER FACTORS AS
8 IT FINDS NECESSARY AND PROPER IN GRANTING SUPPLEMENTAL
9 ASSISTANCE FROM THE CONTINGENCY RESERVE FUND TO DISTRICTS THAT
10 CANNOT MAINTAIN THEIR SCHOOLS WITHOUT ADDITIONAL FINANCIAL
11 ASSISTANCE.

12 (d) IF THE DEPARTMENT PAYS SUPPLEMENTAL ASSISTANCE
13 PURSUANT TO SUBPARAGRAPH (II) OF PARAGRAPH (b) OF SUBSECTION (1)
14 OF THIS SECTION AND THE DISPUTED PROPERTY IS FINALLY DETERMINED
15 TO HAVE BEEN PROPERLY INCLUDED IN THE ABSTRACT OF ASSESSMENT,
16 THE DISTRICT SHALL REIMBURSE TO THE CONTINGENCY RESERVE FUND THE
17 AMOUNT OF SUPPLEMENTAL ASSISTANCE PAID, PLUS INTEREST AT THE
18 SAME RATE AS PROVIDED BY STATUTE FOR PENALTY INTEREST ON UNPAID
19 PROPERTY TAXES, AFTER THE DISTRICT COLLECTS THE TAXES IN FULL.

20 (e) IN ADDITION TO A REIMBURSEMENT PURSUANT TO PARAGRAPH
21 (d) OF THIS SUBSECTION (1), THE DEPARTMENT SHALL CREDIT TO THE
22 CONTINGENCY RESERVE FUND ANY OTHER REIMBURSEMENT BY A SCHOOL
23 DISTRICT OF A PAYMENT FOR SUPPLEMENTAL ASSISTANCE MADE PURSUANT
24 TO THIS SUBSECTION (1).

25 (2) A DISTRICT MAY APPLY FOR SUPPLEMENTAL ASSISTANCE
26 PURSUANT TO SUBSECTION (1) OF THIS SECTION BY SUBMITTING TO THE
27 DEPARTMENT AN APPLICATION THAT, AT A MINIMUM, DESCRIBES FULLY

1 THE GROUNDS UPON WHICH IT RELIES FOR ASSISTANCE. THE PRESIDENT
2 AND SECRETARY OF THE DISTRICT BOARD OF EDUCATION SHALL SWEAR
3 UNDER OATH TO THE CONTENTS OF THE APPLICATION.

4 (3) THE STATE BOARD SHALL INVESTIGATE EACH APPLICATION, AS
5 IT DEEMS NECESSARY, AND, IF IT FINDS THAT AN APPLICATION SHOULD BE
6 APPROVED, IT SHALL DETERMINE THE AMOUNT OF SUPPLEMENTAL
7 ASSISTANCE THAT THE DISTRICT RECEIVES. IN DETERMINING WHICH
8 DISTRICTS RECEIVE SUPPLEMENTAL ASSISTANCE PURSUANT TO THIS
9 SECTION AND THE AMOUNT OF THE ASSISTANCE, THE STATE BOARD SHALL
10 CONSIDER THE AMOUNT OF THE SUPPLEMENTAL ASSISTANCE REQUESTED
11 BY THE DISTRICT AS A PERCENTAGE OF THE DISTRICT'S TOTAL PROGRAM.
12 BY ORDER UPON THE STATE TREASURER, THE STATE BOARD SHALL DIRECT
13 PAYMENT OF THE SPECIFIED AMOUNT OF SUPPLEMENTAL ASSISTANCE FROM
14 THE CONTINGENCY RESERVE FUND TO THE TREASURER OF THE ELIGIBLE
15 DISTRICT FOR CREDIT TO THE GENERAL FUND OF THE DISTRICT.

16 **22-54.5-311. Education innovation grant program - board**
17 **created - fund created - rules - report - definitions - repeal.** (1) AS
18 USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

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

21 (b) "EDUCATORS" MEANS TEACHERS, PRINCIPALS, AND
22 ADMINISTRATORS.

23 (c) "EXPANDED LEARNING TIME" MEANS AN INITIATIVE TO EXTEND
24 THE LENGTH OF THE SCHOOL DAY OR TO INCREASE THE NUMBER OF
25 SCHOOL DAYS FOR ALL STUDENTS ATTENDING THE SCHOOL AND TO
26 IMPROVE THE USE OF LEARNING TIME THROUGHOUT THE SCHOOL DAY AND
27 IMPROVE ACADEMIC ACHIEVEMENT, ELIMINATE THE ACHIEVEMENT AND

1 GROWTH GAPS AMONG STUDENT GROUPS DISAGGREGATED BY RACE, AND
2 INCREASE STUDENT ENGAGEMENT. THE ADDITIONAL TIME MUST ALLOW
3 FOR MORE TIME FOR A COMBINATION OF CORE ACADEMICS, ENGAGING
4 ENRICHMENT PROGRAMS, AND TEACHER COLLABORATION AND
5 PROFESSIONAL DEVELOPMENT.

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

8 (2) THE EDUCATION INNOVATION GRANT PROGRAM IS CREATED IN
9 THE DEPARTMENT TO PROVIDE MONEYS TO EDUCATORS, LOCAL
10 EDUCATION PROVIDERS, AND BOARDS OF COOPERATIVE SERVICES TO
11 IMPLEMENT INNOVATIONS IN THE DELIVERY OF PUBLIC PRESCHOOL,
12 ELEMENTARY, AND SECONDARY EDUCATION IN THE STATE. THE
13 DEPARTMENT SHALL RECOMMEND GRANT RECIPIENTS TO THE BOARD, AND
14 THE BOARD SHALL AWARD GRANTS FOR EDUCATION INNOVATION
15 INITIATIVES OUT OF ANY MONEYS AVAILABLE IN THE FUND.

16 (3) (a) THE DEPARTMENT SHALL PUBLISH POLICIES THAT SPECIFY
17 THE PROCEDURES AND TIMELINES BY WHICH AN EDUCATOR, A LOCAL
18 EDUCATION PROVIDER, OR A BOARD OF COOPERATIVE SERVICES MAY
19 APPLY FOR AN EDUCATION INNOVATION GRANT. AN EDUCATOR WHO IS
20 EMPLOYED BY A DISTRICT MUST OBTAIN THE APPROVAL OF THE BOARD OF
21 EDUCATION OF THE APPLICABLE DISTRICT BEFORE APPLYING TO THE
22 DEPARTMENT FOR A GRANT.

23 (b) EACH APPLICATION MUST INCLUDE A DESCRIPTION OF THE
24 EDUCATION INNOVATION INITIATIVE THE APPLICANT WILL IMPLEMENT
25 USING THE GRANT MONEYS AND THE MANNER IN WHICH THE APPLICANT
26 WILL MEASURE WHETHER THE INITIATIVE IS EFFECTIVE IN ELIMINATING
27 THE ACHIEVEMENT AND GROWTH GAPS AMONG STUDENT GROUPS

1 DISAGGREGATED BY RACE AND IN IMPROVING STUDENT RETENTION,
2 REDUCING DROPOUT RATES, AND INCREASING GRADUATION RATES.
3 APPLICANTS ARE ENCOURAGED TO APPLY FOR GRANTS TO IMPLEMENT
4 EXPANDED LEARNING TIME INITIATIVES AND OTHER INITIATIVES THAT ARE
5 LIKELY TO RESULT IN SIGNIFICANT STUDENT ACADEMIC GROWTH.

6 (4) (a) THE DEPARTMENT SHALL ACCEPT AND EVALUATE GRANT
7 APPLICATIONS AND, FOR EACH APPLICATION RECEIVED, RECOMMEND TO
8 THE BOARD WHETHER A GRANT SHOULD BE AWARDED AND THE AMOUNT
9 AND DURATION OF THE GRANT. TO EVALUATE GRANT APPLICATIONS, THE
10 DEPARTMENT SHALL CREATE A RUBRIC OF MEASUREMENTS DESIGNED TO
11 IDENTIFY EDUCATION INNOVATION INITIATIVES THAT ARE MOST LIKELY TO
12 RESULT IN ELIMINATING THE ACHIEVEMENT AND GROWTH GAPS AMONG
13 STUDENT GROUPS DISAGGREGATED BY RACE AND IN IMPROVING STUDENT
14 RETENTION, REDUCING DROPOUT RATES, AND INCREASING GRADUATION
15 RATES AND MAY RESULT IN IMPROVING STUDENT ACADEMIC
16 ACHIEVEMENT. IN ADDITION, IN EVALUATING GRANT APPLICATIONS, THE
17 DEPARTMENT SHALL:

18 (I) GIVE PRIORITY TO APPLICATIONS TO IMPLEMENT EDUCATION
19 INNOVATION INITIATIVES FOR SCHOOLS AND DISTRICTS THAT ARE
20 IMPLEMENTING IMPROVEMENT, PRIORITY IMPROVEMENT, OR TURNAROUND
21 PLANS; ==

22 (II) GIVE PREFERENCE TO GRANT APPLICATIONS TO IMPLEMENT
23 EXPANDED LEARNING TIME INITIATIVES OR OTHER EDUCATION INITIATIVES
24 THAT ARE LIKELY TO ELIMINATE THE ACHIEVEMENT AND GROWTH GAPS
25 AMONG STUDENT GROUPS DISAGGREGATED BY RACE, IMPROVE STUDENT
26 RETENTION, REDUCE DROPOUT RATES, AND INCREASE GRADUATION RATES
27 AND MAY IMPROVE STUDENT ACADEMIC ACHIEVEMENT;

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

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

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

7 (I) THE RECOMMENDATIONS OF THE DEPARTMENT;

8 (II) EACH APPLICANT'S DEMONSTRATED ABILITY TO SUSTAIN THE
9 PROPOSED INITIATIVE AFTER GRANT MONEYS ARE NO LONGER AVAILABLE;

10 AND

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

14 (c) AN APPLICANT THAT RECEIVES AN EDUCATION INNOVATION
15 GRANT MAY APPLY TO RENEW THE GRANT IN SUBSEQUENT YEARS; EXCEPT
16 THAT AN APPLICANT MAY RECEIVE EDUCATION INNOVATION GRANT
17 MONEYS FOR THE SAME INITIATIVE FOR NO MORE THAN FIVE SCHOOL
18 YEARS.

19 (d) AN APPLICANT THAT RECEIVES AN EDUCATION INNOVATION
20 GRANT AND APPLIES FOR A SECOND OR SUBSEQUENT EDUCATION
21 INNOVATION GRANT FOR THE SAME INITIATIVE MUST, WITH EACH
22 APPLICATION, SUBMIT A REPORT THAT SETS FORTH THE SUCCESS OF THE
23 INITIATIVE IN ELIMINATING THE ACHIEVEMENT AND GROWTH GAPS AMONG
24 STUDENT GROUPS DISAGGREGATED BY RACE, IMPROVING STUDENT
25 RETENTION, REDUCING DROPOUT RATES, INCREASING GRADUATION RATES,
26 AND IMPROVING STUDENT ACADEMIC ACHIEVEMENT.

27 (5) THE DEPARTMENT SHALL ADOPT METHODS OF MEASURING THE

1 SUCCESS OF EACH EDUCATION INNOVATION INITIATIVE IN ELIMINATING
2 THE ACHIEVEMENT AND GROWTH GAPS AMONG STUDENT GROUPS
3 DISAGGREGATED BY RACE, IMPROVING STUDENT RETENTION, REDUCING
4 DROPOUT RATES, AND INCREASING GRADUATION RATES AND IN IMPROVING
5 STUDENT ACADEMIC ACHIEVEMENT. EACH GRANT RECIPIENT SHALL
6 REPORT THE INFORMATION REQUIRED BY THE DEPARTMENT TO APPLY THE
7 METHODS. THE DEPARTMENT SHALL COMMUNICATE TO LOCAL EDUCATION
8 PROVIDERS AND BOARDS OF COOPERATIVE SERVICES DESCRIPTIONS OF THE
9 SUCCESSFUL EDUCATION INNOVATION INITIATIVES, INCLUDING BEST
10 PRACTICES AND STRATEGIES.

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

23 (7) (a) THERE IS CREATED IN THE DEPARTMENT THE EDUCATION
24 INNOVATION BOARD TO PERFORM THE DUTIES SPECIFIED IN THIS SECTION.
25 THE BOARD SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND
26 FUNCTIONS UNDER THE DEPARTMENT AS IF THE SAME WERE TRANSFERRED
27 TO THE DEPARTMENT BY A **TYPE 2** TRANSFER AS DEFINED IN THE

1 "ADMINISTRATIVE ORGANIZATION ACT OF 1968", ARTICLE 1 OF TITLE 24,
2 C.R.S. THE BOARD CONSISTS OF FIFTEEN MEMBERS APPOINTED AS
3 FOLLOWS:

4 (I) THE GOVERNOR, WITH THE ADVICE AND CONSENT OF THE
5 SENATE, SHALL APPOINT ELEVEN MEMBERS AS FOLLOWS:

6 (A) ONE PERSON WHO IS A MEMBER OF A STATEWIDE BUSINESS
7 ORGANIZATION OR ASSOCIATION;

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

10 (C) ONE PERSON WHO IS A TEACHER IN A PUBLIC SCHOOL IN
11 COLORADO;

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

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

16 (F) ONE PERSON WHO IS A MEMBER OF A SCHOOL DISTRICT BOARD
17 OF EDUCATION IN COLORADO;

18 (G) ONE PERSON WHO IS A CITIZEN OF THE STATE OF COLORADO;

19 (H) ONE MEMBER WHO REPRESENTS A STATEWIDE ORGANIZATION
20 OF TEACHERS;

21 (I) ONE MEMBER WHO REPRESENTS A STATEWIDE ORGANIZATION
22 OF CHARTER SCHOOLS;

23 (J) ONE MEMBER WHO REPRESENTS A STATEWIDE ORGANIZATION
24 OF SCHOOL EXECUTIVES;

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

27

1 (II) THE PRESIDENT AND THE MINORITY LEADER OF THE SENATE
2 AND THE SPEAKER AND THE MINORITY LEADER OF THE HOUSE OF
3 REPRESENTATIVES SHALL EACH APPOINT ONE MEMBER TO THE BOARD.

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

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

23 (d) THE MEMBERS OF THE BOARD SERVE WITHOUT COMPENSATION
24 AND WITHOUT REIMBURSEMENT FOR EXPENSES.

25 (e) THIS SUBSECTION (7) IS REPEALED, EFFECTIVE SEPTEMBER 1,
26 2023. PRIOR TO REPEAL, THE BOARD SHALL BE REVIEWED AS PROVIDED

1 FOR IN SECTION 2-3-1203, C.R.S.

2 (8) (a) AN APPLICANT MAY SELECT AN ORGANIZATION TO PROVIDE
3 TECHNICAL ASSISTANCE TO THE APPLICANT IN WRITING THE GRANT
4 APPLICATION AND IN IMPLEMENTING THE INITIATIVE FOR WHICH THE
5 APPLICANT SEEKS A GRANT. THE APPLICANT MAY APPLY TO THE
6 DEPARTMENT FOR APPROVAL OF THE ORGANIZATION. IF THE DEPARTMENT
7 APPROVES THE ORGANIZATION, THE BOARD MAY APPROVE A TECHNICAL
8 GRANT FOR THE ORGANIZATION TO OFFSET THE ORGANIZATION'S COSTS IN
9 ASSISTING THE APPLICANT. IN ISSUING THE GRANT, THE BOARD MAY
10 SPECIFY CERTAIN DUTIES OR ACTIVITIES THAT THE ORGANIZATION MUST
11 COMPLETE USING THE GRANT MONEYS.

12 (b) THE BOARD, WITH SUPPORT FROM THE DEPARTMENT, SHALL
13 RESEARCH AND IDENTIFY ORGANIZATIONS THAT MAY BE APPROPRIATE TO
14 ASSIST GRANT APPLICANTS IN WRITING THE GRANT APPLICATIONS AND IN
15 IMPLEMENTING THE INITIATIVES. THE BOARD SHALL PUBLICIZE THE LIST OF
16 APPROPRIATE ORGANIZATIONS THROUGH THE DEPARTMENT'S WEB SITE.

17 (9) (a) THERE IS CREATED IN THE STATE TREASURY THE
18 EDUCATION INNOVATION GRANT FUND. THE FUND CONSISTS OF ANY
19 MONEYS THE GENERAL ASSEMBLY MAY APPROPRIATE TO THE FUND AND
20 ANY MONEYS THE STATE TREASURER MAY CREDIT TO THE FUND PURSUANT
21 TO PARAGRAPH (d) OF THIS SUBSECTION (9).

22 (b) IT IS THE INTENT OF THE GENERAL ASSEMBLY, BEGINNING IN
23 THE 2015-16 BUDGET YEAR, TO APPROPRIATE ANNUALLY ONE HUNDRED
24 MILLION DOLLARS TO THE FUND FROM REVENUES RECEIVED FROM AN
25 INCREASE IN STATE TAX REVENUES FOR THE PURPOSE OF FUNDING PUBLIC
26 EDUCATION, WHICH INCREASE IS APPROVED BY A STATEWIDE BALLOT
27 MEASURE. IT IS FURTHER THE INTENT OF THE GENERAL ASSEMBLY THAT

1 THE APPROPRIATION OF THOSE MONEYS FOR THE FUND TAKE PRIORITY
2 OVER OTHER APPROPRIATIONS OF THOSE MONEYS.

3 (c) THE MONEYS IN THE FUND ARE SUBJECT TO ANNUAL
4 APPROPRIATION BY THE GENERAL ASSEMBLY TO THE DEPARTMENT FOR
5 THE DIRECT AND INDIRECT COSTS INCURRED IN IMPLEMENTING THIS
6 SECTION. THE MONEYS APPROPRIATED TO THE FUND ARE ALLOCATED AS
7 FOLLOWS:

8 (I) THE DEPARTMENT MAY EXPEND UP TO ONE PERCENT OF THE
9 TOTAL AMOUNT OF MONEYS ANNUALLY APPROPRIATED FROM THE FUND TO
10 OFFSET THE ADMINISTRATIVE COSTS THAT THE DEPARTMENT INCURS IN
11 IMPLEMENTING THIS SECTION;

12 (II) THE BOARD SHALL EXPEND UP TO THREE PERCENT OF THE
13 MONEYS ANNUALLY APPROPRIATED FROM THE FUND TO AWARD
14 TECHNICAL GRANTS TO APPROVED ORGANIZATIONS AS PROVIDED IN
15 SUBSECTION (8) OF THIS SECTION; AND

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

25 (d) (I) THE DEPARTMENT MAY SEEK AND ACCEPT GIFTS, GRANTS,
26 OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE PURPOSES OF
27 THIS SECTION; EXCEPT THAT THE DEPARTMENT MAY NOT ACCEPT A GIFT,

1 GRANT, OR DONATION THAT IS SUBJECT TO CONDITIONS THAT ARE
2 INCONSISTENT WITH THIS SECTION OR ANY OTHER LAW OF THE STATE. THE
3 DEPARTMENT SHALL TRANSMIT ALL PRIVATE AND PUBLIC MONEYS
4 RECEIVED THROUGH GIFTS, GRANTS, OR DONATIONS TO THE STATE
5 TREASURER, WHO SHALL CREDIT THE SAME TO THE FUND.

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

11 (e) 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 PART 4

20 ADMINISTRATION

21 **22-54.5-401. County public school fund - created.** (1) THERE
22 IS CREATED IN THE OFFICE OF THE COUNTY TREASURER OF EACH COUNTY
23 A CONTINUING FUND, TO BE KNOWN AS THE COUNTY PUBLIC SCHOOL FUND,
24 INTO WHICH IS PAID THE PROCEEDS OF ALL COUNTY SCHOOL MONEYS.

25 (2) THE COUNTY TREASURER SHALL CHARGE A COLLECTION FEE OF
26 ONE-QUARTER OF ONE PERCENT UPON MONEYS COLLECTED FOR OR
27 DISTRIBUTED TO A DISTRICT LOCATED IN WHOLE OR IN PART IN THE

1 COUNTY FROM TAXES LEVIED FOR THE GENERAL FUND OF THE DISTRICT.

2 (3) EACH DISTRICT IN THE COUNTY IS ENTITLED TO RECEIVE
3 DISTRIBUTION DURING A BUDGET YEAR OF MONEYS IN THE COUNTY PUBLIC
4 SCHOOL FUND IN THE SAME PROPORTION THAT ITS FUNDED MEMBERSHIP
5 IN THE COUNTY FOR THE BUDGET YEAR BEARS TO THE AGGREGATE OF THE
6 FUNDED MEMBERSHIP OF ALL DISTRICTS IN THE COUNTY FOR THE BUDGET
7 YEAR.

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

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

1 EACH JOINT DISTRICT SHALL CERTIFY TO THE STATE BOARD THE REQUIRED
2 INFORMATION APPLICABLE TO EACH COUNTY.

3 **22-54.5-402. Adjustments in valuation for assessment.** (1) FOR
4 EACH BUDGET YEAR, IN CALCULATING THE TOTAL AMOUNT OF REVENUE
5 THAT A DISTRICT IS ENTITLED TO RECEIVE FROM THE PROPERTY TAX LEVY
6 FOR THE GENERAL FUND OF A DISTRICT DURING THE BUDGET YEAR, THE
7 VALUATION FOR ASSESSMENT OF A DISTRICT SHALL BE ADJUSTED AS
8 PROVIDED IN SUBSECTION (2) OF THIS SECTION.

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

25 **22-54.5-403. Joint districts.** (1) THE BOARD OF EDUCATION OF A
26 JOINT DISTRICT SHALL DETERMINE THE LOCATION OF ITS ADMINISTRATIVE
27 HEADQUARTERS AND SHALL NOTIFY BOTH THE STATE BOARD AND THE

1 TREASURER OF EACH COUNTY IN WHICH ANY TERRITORY OF THE JOINT
2 DISTRICT IS SITUATED OF THE LOCATION.


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

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

20 **22-54.5-404. Valuations for assessment - reports to the state**
21 **board.** (1) ON OR BEFORE NOVEMBER 15 OF EACH YEAR, THE PROPERTY
22 TAX ADMINISTRATOR SHALL CERTIFY TO THE STATE BOARD THE
23 VALUATIONS FOR ASSESSMENT OF ALL TAXABLE PROPERTY WITHIN EACH
24 COUNTY AND FOR EACH DISTRICT OR PORTION OF A JOINT DISTRICT IN EACH
25 COUNTY; EXCEPT THAT THE TIME FOR CERTIFICATION FOR THE CITY AND
26 COUNTY OF DENVER IS ON OR BEFORE DECEMBER 20. THE PROPERTY TAX
27 ADMINISTRATOR FULFILLS THE REQUIREMENTS OF THIS SECTION BY

1 PROVIDING TO THE STATE BOARD THE CERTIFIED COPIES OF THE BOARD OF
2 COUNTY COMMISSIONERS' CERTIFICATION OF LEVIES AND REVENUE TO THE
3 COUNTY ASSESSOR AND THE PROPERTY TAX ADMINISTRATOR, AS
4 PROVIDED BY SECTION 39-1-111 (2), C.R.S.

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

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

27 

1 (2) THE DEPARTMENT SHALL CALCULATE EACH DISTRICT'S AND
2 EACH INSTITUTE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP,
3 PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP, AT-RISK PUPIL
4 AVERAGE DAILY MEMBERSHIP, ENGLISH LANGUAGE LEARNER AVERAGE
5 DAILY MEMBERSHIP, ON-LINE AVERAGE DAILY MEMBERSHIP, AND
6 ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP FOR:

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

14 (b) THE FIRST AND LAST HALVES OF EACH SCHOOL YEAR BY
15 TOTALING THE DAILY, PRESCHOOL PROGRAM, AT-RISK PUPIL, OR ENGLISH
16 LANGUAGE LEARNER MEMBERSHIP OR THE DAILY MULTI-DISTRICT ON-LINE
17 SCHOOL OR ASCENT PROGRAM ENROLLMENT FOR THE FIRST TWO
18 QUARTERS OF THE SCHOOL YEAR, OR THE LAST TWO QUARTERS OF THE
19 SCHOOL YEAR, WHICHEVER IS APPLICABLE, AND DIVIDING EACH
20 RESPECTIVE SUM BY THE TOTAL NUMBER OF SCHOOL DAYS IN THE
21 RESPECTIVE DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S FIRST TWO
22 QUARTERS OF THE SCHOOL YEAR OR LAST TWO QUARTERS OF THE SCHOOL
23 YEAR, WHICHEVER IS APPLICABLE;

24 (c) EACH SCHOOL YEAR BY TOTALING THE DAILY, PRESCHOOL
25 PROGRAM, AT-RISK PUPIL, OR ENGLISH LANGUAGE LEARNER MEMBERSHIP
26 OR THE DAILY MULTI-DISTRICT ON-LINE SCHOOL OR ASCENT PROGRAM
27 ENROLLMENT FOR THE SCHOOL YEAR AND DIVIDING EACH RESPECTIVE SUM

1 BY THE TOTAL NUMBER OF SCHOOL DAYS IN THE RESPECTIVE DISTRICT'S OR
2 INSTITUTE CHARTER SCHOOL'S SCHOOL YEAR; AND

3 (d) EACH FUNDING AVERAGING PERIOD BY TOTALING THE DAILY,
4 PRESCHOOL PROGRAM, AT-RISK PUPIL, OR ENGLISH LANGUAGE LEARNER
5 MEMBERSHIP OR THE DAILY MULTI-DISTRICT ON-LINE SCHOOL OR
6 ASCENT PROGRAM ENROLLMENT FOR THE FUNDING AVERAGING PERIOD
7 AND DIVIDING EACH RESPECTIVE SUM BY THE TOTAL NUMBER OF SCHOOL
8 DAYS IN THE RESPECTIVE DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S
9 FUNDING AVERAGING PERIOD.

10 (3) [REDACTED] THE DEPARTMENT SHALL USE THE AVERAGE DAILY
11 MEMBERSHIP, PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP,
12 AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP, ENGLISH LANGUAGE
13 LEARNER AVERAGE DAILY MEMBERSHIP, ON-LINE AVERAGE DAILY
14 MEMBERSHIP, AND ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP FOR
15 THE APPLICABLE FUNDING AVERAGING PERIOD TO CALCULATE EACH
16 DISTRICT'S AND EACH INSTITUTE CHARTER SCHOOL'S FUNDED MEMBERSHIP,
17 TOTAL PROGRAM, AND INVESTMENT MONEYS FOR EACH BUDGET YEAR.

18 [REDACTED]

19 (4) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO THE
20 CONTRARY, THE DEPARTMENT, IN CALCULATING AVERAGE DAILY
21 MEMBERSHIP, PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP,
22 AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP, ENGLISH LANGUAGE
23 LEARNER AVERAGE DAILY MEMBERSHIP, ON-LINE AVERAGE DAILY
24 MEMBERSHIP, AND ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP AS
25 PROVIDED IN THIS SECTION, SHALL ADJUST THE CALCULATION AS
26 NECESSARY TO ENSURE THAT A SINGLE STUDENT IS NOT COUNTED AS MORE
27 THAN A FULL-TIME PUPIL.

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

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

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

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

22-54.5-407. State public school fund - created. (1) (a) THERE IS CREATED IN THE OFFICE OF THE STATE TREASURER A FUND, SEPARATE

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

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

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

1 GENERAL ASSEMBLY SHALL BASE THE AMOUNT OF THE APPROPRIATION TO
2 THE STATE PUBLIC SCHOOL FUND ON THE REQUIREMENTS NECESSARY TO
3 PROVIDE ALL DISTRICTS AND INSTITUTE CHARTER SCHOOLS WITH THE
4 AMOUNTS THEY ARE EACH ELIGIBLE TO RECEIVE FROM THE STATE
5 PURSUANT TO THE PROVISIONS OF THIS ARTICLE DURING THE NEXT
6 ENSUING STATE FISCAL YEAR. █

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

1 (3) IS ACCOMPLISHED BEFORE THE END OF THE BUDGET YEAR. THE
2 REDUCTIONS DESCRIBED IN THIS SUBSECTION (3) ARE IN ADDITION TO ANY
3 REDUCTION THAT MAY BE REQUIRED PURSUANT TO SECTION 22-54.5-408
4 (3).

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

15 (5) THE DEPARTMENT SHALL REIMBURSE DISTRICTS FOR
16 EDUCATIONAL SERVICES PROVIDED TO JUVENILES PURSUANT TO SECTION
17 22-32-141 FROM MONEYS APPROPRIATED TO THE STATE PUBLIC SCHOOL
18 FUND FOR THAT PURPOSE.

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

23 **22-54.5-408. Distribution from state public school fund.**

24 (1) (a) NO LATER THAN JUNE 30 OF EACH YEAR, THE STATE BOARD SHALL
25 DETERMINE THE AMOUNT OF THE STATE SHARE OF EACH DISTRICT'S TOTAL
26 PROGRAM AND THE AMOUNT OF INVESTMENT MONEYS FOR EACH DISTRICT
27 FOR THE BUDGET YEAR BEGINNING ON JULY 1, AND THE TOTAL FOR ALL

1 DISTRICTS. THE AMOUNT FOR EACH DISTRICT IS PAYABLE FROM THE STATE
2 PUBLIC SCHOOL FUND IN TWELVE APPROXIMATELY EQUAL MONTHLY
3 PAYMENTS DURING THE BUDGET YEAR; EXCEPT THAT:

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

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

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

16
17 (b) A DISTRICT MAY GIVE WRITTEN INSTRUCTIONS TO THE STATE
18 BOARD DIRECTING THE DEPARTMENT TO TRANSFER A SPECIFIED PORTION
19 OF A MONTHLY PAYMENT OR MONTHLY PAYMENTS THAT THE DISTRICT IS
20 OTHERWISE ENTITLED TO RECEIVE PURSUANT TO THIS SECTION TO THE
21 DIVISION OF VOCATIONAL REHABILITATION IN THE DEPARTMENT OF
22 HUMAN SERVICES FOR THE DISTRICT'S COST OF PARTICIPATING IN
23 SCHOOL-TO-WORK ALLIANCE PROGRAMS. THE WRITTEN INSTRUCTIONS
24 MUST SPECIFY THE AMOUNT THAT THE DEPARTMENT MUST TRANSFER TO
25 THE DIVISION OF VOCATIONAL REHABILITATION FROM THE DISTRICT'S
26 PAYMENT FOR A SPECIFIED MONTH OR MONTHS. THE DISTRICT SHALL
27 SUBMIT THE WRITTEN INSTRUCTIONS TO THE STATE BOARD NO LATER THAN

1 THE FIFTH DAY OF THE FIRST MONTH IN WHICH THE AMOUNT IS
2 TRANSFERRED TO THE DIVISION OF VOCATIONAL REHABILITATION.

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


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

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

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

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

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

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

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

25 (a) PAY THE AMOUNT CERTIFIED AS PAYABLE TO EACH DISTRICT,
26 LESS THE TOTAL AMOUNT OF ANY DIRECT PAYMENTS OF PRINCIPAL AND
27 INTEREST DUE ON BONDS PURSUANT TO SECTION 22-30.5-406 MADE BY

1 THE STATE TREASURER ON BEHALF OF A CHARTER SCHOOL AUTHORIZED BY
2 THE DISTRICT, DIRECTLY TO THE TREASURER OF EACH DISTRICT OR, IN
3 ACCORDANCE WITH WRITTEN INSTRUCTIONS FROM THE DISTRICT,
4 DIRECTLY TO AN ACCOUNT DESIGNATED BY THE DISTRICT THAT ALLOWS
5 THE DISTRICT TO RETAIN TITLE TO THE MONEYS;

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

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

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

23 **22-54.5-409. Facility school funding - rules - definitions -**
24 **legislative declaration.** (1) AS USED IN THIS SECTION, UNLESS THE
25 CONTEXT OTHERWISE REQUIRES:

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

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

3 (c) "PUPIL ENROLLMENT" MEANS THE NUMBER OF STUDENTS
4 RECEIVING EDUCATIONAL SERVICES AT AN APPROVED FACILITY SCHOOL OR
5 STATE PROGRAM.

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

11 (e) "STATEWIDE BASE PER PUPIL FUNDING" MEANS THE AMOUNT
12 SPECIFIED IN SECTION 22-54.5-201 (3) (b).

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

14 (I) THE UNIQUE ENVIRONMENTS OF APPROVED FACILITY SCHOOLS
15 AND STATE PROGRAMS AND THE POPULATION OF STUDENTS THAT THEY
16 SERVE CREATE OBSTACLES TO LEARNING AND ACADEMIC GROWTH THAT
17 OTHER PUBLIC SCHOOLS AND STUDENTS DO NOT ENCOUNTER;

18 (II) BECAUSE APPROVED FACILITY SCHOOLS AND STATE PROGRAMS
19 MUST OPERATE YEAR ROUND, THEIR NEED FOR FUNDING REMAINS
20 CONSTANT YEAR ROUND; AND

21 (III) ALTHOUGH STUDENTS IN APPROVED FACILITY SCHOOLS MAY
22 OR MAY NOT BE ECONOMICALLY AT-RISK, THE CIRCUMSTANCES THAT
23 HAVE RESULTED IN THEIR PLACEMENT IN APPROVED FACILITY SCHOOLS
24 AND STATE PROGRAMS MAKE IT LIKELY THAT THEY ARE ACADEMICALLY
25 AT-RISK AND REQUIRE COSTLY EDUCATIONAL SUPPORT SERVICES TO
26 ACHIEVE ACADEMIC GROWTH.

27 (b) THE GENERAL ASSEMBLY FINDS, THEREFORE, THAT IT IS

1 APPROPRIATE TO FUND APPROVED FACILITY SCHOOLS AND STATE
2 PROGRAMS:

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

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

11 (3) EACH APPROVED FACILITY SCHOOL AND STATE PROGRAM THAT
12 MEETS THE REQUIREMENTS OF THIS SECTION RECEIVES EDUCATION
13 PROGRAM FUNDING, WHICH THE DEPARTMENT SHALL DISTRIBUTE
14 PURSUANT TO SUBSECTION (4) OF THIS SECTION. THE AMOUNT OF FUNDING
15 AVAILABLE FOR ALL APPROVED FACILITY SCHOOLS AND STATE PROGRAMS
16 IN A BUDGET YEAR IS AN AMOUNT EQUAL TO THE PUPIL ENROLLMENT OF
17 EACH APPROVED FACILITY SCHOOL AND STATE PROGRAM FOR THE
18 APPLICABLE BUDGET YEAR MULTIPLIED BY AN AMOUNT EQUAL TO ONE
19 AND SEVENTY-FOUR HUNDREDTHS OF THE STATEWIDE BASE PER PUPIL
20 REVENUE FOR THE APPLICABLE BUDGET YEAR.

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

1 STUDENTS TO WHICH THE APPROVED FACILITY SCHOOL OR STATE PROGRAM
2 PROVIDED EDUCATIONAL SERVICES. THE DEPARTMENT MAY ACCEPT
3 AMENDED MONTHLY REPORTS FROM AN APPROVED FACILITY SCHOOL OR
4 A STATE PROGRAM BEFORE MAKING THE DISTRIBUTION OF FUNDING FOR
5 THE APPLICABLE MONTH PURSUANT TO PARAGRAPH (b) OF THIS
6 SUBSECTION (4).

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

19 (c) THE DEPARTMENT MAY PRORATE THE PAYMENTS MADE
20 PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (4) IF THE
21 DEPARTMENT DETERMINES THAT PRORATION IS NECESSARY TO
22 ACCOMMODATE A PROJECTED SHORTFALL IN EDUCATION PROGRAM
23 FUNDING AS CALCULATED PURSUANT TO SUBSECTION (3) OF THIS SECTION.

24 (5) IN EACH APPLICABLE BUDGET YEAR, THE GENERAL ASSEMBLY
25 SHALL APPROPRIATE TO THE DEPARTMENT THE AMOUNT REQUIRED FOR
26 EDUCATION PROGRAM FUNDING PURSUANT TO SUBSECTION (3) OF THIS
27 SECTION.

1 (6) (a) THE STATE BOARD SHALL PROMULGATE RULES IN
2 ACCORDANCE WITH THE "STATE ADMINISTRATIVE PROCEDURE ACT",
3 ARTICLE 4 OF TITLE 24, C.R.S., AS NECESSARY FOR THE ADMINISTRATION
4 AND ENFORCEMENT OF THIS SECTION. IN PROMULGATING THE RULES, THE
5 STATE BOARD SHALL SEEK INPUT FROM APPROVED FACILITY SCHOOLS,
6 STATE PROGRAMS, DISTRICTS, AND ORGANIZATIONS THAT REPRESENT
7 FACILITY SCHOOLS.

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

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

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

23 (1) (a) EACH DISTRICT SHALL ANNUALLY CALCULATE THE DISTRICT'S PER
24 PUPIL AT-RISK FUNDING, INCLUDING ANY AT-RISK SUPPLEMENTAL
25 PAYMENT RECEIVED PURSUANT TO SECTION 22-54.5-303 (3), BY DIVIDING
26 THE TOTAL AMOUNT OF AT-RISK FUNDING RECEIVED BY THE DISTRICT FOR
27 THE APPLICABLE BUDGET YEAR BY THE NUMBER OF AT-RISK PUPILS

1 ENROLLED IN THE DISTRICT EACH SCHOOL DAY, TOTALED FOR
2 THE APPLICABLE FUNDING AVERAGING PERIOD AND DIVIDED BY THE
3 NUMBER OF SCHOOL DAYS IN THE APPLICABLE FUNDING AVERAGING
4 PERIOD.

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

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

11 (II) TO EACH PUBLIC SCHOOL OF THE SCHOOL DISTRICT THAT IS
12 NOT A CHARTER SCHOOL, THE DISTRICT'S STATE SHARE PORTION OF THE
13 PER PUPIL AT-RISK FUNDING MULTIPLIED BY THE PUBLIC SCHOOL'S AT-RISK
14 PUPIL AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING
15 AVERAGING PERIOD.

16 (2) (a) EACH DISTRICT SHALL ANNUALLY CALCULATE THE
17 DISTRICT'S PER PUPIL ENGLISH LANGUAGE LEARNER FUNDING BY DIVIDING
18 THE TOTAL AMOUNT OF ENGLISH LANGUAGE LEARNER FUNDING RECEIVED
19 BY THE DISTRICT FOR THE APPLICABLE BUDGET YEAR BY THE DISTRICT'S
20 ENGLISH LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP FOR THE
21 APPLICABLE FUNDING AVERAGING PERIOD.

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

24 (I) TO EACH CHARTER SCHOOL OF THE DISTRICT, AN AMOUNT
25 EQUAL TO THE PER PUPIL ENGLISH LANGUAGE LEARNER FUNDING
26 MULTIPLIED BY THE CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER
27 AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING

1 PERIOD; AND

2 (II) TO EACH PUBLIC SCHOOL OF THE DISTRICT THAT IS NOT A
3 CHARTER SCHOOL, THE DISTRICT'S STATE SHARE PORTION OF THE PER PUPIL
4 ENGLISH LANGUAGE LEARNER FUNDING MULTIPLIED BY THE PUBLIC
5 SCHOOL'S ENGLISH LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP
6 FOR THE APPLICABLE FUNDING AVERAGING PERIOD.

7 (3) FOLLOWING CERTIFICATION PURSUANT TO SECTION
8 22-54.5-405 OF MEMBERSHIP AND MULTI-DISTRICT ON-LINE SCHOOL
9 ENROLLMENT FOR THE FIRST QUARTER OF THE THEN-CURRENT SCHOOL
10 YEAR, THE DISTRICT SHALL RECALCULATE ITS PER PUPIL AT-RISK FUNDING
11 AND PER PUPIL ENGLISH LANGUAGE LEARNER FUNDING AND ADJUST THE
12 DISTRIBUTION TO CHARTER SCHOOLS AND OTHER PUBLIC SCHOOLS OF THE
13 DISTRICT ACCORDINGLY.

14 (4) (a) THE PRINCIPAL OF EACH PUBLIC SCHOOL THAT IS NOT A
15 CHARTER SCHOOL AND THAT RECEIVES AN ALLOCATION OF PER PUPIL
16 AT-RISK FUNDING AND PER PUPIL ENGLISH LANGUAGE LEARNER FUNDING
17 PURSUANT TO THIS SECTION SHALL DEVELOP A BUDGET THAT SPECIFIES
18 HOW THE PRINCIPAL WILL USE THE MONEYS FOR PROGRAMS AND
19 PERSONNEL THAT PRIMARILY SERVE AT-RISK AND ENGLISH LANGUAGE
20 LEARNERS ENROLLED AT THE PUBLIC SCHOOL. THE PRINCIPAL SHALL
21 DESIGN THE BUDGET TO ENABLE THE PUBLIC SCHOOL TO MEET THE
22 DISTRICT-ADOPTED ACHIEVEMENT TARGETS FOR AT-RISK PUPILS AND
23 ENGLISH LANGUAGE LEARNERS ENROLLED IN THE DISTRICT. BEFORE
24 IMPLEMENTING THE BUDGET, THE PRINCIPAL SHALL SUBMIT THE BUDGET
25 TO THE DISTRICT SUPERINTENDENT, OR A DESIGNEE, FOR REVIEW AND
26 COMMENT. THE SUPERINTENDENT OR THE DESIGNEE SHALL REVIEW THE
27 BUDGET FOR ALIGNMENT WITH THE MAJOR IMPROVEMENT STRATEGIES

1 IDENTIFIED IN THE SCHOOL'S PERFORMANCE, IMPROVEMENT, PRIORITY
2 IMPROVEMENT, OR TURNAROUND PLAN FOR AT-RISK PUPILS AND ENGLISH
3 LANGUAGE LEARNERS USING THE STANDARDS, CURRICULA, PROGRAMS,
4 AND INTERVENTIONS APPROVED BY THE DISTRICT BOARD OF EDUCATION.
5 IF THE BUDGET DOES NOT ALIGN WITH THE STANDARDS, CURRICULA,
6 PROGRAMS, OR INTERVENTIONS APPROVED BY THE DISTRICT BOARD OF
7 EDUCATION, THE BOARD MAY APPROVE THE STANDARDS, CURRICULA,
8 PROGRAMS, OR INTERVENTIONS SET FORTH IN THE PRINCIPAL'S BUDGET. IN
9 CREATING THE BUDGET, THE PRINCIPAL SHALL ENSURE THAT THE AT-RISK
10 FUNDING IS NOT USED FOR PROGRAMS, ACTIVITIES, OR PERSONNEL THAT
11 DO NOT PRIMARILY SERVE AT-RISK PUPILS AND THAT THE ENGLISH
12 LANGUAGE LEARNER FUNDING IS NOT USED FOR PROGRAMS, ACTIVITIES,
13 OR PERSONNEL THAT DO NOT PRIMARILY SERVE ENGLISH LANGUAGE
14 LEARNERS.

15 (b) A PRINCIPAL MAY USE THE AT-RISK FUNDING ALLOCATED TO
16 THE PRINCIPAL'S PUBLIC SCHOOL PURSUANT TO THIS SECTION TO PURCHASE
17 AT-RISK PROGRAMS OR SERVICES FROM THE DISTRICT AND MAY USE THE
18 ENGLISH LANGUAGE LEARNER FUNDING ALLOCATED TO THE PRINCIPAL'S
19 PUBLIC SCHOOL TO PURCHASE ENGLISH LANGUAGE LEARNER PROGRAMS
20 OR SERVICES FROM THE DISTRICT.

21 (c) A PRINCIPAL MAY CHOOSE TO FOREGO THE CONTROL OF
22 AT-RISK FUNDING AND ENGLISH LANGUAGE LEARNER FUNDING
23 ALLOCATED TO THE PRINCIPAL'S PUBLIC SCHOOL PURSUANT TO THIS
24 SECTION, IN WHICH CASE THE DISTRICT MAINTAINS CONTROL OF THE
25 AT-RISK FUNDING AND ENGLISH LANGUAGE LEARNER FUNDING
26 ALLOCATED TO THE PUBLIC SCHOOL.

27 (5) EACH DISTRICT SHALL USE THE LOCAL SHARE OF THE AT-RISK

1 FUNDING TO PROVIDE PROGRAMS, ACTIVITIES, AND PERSONNEL THAT
2 PRIMARILY SERVE AT-RISK PUPILS. EACH DISTRICT SHALL USE THE LOCAL
3 SHARE OF THE ENGLISH LANGUAGE LEARNER FUNDING TO PROVIDE
4 PROGRAMS, ACTIVITIES, AND PERSONNEL THAT PRIMARILY SERVE ENGLISH
5 LANGUAGE LEARNERS.

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

18 (7) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE
19 CONTRARY, A DISTRICT THAT IS SUBJECT TO A COURT ORDER OR
20 COURT-APPROVED CONSENT DECREE, OR TO A SETTLEMENT AGREEMENT
21 WITH THE UNITED STATES DEPARTMENT OF JUSTICE OR THE OFFICE FOR
22 CIVIL RIGHTS OF THE UNITED STATES DEPARTMENT OF EDUCATION, THAT
23 DIRECTS THE DISTRICT'S IMPLEMENTATION OF ENGLISH LANGUAGE
24 ACQUISITION PROGRAMS IS NOT REQUIRED TO ALLOCATE ANY PORTION OF
25 THE ENGLISH LANGUAGE LEARNER FUNDING TO THE PUBLIC SCHOOLS OF
26 THE DISTRICT THAT ARE NOT CHARTER SCHOOLS.

27 **22-54.5-411. National school lunch eligibility - applications.**

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

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

26 (3) IN CERTIFYING THE AVERAGE DAILY ENROLLMENT PURSUANT
27 TO SECTION 22-54.5-405, THE SECRETARY OF THE BOARD OF EDUCATION

1 OF EACH DISTRICT AND EACH INSTITUTE CHARTER SCHOOL SHALL SPECIFY
2 AS AT-RISK PUPILS THOSE PUPILS IDENTIFIED THROUGH USE OF THE PUPIL
3 APPLICATION FORM AND THE FAMILY ECONOMIC DATA SURVEY FORM. A
4 PUPIL WHO IS IDENTIFIED AS AN AT-RISK PUPIL ONCE DURING A SCHOOL
5 YEAR IS PRESUMED TO QUALIFY AS AN AT-RISK PUPIL THROUGHOUT THE
6 REMAINDER OF THE SCHOOL YEAR.

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

9 **22-30.5-111.5. Charter schools - financing - definitions.** (1) AS
10 USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

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

20 ==
21 (b) "ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP" HAS THE
22 SAME MEANING AS PROVIDED IN SECTION 22-54.5-103 (4).

23 (c) "AT-RISK" HAS THE SAME MEANING AS PROVIDED IN SECTION
24 22-54.5-103 (5).

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

27 (e) "AVERAGE DAILY MEMBERSHIP" HAS THE SAME MEANING AS

1 PROVIDED IN SECTION 22-54.5-103 (8).

2 (f) "CENTRAL ADMINISTRATIVE OVERHEAD COSTS" MEANS
3 INDIRECT COSTS INCURRED IN PROVIDING:

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

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

11 (g) "DIRECT COSTS" MEANS THE DIRECT COSTS INCURRED BY A
12 SCHOOL DISTRICT SOLELY FOR THE PURPOSE OF REVIEWING CHARTER
13 APPLICATIONS, NEGOTIATING THE CHARTER CONTRACT, AND PROVIDING
14 DIRECT OVERSIGHT TO CHARTER SCHOOLS. "DIRECT COSTS" DOES NOT
15 INCLUDE THE SCHOOL DISTRICT'S LEGAL OR OTHER COSTS ATTRIBUTABLE
16 TO LITIGATION OR THE RESOLUTION OF A DISPUTE WITH A CHARTER
17 SCHOOL.

18 (h) "DISTRICT'S CERTIFIED CHARTER SCHOOL AVERAGE DAILY
19 MEMBERSHIP" HAS THE SAME MEANING AS PROVIDED IN SECTION
20 22-54.5-309 (1) (c).

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

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

25 (k) "EXCESS COST OF PROVIDING FEDERALLY REQUIRED
26 EDUCATIONAL SERVICES" MEANS THE PER PUPIL COST THAT A SCHOOL
27 DISTRICT INCURS IN PROVIDING FEDERALLY REQUIRED EDUCATIONAL

1 SERVICES TO STUDENTS, MINUS THE AMOUNT THE SCHOOL DISTRICT
2 RECEIVES IN FEDERAL AND STATE MONEYS TO PROVIDE THE SERVICES.

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

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

7 (n) "MEMBERSHIP" HAS THE SAME MEANING AS PROVIDED IN
8 SECTION 22-54.5-103 (26).

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

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

13 ==

14 (q) "PER PUPIL FUNDING" MEANS THE AMOUNT CALCULATED FOR
15 A DISTRICT PURSUANT TO SECTION 22-54.5-201 (3).

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

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

1 AS APPLICABLE, FOR PURPOSES OF CALCULATING THE DISTRICT'S ON-LINE
2 AVERAGE DAILY MEMBERSHIP AND ASCENT PROGRAM AVERAGE DAILY
3 MEMBERSHIP FOR EACH BUDGET YEAR. IN CERTIFYING MEMBERSHIP AND
4 MULTI-DISTRICT ON-LINE SCHOOL AND ASCENT PROGRAM ENROLLMENT
5 TO THE DEPARTMENT PURSUANT TO SECTION 22-54.5-405, THE
6 AUTHORIZING SCHOOL DISTRICT SHALL SPECIFY THE NUMBER OF PUPILS
7 INCLUDED IN THE SCHOOL DISTRICT'S MEMBERSHIP AND MULTI-DISTRICT
8 ON-LINE SCHOOL AND ASCENT PROGRAM ENROLLMENT WHO ARE
9 ACTUALLY INCLUDED IN THE MEMBERSHIP AND MULTI-DISTRICT ON-LINE
10 SCHOOL AND ASCENT PROGRAM ENROLLMENT OF EACH CHARTER
11 SCHOOL.

12 [REDACTED]

13 (b) THE SCHOOL DISTRICT SHALL IDENTIFY IN A REPORT TO THE
14 DEPARTMENT:

15 (I) EACH CHARTER SCHOOL THAT IS A QUALIFIED CHARTER
16 SCHOOL;

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

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

27 (3) (a) AS PART OF THE CHARTER SCHOOL CONTRACT, EACH

1 CHARTER SCHOOL AND THE AUTHORIZING SCHOOL DISTRICT SHALL AGREE
2 ON FUNDING AND ANY SERVICES THAT THE SCHOOL DISTRICT PROVIDES TO
3 THE CHARTER SCHOOL. EXCEPT AS OTHERWISE PROVIDED IN SUBSECTIONS
4 (5) AND (6) OF THIS SECTION, THE CHARTER SCHOOL AND THE
5 AUTHORIZING SCHOOL DISTRICT SHALL NEGOTIATE FUNDING UNDER THE
6 CHARTER CONTRACT, STARTING WITH THE AMOUNTS SPECIFIED IN
7 SUBSECTION (4) OF THIS SECTION.

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

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

25 [REDACTED]

26 (4) (a) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTIONS (5) AND
27 (6) OF THIS SECTION, NEGOTIATIONS BETWEEN A CHARTER SCHOOL AND

1 THE AUTHORIZING DISTRICT BEGIN WITH THE CHARTER SCHOOL RECEIVING
2 AN AMOUNT EQUAL TO:

3 (I) THE AUTHORIZING DISTRICT'S PER PUPIL FUNDING FOR THE
4 APPLICABLE BUDGET YEAR MULTIPLIED BY THE CHARTER SCHOOL'S
5 AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING
6 PERIOD; PLUS

7 (II) THE ASCENT PROGRAM FUNDING AMOUNT FOR THE
8 APPLICABLE BUDGET YEAR SPECIFIED IN SECTION 22-54.5-201 (7)
9 MULTIPLIED BY THE CHARTER SCHOOL'S ASCENT PROGRAM AVERAGE
10 DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING PERIOD;
11 PLUS

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

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

19

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20 (b) IN NEGOTIATING THE CHARTER SCHOOL'S FUNDING, THE
21 CHARTER SCHOOL AND THE AUTHORIZING SCHOOL DISTRICT MAY, BY
22 NEGOTIATION ALLOW THE SCHOOL DISTRICT TO RETAIN THE ACTUAL
23 AMOUNT OF THE CHARTER SCHOOL'S PER PUPIL SHARE OF THE CENTRAL
24 ADMINISTRATIVE OVERHEAD COSTS FOR SERVICES ACTUALLY PROVIDED
25 TO THE CHARTER SCHOOL, UP TO FIVE PERCENT OF THE AMOUNT SPECIFIED
26 IN SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS SUBSECTION (4).

27

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1 (5) (a) IF A CHARTER SCHOOL IS A MULTI-DISTRICT ON-LINE
2 SCHOOL, NEGOTIATIONS BETWEEN THE CHARTER SCHOOL AND THE
3 AUTHORIZING DISTRICT BEGIN WITH THE CHARTER SCHOOL RECEIVING AN
4 AMOUNT EQUAL TO:

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

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

12 (b) IN NEGOTIATING THE CHARTER SCHOOL'S FUNDING, THE
13 CHARTER SCHOOL AND THE AUTHORIZING SCHOOL DISTRICT MAY, BY
14 NEGOTIATION, ALLOW THE SCHOOL DISTRICT TO RETAIN THE ACTUAL
15 AMOUNT OF THE CHARTER SCHOOL'S PER PUPIL SHARE OF THE CENTRAL
16 ADMINISTRATIVE OVERHEAD COSTS FOR SERVICES ACTUALLY PROVIDED
17 TO THE CHARTER SCHOOL, UP TO FIVE PERCENT OF THE AMOUNT SPECIFIED
18 IN SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS SUBSECTION (5).

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

24 (I) THE TOTAL OF THE AMOUNTS SPECIFIED IN PARAGRAPH
25 (a) OF SUBSECTION (4) OF THIS SECTION MINUS THE ACTUAL AMOUNT OF
26 THE CHARTER SCHOOL'S PER PUPIL SHARE OF THE CENTRAL
27 ADMINISTRATIVE OVERHEAD COSTS INCURRED BY THE SCHOOL DISTRICT,

1 BASED ON AUDITED FIGURES; OR

2 (II) EIGHTY-FIVE PERCENT OF THE AMOUNT SPECIFIED IN
3 SUBPARAGRAPH (I) OF PARAGRAPH (a) OF SUBSECTION (4) OF THIS SECTION
4 PLUS THE TOTAL OF THE AMOUNTS SPECIFIED IN SUBPARAGRAPHS (II) TO
5 (IV) OF PARAGRAPH (a) OF SUBSECTION (4) OF THIS SECTION.

6 (b) IF A SCHOOL DISTRICT THAT HAS AN AVERAGE DAILY
7 MEMBERSHIP OF FIVE HUNDRED OR FEWER STUDENTS FOR THE MOST
8 RECENT FUNDING AVERAGING PERIOD AUTHORIZES A CHARTER SCHOOL
9 THAT IS A MULTI-DISTRICT ON-LINE SCHOOL, THE CHARTER SCHOOL
10 RECEIVES FUNDING IN THE AMOUNT OF THE GREATER OF:

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

16 (II) EIGHTY-FIVE PERCENT OF THE AMOUNT SPECIFIED IN
17 SUBPARAGRAPH (I) OF PARAGRAPH (a) OF SUBSECTION (5) OF THIS SECTION
18 PLUS THE AMOUNT SPECIFIED IN SUBPARAGRAPH (II) OF PARAGRAPH (a) OF
19 SUBSECTION (5) OF THIS SECTION.

20 ==

21 (7) IN ADDITION TO THE MONEYS A CHARTER SCHOOL RECEIVES
22 PURSUANT TO SUBSECTION (4), (5), OR (6) OF THIS SECTION:

23 (a) (I) A SCHOOL DISTRICT SHALL DISTRIBUTE TO EACH QUALIFIED
24 CHARTER SCHOOL OF THE SCHOOL DISTRICT AN AMOUNT EQUAL TO THE
25 PERCENTAGE OF THE DISTRICT'S CERTIFIED CHARTER SCHOOL AVERAGE
26 DAILY MEMBERSHIP THAT IS ATTRIBUTABLE TO PUPILS EXPECTED TO BE
27 ENROLLED IN THE QUALIFIED CHARTER SCHOOL MULTIPLIED BY THE TOTAL

1 AMOUNT OF STATE EDUCATION FUND MONEYS DISTRIBUTED TO THE
2 DISTRICT FOR THE SAME BUDGET YEAR PURSUANT TO SECTION
3 22-54.5-309. THE SCHOOL DISTRICT MUST PROVIDE THE FUNDING TO EACH
4 QUALIFIED CHARTER SCHOOL BY MAKING A MONTHLY PAYMENT TO THE
5 QUALIFIED CHARTER SCHOOL AS SOON AS POSSIBLE AFTER THE DISTRICT
6 RECEIVES A MONTHLY PAYMENT OF MONEYS PURSUANT TO SECTION
7 22-54.5-309. THE QUALIFIED CHARTER SCHOOL SHALL USE THE MONEYS
8 RECEIVED PURSUANT TO THIS PARAGRAPH (a) SOLELY FOR CAPITAL
9 CONSTRUCTION AS DEFINED IN SECTION 22-54.5-309 (1) (a).

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

14 (b) A SCHOOL DISTRICT SHALL DISTRIBUTE TO A CHARTER SCHOOL
15 OF THE SCHOOL DISTRICT ANY SMALL ATTENDANCE CENTER AID THAT THE
16 SCHOOL DISTRICT RECEIVES PURSUANT TO SECTION 22-54.5-306 ON
17 BEHALF OF THE CHARTER SCHOOL.

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

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

6 [REDACTED]
7 (d) A SCHOOL DISTRICT SHALL DISTRIBUTE TO THE CHARTER
8 SCHOOLS OF THE SCHOOL DISTRICT A PERCENTAGE OF ADDITIONAL LOCAL
9 REVENUES AS NEGOTIATED PURSUANT TO SUBSECTION (13) OF THIS
10 SECTION.

11 ==
12 (e) EACH CHARTER SCHOOL RETAINS THE FEES COLLECTED FROM
13 STUDENTS ENROLLED AT THE CHARTER SCHOOL.

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

25 (9) A CHARTER SCHOOL, AT ITS DISCRETION, MAY CONTRACT WITH
26 THE AUTHORIZING SCHOOL DISTRICT FOR THE DIRECT PURCHASE OF
27 DISTRICT SERVICES IN ADDITION TO THOSE INCLUDED IN CENTRAL

1 ADMINISTRATIVE OVERHEAD COSTS, INCLUDING BUT NOT LIMITED TO FOOD
2 SERVICES, CUSTODIAL SERVICES, MAINTENANCE, CURRICULUM, MEDIA
3 SERVICES, AND LIBRARIES. THE AMOUNT THAT A CHARTER SCHOOL PAYS
4 IN PURCHASING A DISTRICT SERVICE PURSUANT TO THIS SUBSECTION (9) IS
5 EQUAL TO THE COST OF PROVIDING THE SERVICE FOR THE ENTIRE SCHOOL
6 DISTRICT, AS SPECIFIED IN THE SCHOOL DISTRICT'S BUDGET FOR THE
7 APPLICABLE BUDGET YEAR, DIVIDED BY THE SCHOOL DISTRICT'S AVERAGE
8 DAILY MEMBERSHIP PLUS THE SCHOOL DISTRICT'S ON-LINE AVERAGE DAILY
9 MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING PERIOD,
10 MULTIPLIED BY THE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP OR
11 ON-LINE AVERAGE DAILY MEMBERSHIP, WHICHEVER IS APPLICABLE, FOR
12 THE APPLICABLE FUNDING AVERAGING PERIOD.

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

22 (11) (a) AN AUTHORIZING SCHOOL DISTRICT SHALL PROVIDE
23 FEDERALLY REQUIRED EDUCATIONAL SERVICES TO STUDENTS ENROLLED
24 IN THE CHARTER SCHOOLS OF THE SCHOOL DISTRICT ON THE SAME BASIS
25 THAT THE SCHOOL DISTRICT PROVIDES SERVICES TO STUDENTS ENROLLED
26 IN THE OTHER PUBLIC SCHOOLS OF THE SCHOOL DISTRICT. EACH CHARTER
27 SCHOOL SHALL PAY AN AMOUNT EQUAL TO THE EXCESS COST OF

1 PROVIDING FEDERALLY REQUIRED EDUCATIONAL SERVICES, MULTIPLIED
2 BY THE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR THE
3 APPLICABLE FUNDING AVERAGING PERIOD. AT THE REQUEST OF EITHER
4 THE CHARTER SCHOOL OR THE SCHOOL DISTRICT, HOWEVER, THE CHARTER
5 SCHOOL AND THE SCHOOL DISTRICT MAY NEGOTIATE AND INCLUDE IN THE
6 CHARTER CONTRACT ALTERNATE ARRANGEMENTS FOR PROVIDING AND
7 PAYING FOR FEDERALLY REQUIRED EDUCATIONAL SERVICES.

8 (b) IF A CHARTER SCHOOL AND THE AUTHORIZING SCHOOL
9 DISTRICT NEGOTIATE TO ALLOW THE CHARTER SCHOOL TO PROVIDE
10 FEDERALLY REQUIRED EDUCATIONAL SERVICES PURSUANT TO PARAGRAPH
11 (a) OF THIS SUBSECTION (11), THE SCHOOL DISTRICT OR ADMINISTRATIVE
12 UNIT SHALL DISTRIBUTE TO THE CHARTER SCHOOL THE PROPORTIONATE
13 SHARE OF STATE AND FEDERAL RESOURCES GENERATED BY STUDENTS
14 ENROLLED IN THE CHARTER SCHOOL WHO RECEIVE THE FEDERALLY
15 REQUIRED EDUCATIONAL SERVICES OR BY THE STAFF WHO SERVE THE
16 STUDENTS.

17 (12) IF A STUDENT WITH A DISABILITY ATTENDS A CHARTER
18 SCHOOL, THE SCHOOL DISTRICT OF RESIDENCE IS RESPONSIBLE FOR PAYING
19 ANY TUITION CHARGE FOR THE EXCESS COSTS INCURRED IN EDUCATING
20 THE STUDENT IN ACCORDANCE WITH THE PROVISIONS OF SECTION
21 22-20-109 (5).

22 (13) (a) IF AN AUTHORIZING SCHOOL DISTRICT SEEKS VOTER
23 APPROVAL TO COLLECT ADDITIONAL LOCAL REVENUES ON OR AFTER THE
24 EFFECTIVE DATE OF THIS SECTION, THE AUTHORIZING SCHOOL DISTRICT
25 MUST INVITE THE CHARTER SCHOOLS OF THE SCHOOL DISTRICT TO
26 PARTICIPATE IN THE DISCUSSIONS REGARDING SUBMISSION OF THE BALLOT
27 QUESTION AT THE EARLIEST POSSIBLE TIME BUT NO LATER THAN JUNE 1 OF

1 THE APPLICABLE ELECTION YEAR.

2 (b) AN AUTHORIZING SCHOOL DISTRICT AND A CHARTER SCHOOL
3 SHALL NEGOTIATE THE PERCENTAGE THAT THE CHARTER SCHOOL
4 RECEIVES OF THE ADDITIONAL LOCAL REVENUES THAT THE AUTHORIZING
5 SCHOOL DISTRICT COLLECTS. IF THE AUTHORIZING SCHOOL DISTRICT AND
6 THE CHARTER SCHOOL CANNOT REACH AGREEMENT ON THE PERCENTAGE
7 OF ADDITIONAL LOCAL REVENUES THAT THE CHARTER SCHOOL RECEIVES,
8 THE CHARTER SCHOOL MAY APPLY TO THE STATE CHARTER SCHOOL
9 INSTITUTE TO CONVERT TO AN INSTITUTE CHARTER SCHOOL AS PROVIDED
10 IN SECTION 22-30.5-510, REGARDLESS OF WHETHER THE AUTHORIZING
11 SCHOOL DISTRICT HAS EXCLUSIVE JURISDICTION TO AUTHORIZE CHARTER
12 SCHOOLS WITHIN ITS GEOGRAPHIC BOUNDARIES.

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

17 (14) EACH CHARTER SCHOOL THAT RECEIVES AT-RISK FUNDING
18 SHALL USE THE AT-RISK FUNDING TO PROVIDE PROGRAMS, ACTIVITIES, AND
19 PERSONNEL THAT PRIMARILY SERVE AT-RISK PUPILS. EACH CHARTER
20 SCHOOL THAT RECEIVES ENGLISH LANGUAGE LEARNER FUNDING SHALL
21 USE THE ENGLISH LANGUAGE LEARNER FUNDING TO PROVIDE PROGRAMS,
22 ACTIVITIES, AND PERSONNEL THAT PRIMARILY SERVE ENGLISH LANGUAGE
23 LEARNERS.

24 (15) THE GOVERNING BODY OF A CHARTER SCHOOL MAY ACCEPT
25 GIFTS, DONATIONS, OR GRANTS OF ANY KIND MADE TO THE CHARTER
26 SCHOOL AND EXPEND OR USE THE GIFTS, DONATIONS, OR GRANTS IN
27 ACCORDANCE WITH THE CONDITIONS PRESCRIBED BY THE DONOR;

1 HOWEVER, THE GOVERNING BODY SHALL NOT ACCEPT A GIFT, DONATION,
2 OR GRANT IF IT IS SUBJECT TO ANY CONDITION CONTRARY TO LAW OR
3 CONTRARY TO THE TERMS OF THE CHARTER SCHOOL'S CHARTER
4 CONTRACT.

5 (16) MONEYS THAT A CHARTER SCHOOL RECEIVES FROM ANY
6 SOURCE THAT REMAIN IN THE CHARTER SCHOOL'S ACCOUNTS AT THE END
7 OF A BUDGET YEAR MUST REMAIN IN THE CHARTER SCHOOL'S ACCOUNTS
8 FOR USE BY THE CHARTER SCHOOL DURING SUBSEQUENT BUDGET YEARS
9 AND DO NOT REVERT TO THE SCHOOL DISTRICT OR TO THE STATE.

10 (17)(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 A CITIZEN-INITIATED INCREASE IN STATE TAX REVENUES FOR THE
14 PURPOSE OF FUNDING PRESCHOOL THROUGH TWELFTH GRADE PUBLIC
15 EDUCATION, SO LONG AS THE AMOUNT OF THE APPROVED REVENUE
16 INCREASE IS EQUAL TO OR GREATER THAN THE TOTAL ESTIMATED STATE
17 FISCAL IMPACT ASSOCIATED WITH THE PAYMENT OF THE STATE SHARE OF
18 TOTAL PROGRAM PURSUANT TO SECTION 22-54.5-203, INVESTMENT
19 MONEYS PURSUANT TO SECTION 22-54.5-301, HOLD-HARMLESS MONEYS
20 PURSUANT TO SECTION 22-54.5-302, AND PER PUPIL SUPPLEMENTAL
21 PAYMENTS PURSUANT TO SECTION 22-54.5-303, IN THE SECOND BUDGET
22 YEAR COMMENCING AFTER THE INCREASE IS APPROVED, AS STATED IN THE
23 FINAL FISCAL NOTE PREPARED FOR SENATE BILL 13-213, ENACTED IN
24 2013.

25 (b) THE PROVISIONS OF THIS SECTION APPLY IN THE SECOND
26 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH
27 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE

1 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS
2 THEREAFTER.

3 **22-30.5-111.7. Financial reporting - request for accounting.**

4 (1) (a) A CHARTER SCHOOL SHALL COMPLY WITH ALL OF THE STATE
5 FINANCIAL AND BUDGET RULES, REGULATIONS, AND FINANCIAL REPORTING
6 REQUIREMENTS WITH WHICH THE AUTHORIZING SCHOOL DISTRICT IS
7 REQUIRED TO COMPLY, INCLUDING BUT NOT LIMITED TO ANNUAL
8 COMPLETION OF AN INDEPENDENT GOVERNMENTAL AUDIT THAT COMPLIES
9 WITH THE REQUIREMENTS OF THE DEPARTMENT.

10 (b) A SCHOOL DISTRICT, UNDER THE CIRCUMSTANCES SPECIFIED IN
11 THE CONTRACT BETWEEN THE SCHOOL DISTRICT AND THE CHARTER
12 SCHOOL PURSUANT TO SECTION 22-30.5-105 (2) (c) (IV), MAY WITHHOLD
13 A PORTION OF A CHARTER SCHOOL'S MONTHLY PAYMENT DUE PURSUANT
14 TO SECTION 22-30.5-111.5 UNTIL THE CHARTER SCHOOL COMPLIES WITH
15 THE FINANCIAL REPORTING REQUIREMENTS.

16 (2) (a) WITHIN NINETY DAYS AFTER THE END OF EACH BUDGET
17 YEAR, EACH SCHOOL DISTRICT SHALL PROVIDE TO EACH CHARTER SCHOOL
18 OF THE SCHOOL DISTRICT AN ITEMIZED ACCOUNTING OF ALL OF THE
19 CHARTER SCHOOL'S CENTRAL ADMINISTRATIVE OVERHEAD COSTS FOR THE
20 APPLICABLE BUDGET YEAR. THE ACTUAL CENTRAL ADMINISTRATIVE
21 OVERHEAD COSTS MUST BE THE AMOUNT CHARGED TO THE CHARTER
22 SCHOOL. THE SCHOOL DISTRICT AND THE CHARTER SCHOOL SHALL
23 RECONCILE ANY DIFFERENCE, WITHIN THE LIMITATIONS SPECIFIED IN
24 SECTION 22-30.5-111.5 (4) (b), (5) (b), OR (6), BETWEEN THE AMOUNT THE
25 SCHOOL DISTRICT INITIALLY CHARGED TO THE CHARTER SCHOOL AND THE
26 ACTUAL COST, AND THE OWED PARTY SHALL RECEIVE APPROPRIATE
27 REIMBURSEMENT.

1 (b) WITHIN NINETY DAYS AFTER THE END OF EACH BUDGET YEAR,
2 EACH SCHOOL DISTRICT SHALL PROVIDE TO EACH CHARTER SCHOOL OF THE
3 SCHOOL DISTRICT AN ITEMIZED ACCOUNTING OF ALL THE ACTUAL COSTS
4 OF DISTRICT SERVICES THE CHARTER SCHOOL CHOSE TO PURCHASE FROM
5 THE SCHOOL DISTRICT FOR THE APPLICABLE BUDGET YEAR, CALCULATED
6 IN ACCORDANCE WITH SECTION 22-30.5-111.5 (9). THE SCHOOL DISTRICT
7 AND THE CHARTER SCHOOL SHALL RECONCILE ANY DIFFERENCE BETWEEN
8 THE AMOUNT INITIALLY CHARGED TO THE CHARTER SCHOOL AND THE
9 ACTUAL COST OF THE SERVICES, AND THE OWED PARTY SHALL RECEIVE
10 APPROPRIATE REIMBURSEMENT.

11 (c) WITHIN NINETY DAYS AFTER THE END OF EACH BUDGET YEAR,
12 EACH SCHOOL DISTRICT SHALL PROVIDE TO EACH CHARTER SCHOOL OF THE
13 SCHOOL DISTRICT AN ITEMIZED ACCOUNTING OF ALL THE ACTUAL SPECIAL
14 EDUCATION COSTS THAT THE SCHOOL DISTRICT INCURRED FOR THE
15 APPLICABLE BUDGET YEAR AND THE BASIS OF ANY PER-PUPIL CHARGES FOR
16 SPECIAL EDUCATION THAT THE SCHOOL DISTRICT IMPOSED AGAINST
17 CHARTER SCHOOL FOR THE APPLICABLE BUDGET YEAR.

18 (d) IF EITHER PARTY DISPUTES THE ITEMIZED ACCOUNTING
19 PROVIDED PURSUANT TO PARAGRAPH (a), (b), OR (c) OF THIS SUBSECTION
20 (2), OR THE CHARGES INCLUDED IN AN ACCOUNTING OR THE CHARGES TO
21 EITHER PARTY, THE DISPUTING PARTY MAY REQUEST A THIRD-PARTY
22 REVIEW AT THE DISPUTING PARTY'S EXPENSE. THE DEPARTMENT SHALL
23 CONDUCT THE REVIEW, AND THE DEPARTMENT'S DETERMINATION IS FINAL.

24 (3) (a) IF A CHARTER SCHOOL DETERMINES THAT THE AUTHORIZING
25 SCHOOL DISTRICT HAS NOT FORWARDED TO THE CHARTER SCHOOL THE
26 AMOUNT DUE TO THE CHARTER SCHOOL IN ACCORDANCE WITH THE TERMS
27 OF THE CHARTER CONTRACT AND THE PROVISIONS OF SECTION

1 22-30.5-111.5, THE CHARTER SCHOOL MAY REQUEST A DETERMINATION
2 FROM THE STATE BOARD REGARDING WHETHER THE AUTHORIZING SCHOOL
3 DISTRICT IMPROPERLY WITHHELD ANY PORTION OF THE AMOUNT DUE TO
4 THE CHARTER SCHOOL. A CHARTER SCHOOL THAT REQUESTS A
5 DETERMINATION PURSUANT TO THIS SUBSECTION (3) MUST SUBMIT THE
6 REQUEST WITHIN THE NEXT BUDGET YEAR FOLLOWING THE BUDGET YEAR
7 IN WHICH THE AUTHORIZING SCHOOL DISTRICT MAY HAVE IMPROPERLY
8 WITHHELD FUNDING; EXCEPT THAT, IF THE CHARTER CONTRACT REQUIRES
9 THE CHARTER SCHOOL TO COMPLETE ANY REQUIREMENTS BEFORE SEEKING
10 A DETERMINATION FROM THE DEPARTMENT PURSUANT TO THIS
11 SUBSECTION (3), THE CHARTER SCHOOL MUST SUBMIT THE REQUEST NO
12 LATER THAN THE END OF THE NEXT BUDGET YEAR FOLLOWING THE
13 BUDGET YEAR IN WHICH THE CHARTER SCHOOL COMPLETES THE
14 REQUIREMENTS.

15 (b) IF THE STATE BOARD RECEIVES A REQUEST FOR A
16 DETERMINATION OF WHETHER THE AUTHORIZING SCHOOL DISTRICT HAS
17 IMPROPERLY WITHHELD ANY PORTION OF THE AMOUNT DUE TO A CHARTER
18 SCHOOL, THE STATE BOARD MUST DIRECT THE DEPARTMENT TO REVIEW
19 THE TERMS OF THE CHARTER CONTRACT AND THE FINANCIAL INFORMATION
20 OF THE CHARTER SCHOOL, AND THE AUTHORIZING SCHOOL DISTRICT AND
21 REPORT TO THE STATE BOARD ITS FINDINGS REGARDING WHETHER THE
22 AUTHORIZING SCHOOL DISTRICT IMPROPERLY WITHHELD ANY PORTION OF
23 THE AMOUNT DUE TO THE CHARTER SCHOOL. THE DEPARTMENT SHALL
24 REQUEST FROM THE AUTHORIZING SCHOOL DISTRICT AND THE CHARTER
25 SCHOOL ALL INFORMATION NECESSARY TO MAKE THE FINDINGS,
26 INCLUDING BUT NOT LIMITED TO AUDITED FINANCIAL DATA. THE
27 AUTHORIZING SCHOOL DISTRICT AND THE CHARTER SCHOOL MUST PROVIDE

1 THE REQUESTED INFORMATION AS SOON AS POSSIBLE FOLLOWING THE
2 REQUEST, BUT IN NO EVENT LATER THAN THIRTY DAYS AFTER THE ANNUAL
3 FINANCIAL AUDIT IS COMPLETED. THE DEPARTMENT MUST FORWARD ITS
4 REPORT TO THE STATE BOARD WITHIN SIXTY DAYS AFTER RECEIVING ALL
5 OF THE REQUESTED INFORMATION FROM THE AUTHORIZING SCHOOL
6 DISTRICT AND THE CHARTER SCHOOL.

7 (c) AT THE NEXT STATE BOARD MEETING AFTER RECEIVING THE
8 DEPARTMENT'S REPORT PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION
9 (3), THE STATE BOARD SHALL ISSUE ITS DECISION REGARDING WHETHER
10 THE AUTHORIZING SCHOOL DISTRICT IMPROPERLY WITHHELD ANY PORTION
11 OF THE AMOUNT DUE TO THE CHARTER SCHOOL. IF THE STATE BOARD
12 FINDS THAT THE AUTHORIZING SCHOOL DISTRICT IMPROPERLY WITHHELD
13 ANY PORTION OF THE AMOUNT DUE TO THE CHARTER SCHOOL, THE
14 AUTHORIZING SCHOOL DISTRICT SHALL PAY TO THE CHARTER SCHOOL,
15 WITHIN THIRTY DAYS AFTER THE STATE BOARD ISSUES THE DECISION, THE
16 AMOUNT IMPROPERLY WITHHELD. IN ADDITION, THE AUTHORIZING SCHOOL
17 DISTRICT SHALL PAY THE DEPARTMENT'S COSTS INCURRED IN REVIEWING
18 THE NECESSARY INFORMATION TO MAKE ITS REPORT. IF THE STATE BOARD
19 FINDS THAT THE AUTHORIZING SCHOOL DISTRICT DID NOT IMPROPERLY
20 WITHHOLD ANY PORTION OF THE AMOUNT DUE TO THE CHARTER SCHOOL,
21 THE CHARTER SCHOOL SHALL PAY THE DEPARTMENT'S COSTS INCURRED IN
22 REVIEWING THE NECESSARY INFORMATION TO MAKE ITS REPORT.

23 (d) IF THE AUTHORIZING SCHOOL DISTRICT FAILS WITHIN THE
24 THIRTY-DAY PERIOD TO PAY THE FULL AMOUNT THAT WAS IMPROPERLY
25 WITHHELD, THE CHARTER SCHOOL MAY NOTIFY THE DEPARTMENT, AND
26 THE DEPARTMENT SHALL WITHHOLD FROM THE AUTHORIZING SCHOOL
27 DISTRICT'S STATE SHARE OF TOTAL PROGRAM THE UNPAID PORTION OF THE

1 AMOUNT IMPROPERLY WITHHELD BY THE AUTHORIZING SCHOOL DISTRICT
2 FROM THE CHARTER SCHOOL AND PAY THE WITHHELD AMOUNT DIRECTLY
3 TO THE CHARTER SCHOOL.

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

10 (b) IF THE STATE BOARD FINDS THAT THE SCHOOL DISTRICT HAS
11 IMPROPERLY WITHHELD MONEYS DUE TO THE CHARTER SCHOOL, THE
12 SCHOOL DISTRICT, WITHIN THIRTY DAYS AFTER THE STATE BOARD ISSUES
13 THE DECISION, SHALL PAY TO THE CHARTER SCHOOL THE AMOUNT
14 IMPROPERLY WITHHELD. IN ADDITION, THE SCHOOL DISTRICT SHALL PAY
15 THE DEPARTMENT'S COSTS INCURRED IN REVIEWING THE NECESSARY
16 INFORMATION TO MAKE ITS REPORT. IF THE SCHOOL DISTRICT FAILS,
17 WITHIN THE THIRTY-DAY PERIOD, TO PAY THE FULL AMOUNT THAT WAS
18 IMPROPERLY WITHHELD, THE CHARTER SCHOOL MAY NOTIFY THE
19 DEPARTMENT, AND THE DEPARTMENT SHALL WITHHOLD FROM THE SCHOOL
20 DISTRICT'S STATE SHARE OF TOTAL PROGRAM THE UNPAID PORTION OF THE
21 AMOUNT IMPROPERLY WITHHELD BY THE DISTRICT AND PAY THE AMOUNT
22 WITHHELD DIRECTLY TO THE CHARTER SCHOOL.

23 (c) IF THE STATE BOARD FINDS THAT THE SCHOOL DISTRICT DID
24 NOT IMPROPERLY WITHHOLD ANY PORTION OF THE AMOUNT DUE TO THE
25 CHARTER SCHOOL, THE CHARTER SCHOOL SHALL PAY THE DEPARTMENT'S
26 COSTS INCURRED IN REVIEWING THE NECESSARY INFORMATION TO MAKE
27 ITS REPORT.

1 (5) (a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY
2 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION HELD NO
3 LATER THAN NOVEMBER 2017 AT WHICH A MAJORITY OF THOSE VOTING
4 APPROVE A CITIZEN-INITIATED INCREASE IN STATE TAX REVENUES FOR THE
5 PURPOSE OF FUNDING PRESCHOOL THROUGH TWELFTH GRADE PUBLIC
6 EDUCATION, SO LONG AS THE AMOUNT OF THE APPROVED REVENUE
7 INCREASE IS EQUAL TO OR GREATER THAN THE TOTAL ESTIMATED STATE
8 FISCAL IMPACT ASSOCIATED WITH THE PAYMENT OF THE STATE SHARE OF
9 TOTAL PROGRAM PURSUANT TO SECTION 22-54.5-203, INVESTMENT
10 MONEYS PURSUANT TO SECTION 22-54.5-301, HOLD-HARMLESS MONEYS
11 PURSUANT TO SECTION 22-54.5-302, AND PER PUPIL SUPPLEMENTAL
12 PAYMENTS PURSUANT TO SECTION 22-54.5-303, IN THE SECOND BUDGET
13 YEAR COMMENCING AFTER THE INCREASE IS APPROVED, AS STATED IN THE
14 FINAL FISCAL NOTE PREPARED FOR SENATE BILL 13-213, ENACTED IN
15 2013.

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

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

23 **22-30.5-513.5. Institute charter schools - funding - definitions.**

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

26 (a) "ADMINISTRATIVE OVERHEAD COSTS" MEANS ALL ACTUAL AND
27 REASONABLE COSTS INCURRED BY THE INSTITUTE AS A RESULT OF ITS

1 PERFORMANCE OF ITS OBLIGATIONS PURSUANT TO THIS PART 5.
2 "ADMINISTRATIVE OVERHEAD COSTS" DOES NOT INCLUDE THE COSTS
3 INCURRED TO DELIVER SERVICES THAT AN INSTITUTE CHARTER SCHOOL
4 MAY PURCHASE AT ITS DISCRETION.

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

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

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

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


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

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

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

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

21 (j) "ENGLISH LANGUAGE LEARNER FUNDING" MEANS THE FUNDING
22 CALCULATED FOR AN INSTITUTE CHARTER SCHOOL PURSUANT TO SECTION
23 22-54.5-202 (5).

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

27 (l) "INVESTMENT MONEYS" HAS THE SAME MEANING AS PROVIDED

1 IN SECTION 22-54.5-103 (23).

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

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

6 (o) "QUALIFIED INSTITUTE CHARTER SCHOOL" HAS THE SAME
7 MEANING AS "QUALIFIED CHARTER SCHOOL" DEFINED IN SECTION
8 22-54.5-309 (1) (e).

9 (p) "SCHOOL DAY" HAS THE SAME MEANING AS PROVIDED IN
10 SECTION 22-54.5-103 (31).

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

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

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

7 [REDACTED]

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

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

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

25 [REDACTED]

26 (4) (a) NEGOTIATIONS BETWEEN AN INSTITUTE CHARTER SCHOOL
27 AND THE INSTITUTE BEGIN WITH THE INSTITUTE CHARTER SCHOOL

1 RECEIVING AN AMOUNT EQUAL TO:

2 (I) (A) THE INSTITUTE CHARTER SCHOOL'S TOTAL PROGRAM MINUS
3 ONE PERCENT WITHHELD BY THE DEPARTMENT PURSUANT TO SECTION
4 22-54.5-408 (2); PLUS

5 (B) THE INVESTMENT MONEYS IN THE AMOUNT OF THE PER PUPIL
6 AMOUNT CALCULATED PURSUANT TO SECTION 22-54.5-301 (3) MULTIPLIED
7 BY THE INSTITUTE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR
8 THE APPLICABLE FUNDING AVERAGING PERIOD, AS PROVIDED IN SECTION
9 22-54.5-301; MINUS

10

==

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

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

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

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

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

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

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

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

27 (b) (I) THE INSTITUTE SHALL DISTRIBUTE TO EACH INSTITUTE

1 CHARTER SCHOOL THE SCHOOL'S PROPORTIONATE SHARE OF MONEYS
2 RECEIVED PURSUANT TO FEDERAL OR STATE CATEGORICAL AID PROGRAMS
3 BASED ON THE PUPILS ENROLLED IN EACH INSTITUTE CHARTER SCHOOL.

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

9 (c) THE INSTITUTE SHALL DISTRIBUTE TO EACH INSTITUTE
10 CHARTER SCHOOL THE PER PUPIL SUPPLEMENTAL PAYMENT PAYABLE TO
11 THE INSTITUTE CHARTER SCHOOL PURSUANT TO SECTION 22-54.5-303.

12 (d) EACH INSTITUTE CHARTER SCHOOL RETAINS THE FEES
13 COLLECTED FROM STUDENTS ENROLLED AT THE INSTITUTE CHARTER
14 SCHOOL.

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

1 CHARTER SCHOOL.

2 (7) EACH INSTITUTE CHARTER SCHOOL THAT RECEIVES AT-RISK
3 FUNDING SHALL USE THE AT-RISK FUNDING TO PROVIDE PROGRAMS,
4 ACTIVITIES, AND PERSONNEL THAT PRIMARILY SERVE AT-RISK PUPILS.
5 EACH INSTITUTE CHARTER SCHOOL THAT RECEIVES ENGLISH LANGUAGE
6 LEARNER FUNDING SHALL USE THE ENGLISH LANGUAGE LEARNER FUNDING
7 TO PROVIDE PROGRAMS, ACTIVITIES, AND PERSONNEL THAT PRIMARILY
8 SERVE ENGLISH LANGUAGE LEARNERS.

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

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

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

1 ANY CONDITION CONTRARY TO LAW OR CONTRARY TO THE TERMS OF THE
2 CHARTER CONTRACT BETWEEN THE INSTITUTE CHARTER SCHOOL AND THE
3 INSTITUTE.

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

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

26 (b) ON OR BEFORE JANUARY 15 OF EACH YEAR, THE INSTITUTE
27 BOARD SHALL SUBMIT TO THE EDUCATION COMMITTEES OF THE SENATE

1 AND THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES,
2 THE FINDINGS OF THE REVIEW DESCRIBED IN PARAGRAPH (a) OF THIS
3 SUBSECTION (10) AND ANY RECOMMENDATIONS FOR LEGISLATIVE
4 CHANGES REGARDING THE OPERATIONS OF THE INSTITUTE.

5 (c) THE PROVISIONS OF THIS SUBSECTION (10) DO NOT LIMIT THE
6 AUTHORITY OF THE INSTITUTE OR THE INSTITUTE BOARD IN MAKING
7 DECISIONS CONCERNING OPERATIONS OF THE INSTITUTE OR THE USE OF
8 INSTITUTE MONEYS.

9 (11)(a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY
10 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION HELD NO
11 LATER THAN NOVEMBER 2017 AT WHICH A MAJORITY OF THOSE VOTING
12 APPROVE A CITIZEN-INITIATED INCREASE IN STATE TAX REVENUES FOR THE
13 PURPOSE OF FUNDING PRESCHOOL THROUGH TWELFTH GRADE PUBLIC
14 EDUCATION, SO LONG AS THE AMOUNT OF THE APPROVED REVENUE
15 INCREASE IS EQUAL TO OR GREATER THAN THE TOTAL ESTIMATED STATE
16 FISCAL IMPACT ASSOCIATED WITH THE PAYMENT OF THE STATE SHARE OF
17 TOTAL PROGRAM PURSUANT TO SECTION 22-54.5-203, INVESTMENT
18 MONEYS PURSUANT TO SECTION 22-54.5-301, HOLD-HARMLESS MONEYS
19 PURSUANT TO SECTION 22-54.5-302, AND PER PUPIL SUPPLEMENTAL
20 PAYMENTS PURSUANT TO SECTION 22-54.5-303, IN THE SECOND BUDGET
21 YEAR COMMENCING AFTER THE INCREASE IS APPROVED, AS STATED IN THE
22 FINAL FISCAL NOTE PREPARED FOR SENATE BILL 13-213, ENACTED IN
23 2013.

24 (b) THE PROVISIONS OF THIS SECTION APPLY IN THE SECOND
25 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH
26 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE
27 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS

1 **THEREAFTER.**

2 **SECTION 4.** In Colorado Revised Statutes, **add** 22-28-104.1 and
3 22-28-107.1 as follows:

4 **22-28-104.1. Establishment of public preschool programs.**

5 (1) THE COLORADO PRESCHOOL PROGRAM IS ESTABLISHED IN THE
6 DEPARTMENT AND AS A LOCAL PROGRAM IN EACH SCHOOL DISTRICT. THE
7 PURPOSES OF THE PROGRAM ARE:

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

15 (b) TO ESTABLISH CRITERIA THAT SCHOOL DISTRICTS AND
16 INSTITUTE CHARTER SCHOOLS MUST FOLLOW TO ESTABLISH DISTRICT AND
17 INSTITUTE CHARTER SCHOOL PRESCHOOL PROGRAMS; AND

18 (c) TO ENCOURAGE PARENTS TO PARTICIPATE WITH THEIR
19 CHILDREN IN DISTRICT OR INSTITUTE CHARTER SCHOOL PRESCHOOL
20 PROGRAMS.

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

24 (3) EACH SCHOOL DISTRICT AND EACH INSTITUTE CHARTER
25 SCHOOL SHALL INCLUDE IN THE MEMBERSHIP **CERTIFIED** TO THE
26 DEPARTMENT PURSUANT TO SECTION 22-54.5-405 THE PUPILS ENROLLED
27 IN THE COLORADO PRESCHOOL PROGRAM TO RECEIVE FUNDING FOR THOSE

1 PUPILS THROUGH THE "PUBLIC SCHOOL FINANCE ACT", ARTICLE 54.5 OF
2 THIS TITLE.

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

9 (5) (a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY
10 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION HELD NO
11 LATER THAN NOVEMBER 2017 AT WHICH A MAJORITY OF THOSE VOTING
12 APPROVE A CITIZEN-INITIATED INCREASE IN STATE TAX REVENUES FOR THE
13 PURPOSE OF FUNDING PRESCHOOL THROUGH TWELFTH GRADE PUBLIC
14 EDUCATION, SO LONG AS THE AMOUNT OF THE APPROVED REVENUE
15 INCREASE IS EQUAL TO OR GREATER THAN THE TOTAL ESTIMATED STATE
16 FISCAL IMPACT ASSOCIATED WITH THE PAYMENT OF THE STATE SHARE OF
17 TOTAL PROGRAM PURSUANT TO SECTION 22-54.5-203, INVESTMENT
18 MONEYS PURSUANT TO SECTION 22-54.5-301, HOLD-HARMLESS MONEYS
19 PURSUANT TO SECTION 22-54.5-302, AND PER PUPIL SUPPLEMENTAL
20 PAYMENTS PURSUANT TO SECTION 22-54.5-303, IN THE SECOND BUDGET
21 YEAR COMMENCING AFTER THE INCREASE IS APPROVED, AS STATED IN THE
22 FINAL FISCAL NOTE PREPARED FOR SENATE BILL 13-213, ENACTED IN
23 2013.

24 (b) THE PROVISIONS OF THIS SECTION APPLY IN THE SECOND
25 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH
26 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE
27 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS

1 **THEREAFTER.**

2 **22-28-107.1. District and institute charter school preschool**
3 **programs - plans.** (1) EACH SCHOOL DISTRICT THAT HAS NOT SUBMITTED
4 A PLAN TO THE DEPARTMENT BY THE EFFECTIVE DATE OF THIS SECTION TO
5 IMPLEMENT A DISTRICT PRESCHOOL PROGRAM SHALL DO SO WITHIN SIX
6 MONTHS AFTER THAT DATE. AN INSTITUTE CHARTER SCHOOL THAT
7 CHOOSES TO OFFER A PRESCHOOL PROGRAM PURSUANT TO THIS SECTION
8 SHALL SUBMIT A PLAN TO IMPLEMENT THE PRESCHOOL PROGRAM TO THE
9 DEPARTMENT AT LEAST SIX MONTHS BEFORE THE PRESCHOOL PROGRAM
10 BEGINS OPERATION. A SCHOOL DISTRICT'S OR INSTITUTE CHARTER
11 SCHOOL'S PLAN MUST INCLUDE, BUT NEED NOT BE LIMITED TO, THE
12 FOLLOWING INFORMATION REQUESTED BY THE DEPARTMENT:

13 (a) THE NUMBER OF ELIGIBLE CHILDREN THAT THE PRESCHOOL
14 PROGRAM IS EXPECTED TO SERVE;

15 (b) WHETHER THE PRESCHOOL PROGRAM WILL BE A
16 FOUR-AND-ONE-HALF-MONTH, NINE-MONTH, OR TWELVE-MONTH
17 PROGRAM;

18 (c) WHETHER THE SCHOOL DISTRICT OR INSTITUTE CHARTER
19 SCHOOL ITSELF WILL PROVIDE THE PRESCHOOL PROGRAM OR WHETHER A
20 HEAD START AGENCY OR ONE OR MORE CHILD CARE AGENCIES UNDER
21 CONTRACT WITH THE SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL
22 WILL PROVIDE THE PRESCHOOL PROGRAM IN WHOLE OR IN PART;

23 (d) IF THE SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL WILL
24 PROVIDE THE PRESCHOOL PROGRAM:

25 (I) THE NUMBER OF SCHOOLS IN THE SCHOOL DISTRICT THAT WILL
26 BE INVOLVED IF IT IS A DISTRICT PRESCHOOL PROGRAM;

27 (II) THE NUMBER OF ADDITIONAL PERSONNEL NEEDED TO STAFF

1 THE PRESCHOOL PROGRAM; AND

2 (III) THE TRAINING PROGRAM FOR PRESCHOOL TEACHERS;

3 (e) IF A HEAD START AGENCY OR CHILD CARE AGENCIES UNDER

4 CONTRACT WITH THE SCHOOL DISTRICT OR THE INSTITUTE CHARTER

5 SCHOOL WILL PROVIDE THE PRESCHOOL PROGRAM, IN WHOLE OR IN PART:

6 (I) THE HEAD START AGENCY OR CHILD CARE AGENCIES WITH

7 WHICH THE SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL WILL

8 CONTRACT;

9 (II) THE TERMS OF THE CONTRACTS; AND

10 (III) THE PROCEDURE THE SCHOOL DISTRICT OR INSTITUTE

11 CHARTER SCHOOL WILL USE TO MONITOR THE PRESCHOOL PROGRAM THAT

12 THE HEAD START AGENCY OR CHILD CARE AGENCIES ARE PROVIDING;

13 (f) THE EXTENDED DAY SERVICES, IF ANY, TO BE PROVIDED IN

14 CONNECTION WITH THE PRESCHOOL PROGRAM;

15 (g) THE PLAN FOR COORDINATING THE PRESCHOOL PROGRAM WITH

16 FAMILY SUPPORT SERVICES FOR CHILDREN PARTICIPATING IN THE

17 PROGRAM AND THEIR FAMILIES;

18 (h) THE PLAN FOR INVOLVING THE PARENT OR PARENTS OF EACH

19 CHILD ENROLLED IN THE PRESCHOOL PROGRAM IN PARTICIPATION IN THE

20 PROGRAM;

21 (i) THE PLAN FOR COORDINATING THE PRESCHOOL PROGRAM WITH

22 A PARENTING PROGRAM;

23 (j) THE PLAN FOR INVOLVING PARENTS AND THE COMMUNITY IN

24 THE PRESCHOOL PROGRAM; AND

25 (k) THE PROCEDURE THE SCHOOL DISTRICT OR INSTITUTE CHARTER

26 SCHOOL WILL FOLLOW TO EVALUATE THE CURRENT AND CONTINUING

27 EFFECTIVENESS OF THE PRESCHOOL PROGRAM.

1 (2) A SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL THAT
2 PARTICIPATES IN THE COLORADO PRESCHOOL PROGRAM BY OFFERING A
3 NINE-MONTH PROGRAM MAY, IN THE FIRST YEAR OF OPERATION, APPLY
4 FOR PERMISSION FROM THE DEPARTMENT TO RECEIVE FUNDING FOR A
5 NINE-MONTH PROGRAM BUT TO USE UP TO HALF OF THE MONEYS
6 ALLOCATED FOR THE PROGRAM TO PREPARE, DURING THE FIRST HALF OF
7 THE SCHOOL YEAR, TO OFFER A PRESCHOOL PROGRAM AND TO USE THE
8 REMAINDER OF THE MONEYS TO OFFER, DURING THE SECOND HALF OF THE
9 SCHOOL YEAR, A FOUR-AND-ONE-HALF-MONTH PRESCHOOL PROGRAM.

10 (3) (a) UPON THE REQUEST OF A SCHOOL DISTRICT OR AN
11 INSTITUTE CHARTER SCHOOL, THE DEPARTMENT SHALL PROVIDE, SUBJECT
12 TO AVAILABLE RESOURCES, SUCH TECHNICAL ASSISTANCE AS MAY BE
13 NECESSARY FOR THE SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL TO
14 SUBMIT ITS PLAN FOR IMPLEMENTING THE PRESCHOOL PROGRAM AND FOR
15 ONGOING TRAINING OF PERSONNEL FOR THE SUCCESSFUL IMPLEMENTATION
16 OF THE PROGRAM.

17 (b) THE DEPARTMENT SHALL ANNUALLY CONDUCT ON-SITE VISITS
18 AT A REASONABLE NUMBER OF SCHOOL DISTRICTS AND INSTITUTE
19 CHARTER SCHOOLS TO DETERMINE WHETHER:

20 (I) EACH SCHOOL DISTRICT'S AND INSTITUTE CHARTER SCHOOL'S
21 SCREENING PROCESS AND THE ELIGIBILITY CRITERIA FOR CHILDREN
22 PARTICIPATING IN THE PRESCHOOL PROGRAM COMPLY WITH ALL
23 APPLICABLE STATE LAWS;

24 (II) THE DISTRICT ADVISORY COUNCIL ESTABLISHED PURSUANT TO
25 SECTION 22-28-105 FOR A DISTRICT PRESCHOOL PROGRAM COMPLIES WITH
26 ALL APPLICABLE STATE LAWS; AND

27 (III) THE SCHOOL DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S

1 QUALITY ASSURANCE ACTIVITIES, EVALUATION EFFORTS, AND FINANCIAL
2 ACTIVITIES REGARDING THE PRESCHOOL PROGRAM COMPLY WITH ALL
3 APPLICABLE STATE LAWS.

4 (4) (a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY
5 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION HELD NO
6 LATER THAN NOVEMBER 2017 AT WHICH A MAJORITY OF THOSE VOTING
7 APPROVE A CITIZEN-INITIATED INCREASE IN STATE TAX REVENUES FOR THE
8 PURPOSE OF FUNDING PRESCHOOL THROUGH TWELFTH GRADE PUBLIC
9 EDUCATION, SO LONG AS THE AMOUNT OF THE APPROVED REVENUE
10 INCREASE IS EQUAL TO OR GREATER THAN THE TOTAL ESTIMATED STATE
11 FISCAL IMPACT ASSOCIATED WITH THE PAYMENT OF THE STATE SHARE OF
12 TOTAL PROGRAM PURSUANT TO SECTION 22-54.5-203, INVESTMENT
13 MONEYS PURSUANT TO SECTION 22-54.5-301, HOLD-HARMLESS MONEYS
14 PURSUANT TO SECTION 22-54.5-302, AND PER PUPIL SUPPLEMENTAL
15 PAYMENTS PURSUANT TO SECTION 22-54.5-303, IN THE SECOND BUDGET
16 YEAR COMMENCING AFTER THE INCREASE IS APPROVED, AS STATED IN THE
17 FINAL FISCAL NOTE PREPARED FOR SENATE BILL 13-213, ENACTED IN
18 2013.

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

24 **SECTION 5.** In Colorado Revised Statutes, 22-45-103, **add** (1)

25 (i) as follows:

26 **22-45-103. Funds.** (1) The following funds are created for each
27 school district for purposes specified in this article:

1 **(i) Technology and building maintenance and operation fund.**

2 **(I)** THE REVENUES FROM A TAX LEVIED PURSUANT TO SECTION
3 22-54.5-207 FOR THE PURPOSES OF TECHNOLOGY AND BUILDING
4 MAINTENANCE AND OPERATION SHALL BE DEPOSITED IN THE TECHNOLOGY
5 AND BUILDING MAINTENANCE AND OPERATION FUND. EXPENDITURES
6 FROM THE FUND ARE LIMITED TO PAYMENT OF THE COSTS OF ACQUIRING
7 AND MAINTAINING TECHNOLOGY AND THE COSTS OF BUILDING
8 MAINTENANCE AND OPERATION FOR THE BUILDINGS OF THE DISTRICT AS
9 AUTHORIZED IN THE BUDGET OF THE DISTRICT. ANY MONEYS REMAINING
10 IN THE FUND AT THE END OF A FISCAL YEAR MUST REMAIN IN THE FUND
11 AND MUST BE USED TO REDUCE THE LEVY FOR TECHNOLOGY AND BUILDING
12 MAINTENANCE AND OPERATION IN FUTURE YEARS.

13 **(II) (A)** THIS PARAGRAPH (i) TAKES EFFECT UPON THE
14 PROCLAMATION BY THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE
15 ELECTION HELD NO LATER THAN NOVEMBER 2017 AT WHICH A MAJORITY
16 OF THOSE VOTING APPROVE A CITIZEN-INITIATED INCREASE IN STATE TAX
17 REVENUES FOR THE PURPOSE OF FUNDING PRESCHOOL THROUGH TWELFTH
18 GRADE PUBLIC EDUCATION, SO LONG AS THE AMOUNT OF THE APPROVED
19 REVENUE INCREASE IS EQUAL TO OR GREATER THAN THE TOTAL
20 ESTIMATED STATE FISCAL IMPACT ASSOCIATED WITH THE PAYMENT OF THE
21 STATE SHARE OF TOTAL PROGRAM PURSUANT TO SECTION 22-54.5-203,
22 INVESTMENT MONEYS PURSUANT TO SECTION 22-54.5-301,
23 HOLD-HARMLESS MONEYS PURSUANT TO SECTION 22-54.5-302, AND PER
24 PUPIL SUPPLEMENTAL PAYMENTS PURSUANT TO SECTION 22-54.5-303, IN
25 THE SECOND BUDGET YEAR COMMENCING AFTER THE INCREASE IS
26 APPROVED, AS STATED IN THE FINAL FISCAL NOTE PREPARED FOR SENATE
27 BILL 13-213, ENACTED IN 2013.

1 (B) THE PROVISIONS OF THIS PARAGRAPH (i) APPLY IN THE SECOND
2 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH
3 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE
4 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS
5 THEREAFTER.

6 **SECTION 6.** In Colorado Revised Statutes, 22-44-105, **amend**
7 (4) as follows:

8 **22-44-105. Budget - contents - mandatory.** (4) (a) ~~Not later than~~
9 ~~July 1, 1998;~~ The state board of education, with input from the financial
10 policies and procedures advisory committee, shall establish, ~~and~~
11 implement, AND MAINTAIN a statewide financial, student management,
12 and human resource electronic data communications and reporting system
13 that is based on a ~~redesigned~~ standard chart of accounts, a standard
14 information system, and a standard personnel classification system AND
15 THAT INCLUDES TO THE FULLEST EXTENT POSSIBLE COMPARABLE
16 REPORTING OF EXPENDITURES AT THE SCHOOL-SITE LEVEL AS WELL AS AT
17 THE SCHOOL DISTRICT LEVEL, AT THE BOARD OF COOPERATIVE SERVICES
18 LEVEL, AND BY THE STATE CHARTER SCHOOL INSTITUTE. The department
19 of education, THE STATE CHARTER SCHOOL INSTITUTE, and all DISTRICT
20 CHARTER SCHOOLS, INSTITUTE CHARTER SCHOOLS, school districts, and
21 boards of cooperative services in the state shall use the system to report
22 and obtain necessary financial information.

23 (b) ~~In redesigning~~ IMPLEMENTING AND MAINTAINING the financial
24 and human resource reporting system pursuant to paragraph (a) of this
25 section, the state board of education shall adhere to, but is not limited to,
26 the following guidelines:

27 (I) ~~The financial and human resource reporting system shall~~ MUST

1 be based on a redesigned STANDARD chart of accounts that will make
2 MAKES school-to-school and school district-to-school district comparisons
3 more accurate and meaningful;

4 (II) THE REPORTING SYSTEM, INCLUDING THE STANDARD CHART OF
5 ACCOUNTS, MUST REQUIRE THE REPORTING OF EXPENDITURES, INCLUDING
6 BUT NOT LIMITED TO SALARY AND BENEFIT EXPENDITURES, AT THE SCHOOL
7 SITE LEVEL AND WHETHER THE SCHOOL PRINCIPAL RETAINS OR CHOOSES
8 TO FOREGO CONTROL OF THE AT-RISK AND ENGLISH LANGUAGE LEARNER
9 FUNDING DISTRIBUTED TO THE SCHOOL PURSUANT TO SECTION
10 22-54.5-410;

11 ~~(H)~~ (III) The financial and human resource reporting system shall
12 MUST provide standard definitions for employment positions such that
13 full, accurate disclosure of administrative costs is made within the
14 budgets and the financial statements of every school district;

15 (IV) THE REPORTING SYSTEM MUST REQUIRE EACH CHARTER
16 SCHOOL, EACH SCHOOL DISTRICT FOR THE DISTRICT AS A WHOLE AND FOR
17 EACH SCHOOL OF THE SCHOOL DISTRICT, EACH BOARD OF COOPERATIVE
18 SERVICES, AND THE INSTITUTE TO REPORT THE NUMBER AND PERCENTAGES
19 OF PROFESSIONAL INSTRUCTIONAL STAFF DISAGGREGATED BY RACE AND
20 THE NUMBER AND PERCENTAGES OF STUDENTS DISAGGREGATED BY RACE;

21 ~~(H)~~ (V) The financial reporting system shall MUST make it
22 possible to collect comparable data by program and school site; ==

23 (VI) THE REPORTING SYSTEM MUST REQUIRE EACH CHARTER
24 SCHOOL, EACH SCHOOL DISTRICT, EACH BOARD OF COOPERATIVE SERVICES,
25 AND THE INSTITUTE TO REPORT ACTUAL SALARY AMOUNTS WHEN
26 REPORTING SALARY EXPENDITURES AND REQUIRE EACH CHARTER SCHOOL,
27 EACH SCHOOL DISTRICT, EACH BOARD OF COOPERATIVE SERVICES, AND

1 THE INSTITUTE TO REPORT BENEFIT EXPENDITURES BY TYPE OF BENEFIT;
2 AND

3 (VII) THE REPORTING SYSTEM MUST REQUIRE EACH DISTRICT TO
4 REPORT THE TOTAL AMOUNT OF ADDITIONAL LOCAL PROPERTY TAX
5 REVENUES THE DISTRICT IS AUTHORIZED TO COLLECT IN ADDITION TO THE
6 DISTRICT'S TOTAL PROGRAM MILL LEVY, BUT NOT INCLUDING AMOUNTS
7 AUTHORIZED PURSUANT TO SECTION 22-40-110 OR ARTICLE 42 OR ARTICLE
8 43 OF THIS TITLE, AND THE AMOUNT OF THE ADDITIONAL LOCAL PROPERTY
9 TAX REVENUES THAT THE DISTRICT DISTRIBUTES TO CHARTER SCHOOLS OF
10 THE SCHOOL DISTRICT, STATED AS A DOLLAR AMOUNT.

11 (c) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION (4) TO
12 THE CONTRARY, IF A SCHOOL DISTRICT'S AVERAGE DAILY MEMBERSHIP FOR
13 THE MOST RECENT FUNDING AVERAGING PERIOD IS ONE THOUSAND OR
14 FEWER STUDENTS, THE SCHOOL DISTRICT MAY DECIDE WHETHER TO
15 REPORT EXPENDITURES AT THE SCHOOL-SITE LEVEL.

16 (d) THE REQUIREMENTS SPECIFIED IN THIS SUBSECTION (4) TO
17 REPORT INFORMATION AT THE SCHOOL-SITE LEVEL APPLY TO THE 2014-15
18 BUDGET YEAR AND BUDGET YEARS THEREAFTER.

19 ~~(e) (e) Nothing in this section shall be interpreted to require~~
20 ~~accounting of salary and benefit costs by school site.~~ THE DEPARTMENT
21 SHALL CREATE OR CONTRACT FOR THE CREATION OF A WEB SITE VIEW
22 THAT, AT A MINIMUM, TRANSLATES THE REPORTED EXPENDITURES FOR
23 SCHOOL SITES, SCHOOL DISTRICTS, THE STATE CHARTER SCHOOL
24 INSTITUTE, AND BOARDS OF COOPERATIVE SERVICES INTO A FORMAT THAT
25 IS READABLE BY A LAYPERSON. IN ADDITION, THE DEPARTMENT SHALL
26 COLLECT, REVIEW, AND STANDARDIZE THE DATA REPORTED BY THE STATE
27 CHARTER SCHOOL INSTITUTE, CHARTER SCHOOLS, DISTRICTS, AND BOARDS

1 OF COOPERATIVE SERVICES PURSUANT TO THIS SUBSECTION (4) TO ENSURE
2 THE GREATEST LEVEL OF TRANSPARENCY AND COMPARABILITY OF
3 EXPENDITURES AMONG SCHOOL SITES, SCHOOL DISTRICTS, THE STATE
4 CHARTER SCHOOL INSTITUTE, AND BOARDS OF COOPERATIVE SERVICES.

5 (d) ~~Repealed.~~

6 **SECTION 7.** In Colorado Revised Statutes, **add 22-2-113.7** as
7 follows:

8 **22-2-113.7. Department of education - additional local**
9 **revenues - distribution to charter schools - annual report.** (1) THE
10 DEPARTMENT SHALL ANNUALLY COMPILE A REPORT OF THE INFORMATION
11 RECEIVED PURSUANT TO SECTION 22-44-105 (4) (b) (VII) CONCERNING THE
12 COLLECTION OF ADDITIONAL LOCAL PROPERTY TAX REVENUES BY EACH
13 DISTRICT AND THE DISTRIBUTION OF A PORTION OF THE REVENUES TO THE
14 CHARTER SCHOOLS OF THE SCHOOL DISTRICT. IN ADDITION TO THE
15 COMPILED INFORMATION, THE REPORT MUST INCLUDE A COMPARISON OF
16 THE AMOUNT OF ADDITIONAL LOCAL PROPERTY TAX REVENUES RECEIVED
17 BY THE DISTRICT AND THE AMOUNT DISTRIBUTED TO THE CHARTER
18 SCHOOLS OF THE DISTRICT AT THE DISTRICT LEVEL AND AGGREGATED
19 STATEWIDE.

20 (2) (a) THE DEPARTMENT SHALL ALLOW EACH DISTRICT AND EACH
21 DISTRICT CHARTER SCHOOL TO REVIEW THE REPORT BEFORE PUBLICATION.
22 A DISTRICT OR A CHARTER SCHOOL MAY REQUEST THAT THE DEPARTMENT
23 COMPILE AN ADDENDUM TO THE REPORT THAT IS SPECIFIC TO THE
24 REQUESTING DISTRICT OR CHARTER SCHOOL AND THAT EXAMINES THE
25 OVERALL LEVEL OF FUNDING DISTRIBUTED BY THE DISTRICT TO THE
26 CHARTER SCHOOLS OF THE DISTRICT, INCLUDING:

27 (I) CAPITAL CONSTRUCTION AND FACILITIES FUNDING;

1 (II) FUNDING FOR TECHNOLOGY; AND
2 (III) ANY OTHER FUNDING THAT THE DISTRICT DISTRIBUTES TO THE
3 CHARTER SCHOOLS OF THE DISTRICT.

4 (b) THE DEPARTMENT SHALL SIMULTANEOUSLY PUBLISH ON THE
5 DEPARTMENT WEB SITE THE REPORT AND ANY ADDENDA PREPARED FOR
6 THE REPORT IN RESPONSE TO A DISTRICT OR CHARTER SCHOOL REQUEST.

7 **SECTION 8.** In Colorado Revised Statutes, 22-24-104, **add** (7)
8 as follows:

9 **22-24-104. English language proficiency program established**
10 **- funding.** (7) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO
11 THE CONTRARY, BEGINNING IN THE 2015-16 BUDGET YEAR AND FOR
12 BUDGET YEARS THEREAFTER, THE GENERAL ASSEMBLY SHALL NOT
13 APPROPRIATE MONEYS SPECIFICALLY TO FUND THIS SECTION. FOR THE
14 2015-16 BUDGET YEAR AND BUDGET YEARS THEREAFTER, A DISTRICT, THE
15 STATE CHARTER SCHOOL INSTITUTE, OR A FACILITY SCHOOL MAY RECEIVE
16 MONEYS FOR THE IMPLEMENTATION OF THIS SECTION THROUGH THE
17 "PUBLIC SCHOOL FINANCE ACT", ARTICLE 54.5 OF THIS TITLE.

18 **SECTION 9.** In Colorado Revised Statutes, 22-24-104 **as**
19 **repealed and reenacted by House Bill 13-1211, add** (6) as follows:

20 **22-24-104. English language proficiency program established**
21 **- funding.** (6) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO
22 THE CONTRARY, BEGINNING IN THE 2015-16 BUDGET YEAR AND FOR
23 BUDGET YEARS THEREAFTER, THE GENERAL ASSEMBLY SHALL NOT
24 APPROPRIATE MONEYS SPECIFICALLY TO FUND THIS SECTION. FOR THE
25 2015-16 BUDGET YEAR AND BUDGET YEARS THEREAFTER, A LOCAL
26 EDUCATION PROVIDER MAY RECEIVE MONEYS FOR THE IMPLEMENTATION

1 OF THIS SECTION THROUGH THE "PUBLIC SCHOOL FINANCE ACT", ARTICLE
2 54.5 OF THIS TITLE.

3 **SECTION 10.** In Colorado Revised Statutes, 22-33-205, **add** (5)
4 as follows:

5 **22-33-205. Services for expelled and at-risk students - grants**
6 **- criteria.** (5) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO
7 THE CONTRARY, BEGINNING IN THE 2015-16 BUDGET YEAR AND FOR
8 BUDGET YEARS THEREAFTER, THE GENERAL ASSEMBLY SHALL NOT
9 APPROPRIATE MONEYS SPECIFICALLY TO FUND THIS SECTION. FOR THE
10 2015-16 BUDGET YEAR AND BUDGET YEARS THEREAFTER, A DISTRICT, A
11 CHARTER SCHOOL, OR A FACILITY SCHOOL MAY RECEIVE MONEYS FOR THE
12 IMPLEMENTATION OF THIS SECTION THROUGH THE "PUBLIC SCHOOL
13 FINANCE ACT", ARTICLE 54.5 OF THIS TITLE.

14 **SECTION 11.** In Colorado Revised Statutes, 22-20-114, amend
15 (1) introductory portion; and add (7) and (8) as follow:

16 **22-20-114. Funding of programs - legislative intent -**
17 **definition.** (1) Subject to the provisions of ~~subsection (3)~~ SUBSECTIONS
18 (3), (7), (8), AND (9) of this section, for the 2005-06 budget year and each
19 budget year thereafter, the total amount appropriated to the department for
20 the payment of costs incurred by administrative units for the provision of
21 special education programs shall be distributed to each administrative unit
22 that provides educational services for children with disabilities as follows:

23 (7) (a) FOR THE 2015-16 BUDGET YEAR AND BUDGET YEARS
24 THEREAFTER, IN A BUDGET YEAR FOR WHICH THE STATE RECEIVES
25 GROWTH TAX REVENUES, IF THERE IS A PORTION OF THE GROWTH TAX
26 REVENUES REMAINING AFTER FULLY FUNDING THE STATE SHARE OF TOTAL
27 PROGRAM FOR ALL DISTRICTS AND TOTAL PROGRAM FOR ALL INSTITUTE

1 CHARTER SCHOOLS, AS CALCULATED PURSUANT TO ARTICLE 54.5 OF THIS
2 TITLE, THE GENERAL ASSEMBLY SHALL INCREASE THE AMOUNT
3 APPROPRIATED FOR DISTRIBUTION PURSUANT TO THIS SECTION BY THE
4 REMAINING AMOUNT OF GROWTH TAX REVENUES, UP TO THE AMOUNT
5 REQUIRED TO INCREASE THE PER PUPIL ALLOCATION PURSUANT TO
6 PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION TO TWO THOUSAND
7 FIVE HUNDRED DOLLARS FOR EACH CHILD WITH DISABILITIES RECEIVING
8 SPECIAL EDUCATION SERVICES FROM AN ADMINISTRATIVE UNIT.

9 (b) AS USED IN THIS SUBSECTION (7), "GROWTH TAX REVENUES"
10 MEANS THE AMOUNT OF STATE REVENUES GENERATED IN THE APPLICABLE
11 INCOME TAX YEAR AS A RESULT OF A CITIZEN-INITIATED STATEWIDE
12 BALLOT QUESTION THAT INCREASES STATE TAX REVENUES FOR THE
13 PURPOSE OF FUNDING PRESCHOOL THROUGH TWELFTH GRADE PUBLIC
14 EDUCATION, WHICH AMOUNT OF STATE REVENUES EXCEEDS THE AMOUNT
15 SPECIFIED IN THE STATEWIDE BALLOT QUESTION.

16 (8) (a) FOR THE 2015-16 BUDGET YEAR AND BUDGET YEARS
17 THEREAFTER, IN ADDITION TO ANY AMOUNT OF THE TOTAL ANNUAL
18 APPROPRIATION MONEYS THAT ARE DISTRIBUTED PURSUANT TO
19 PARAGRAPH (c) OF SUBSECTION (1) OF THIS SECTION, THE GENERAL
20 ASSEMBLY SHALL APPROPRIATE AT LEAST EIGHTY MILLION DOLLARS TO
21 INCREASE THE PERCENTAGE OF CHILDREN FOR WHICH AN ADMINISTRATIVE
22 UNIT MAY RECEIVE ADDITIONAL FUNDING PURSUANT TO PARAGRAPH (c)
23 OF SUBSECTION (1) OF THIS SECTION.

24 (b) THE GENERAL ASSEMBLY SHALL APPROPRIATE THE AMOUNT
25 DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (8) FROM THE
26 INCREASE IN STATE TAX REVENUES RECEIVED AS THE RESULT OF PASSAGE
27 OF A STATEWIDE BALLOT MEASURE TO INCREASE STATE TAX REVENUES

1 FOR THE PURPOSE OF FUNDING PUBLIC EDUCATION.

2 (9) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT, BEGINNING
3 IN THE 2015-16 BUDGET YEAR AND FOR BUDGET YEARS THEREAFTER, IN
4 ADDITION TO ANY OTHER APPROPRIATIONS FOR PURPOSES OF THIS
5 SECTION, THE GENERAL ASSEMBLY SHALL APPROPRIATE FOR DISTRIBUTION
6 PURSUANT TO PARAGRAPH (c) OF SUBSECTION (1) OF THIS SECTION AN
7 AMOUNT EQUAL TO THE AMOUNTS APPROPRIATED IN BUDGET YEARS
8 BEFORE THE 2015-16 BUDGET YEAR TO FUND ENGLISH LANGUAGE
9 DEVELOPMENT PROGRAMS PURSUANT TO SECTION 22-24-104 AND THE
10 SERVICES FOR EXPELLED AND AT-RISK STUDENTS GRANT PROGRAM
11 PURSUANT TO SECTION 22-33-205.

12 (10) IT IS FURTHER THE GENERAL ASSEMBLY'S INTENT THAT, AS A
13 RESULT OF RECEIVING AN INCREASE IN THE DISTRIBUTION OF STATE
14 MONEYS PURSUANT TO SUBSECTION (7), (8), OR (9) OF THIS SECTION, AN
15 ADMINISTRATIVE UNIT, IN COMPLYING WITH THE MAINTENANCE OF EFFORT
16 REQUIREMENT SPECIFIED IN THE FEDERAL "NO CHILD LEFT BEHIND ACT
17 OF 2001", 20 U.S.C. SEC. 6381 ET SEQ., SHALL NOT REDUCE THE LEVEL OF
18 STATE AND LOCAL EXPENDITURES BELOW THE LEVEL OF STATE AND LOCAL
19 EXPENDITURES FOR THE PRECEDING BUDGET YEAR. ANY ADDITIONAL
20 APPROPRIATION OF MONEYS FOR DISTRIBUTION PURSUANT TO THIS
21 SECTION IS INTENDED TO ALTER THE RATIO BETWEEN STATE AND LOCAL
22 EXPENDITURES, BUT THE OVERALL LEVEL OF EXPENDITURES MAY REMAIN
23 THE SAME, THEREBY SATISFYING THE FEDERAL MAINTENANCE OF EFFORT
24 REQUIREMENTS.

25 **SECTION 12.** In Colorado Revised Statutes, **add** 22-2-142 as
26 follows:

27 **22-2-142. Professional development programs - principals.**

1 (1) THE DEPARTMENT SHALL PROVIDE OR CONTRACT FOR PROFESSIONAL
2 DEVELOPMENT PROGRAMS FOR PRINCIPALS. THE DEPARTMENT SHALL
3 PROVIDE PROGRAMS THAT ADDRESS BUDGETING AND CURRICULUM AND
4 PROGRAM DEVELOPMENT SKILLS, ESPECIALLY WITH REGARD TO PROGRAMS
5 FOR AT-RISK PUPILS AND ENGLISH LANGUAGE LEARNERS, AS DEFINED IN
6 SECTION 22-54.5-103. THE DEPARTMENT SHALL PUBLICIZE THE
7 AVAILABILITY OF THE PROFESSIONAL DEVELOPMENT PROGRAMS AND
8 MAKE THE PROFESSIONAL DEVELOPMENT PROGRAMS AVAILABLE TO
9 PRINCIPALS AT A FREE OR SIGNIFICANTLY REDUCED PRICE. THE
10 DEPARTMENT SHALL ENSURE THAT PROFESSIONAL DEVELOPMENT
11 PROGRAMS ARE AVAILABLE AT LOCATIONS THROUGHOUT THE STATE.

12 (2) THE DEPARTMENT SHALL SUBMIT TO THE EDUCATION
13 COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR
14 ANY SUCCESSOR COMMITTEES, AN ANNUAL REPORT OF THE PERSONS WHO
15 PARTICIPATE IN THE PROFESSIONAL DEVELOPMENT PROGRAMS PROVIDED
16 PURSUANT TO THIS SECTION. THE REPORT, AT A MINIMUM, MUST INCLUDE:

17 (A) THE NAME OF THE PARTICIPANT, THE EMPLOYING SCHOOL
18 DISTRICT OR CHARTER SCHOOL, AND THE SCHOOL OF THE SCHOOL DISTRICT
19 AT WHICH THE PARTICIPANT IS EMPLOYED.

20 (3) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE ONE
21 MILLION DOLLARS TO THE DEPARTMENT FOR THE COSTS INCURRED IN
22 IMPLEMENTING THIS SECTION. THE GENERAL ASSEMBLY SHALL
23 APPROPRIATE THE MONEYS FROM THE INCREASE IN STATE TAX REVENUES
24 RECEIVED AS THE RESULT OF THE PASSAGE OF A STATEWIDE BALLOT
25 MEASURE TO INCREASE STATE TAX REVENUES TO FUND PUBLIC
26 EDUCATION.

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1 **SECTION 13.** In Colorado Revised Statutes, 2-3-1203, **add** (3)
2 (jj.5) as follows:

3 **2-3-1203. Sunset review of advisory committees.** (3) The
4 following dates are the dates for which the statutory authorization for the
5 designated advisory committees is scheduled for repeal:

6 (jj.5) SEPTEMBER 1, 2023:

7 (I) THE EDUCATION INNOVATION BOARD CREATED IN SECTION
8 22-54.5-311 (7), C.R.S.

9 **SECTION 14. Effective date.** (1) This act takes effect upon the
10 proclamation by the governor of the vote cast in a statewide election held
11 no later than November 2017 at which a majority of those voting approve
12 a citizen-initiated increase in state tax revenues for the purpose of funding
13 preschool through twelfth grade public education, so long as the amount
14 of the approved revenue increase is equal to or greater than the total
15 estimated state fiscal impact associated with the payment of the state
16 share of total program pursuant to section 22-54.5-203, investment
17 moneys pursuant to section 22-54.5-301, hold-harmless moneys pursuant
18 to section 22-54.5-302, and per pupil supplemental payments pursuant to
19 section 22-54.5-303, in the second budget year commencing after the
20 increase is approved, as stated in the final fiscal note prepared for Senate
21 Bill 13-213, enacted in 2013.

22 (2) Notwithstanding the provisions of subsection (1) of this
23 section to the contrary:

24 (a) Section 8 of this act takes effect only if House Bill 13-1211
25 does not become law; and

26 (b) Section 9 of this act takes effect only if House Bill 13-1211
27 becomes law.

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