

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

**PREAMENDED**

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

LLS NO. 13-0336.02 Julie Pelegrin x2700

**SENATE BILL 13-213**

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**SENATE SPONSORSHIP**

**Johnston and Heath,**

**HOUSE SPONSORSHIP**

**Hamner,**

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**Senate Committees**  
Education

**House Committees**

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**A BILL FOR AN ACT**

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

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

4 **ARTICLE 54.5**

5 **Public School Finance Act**

6 PART 1

7 GENERAL PROVISIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (9);

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

4 (c);

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 BUDGET FOR A DISTRICT IS ADOPTED.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 (19) "FUNDED MEMBERSHIP" MEANS:

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

17           (31) "SCHOOL DAY" MEANS:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

9 (42) "TOTAL PROGRAM" MEANS:

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 REVENUES FOR THE PURPOSE OF FUNDING PUBLIC EDUCATION.

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

8

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

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

13

## PART 2

14

### TOTAL PROGRAM

15

### AND LOCAL REVENUES

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 AVERAGE DAILY MEMBERSHIP))).

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

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

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

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

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

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

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



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

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

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

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

1 THE APPLICABLE BUDGET YEAR.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11 (III) TWO HUNDRED THOUSAND DOLLARS.

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

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

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

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

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

1       LIMITATION UNDER THIS SUBSECTION (3):

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

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

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

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

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

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

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

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

8 (5) (a) A DISTRICT THAT RECEIVES VOTER APPROVAL PURSUANT TO  
9 THIS SECTION ON OR AFTER JULY 1, 2014, TO COLLECT ADDITIONAL LOCAL  
10 PROPERTY TAX REVENUES SHALL DISTRIBUTE TO EACH CHARTER SCHOOL  
11 OF THE DISTRICT, AS PROVIDED IN SECTION 22-30.5-111.5 (7) (d), A  
12 PORTION OF THE LOCAL PROPERTY TAX REVENUES COLLECTED; EXCEPT  
13 THAT, IF A DISTRICT RECEIVES VOTER APPROVAL PURSUANT TO THIS  
14 SECTION FOR ADDITIONAL LOCAL PROPERTY TAX REVENUES FOR A SPECIFIC  
15 PROGRAM THAT IS IDENTIFIED IN THE BALLOT MEASURE, THE DISTRICT IS  
16 NOT REQUIRED TO DISTRIBUTE A PORTION OF ADDITIONAL LOCAL  
17 PROPERTY TAX REVENUES RECEIVED AS A RESULT OF THE APPROVAL OF  
18 THAT BALLOT MEASURE TO A CHARTER SCHOOL THAT DOES NOT OFFER THE  
19 PROGRAM FOR WHICH THE REVENUES WERE SPECIFICALLY APPROVED.

20 (b) IF A DISTRICT FAILS TO COMPLY WITH THE PROVISIONS OF THIS  
21 SUBSECTION (5), THE STATE BOARD SHALL REVOKE THE DISTRICT'S  
22 EXCLUSIVE AUTHORITY TO CHARTER SCHOOLS WITHIN THE GEOGRAPHIC  
23 BOUNDARIES OF THE DISTRICT AS PROVIDED IN SECTION 22-30.5-504 (7.7).

24 **22-54.5-206. Authorization of additional local revenues - early**  
25 **childhood education.** (1) (a) THE BOARD OF EDUCATION OF A DISTRICT  
26 THAT LEVIES ITS FULL TOTAL PROGRAM MILL LEVY MAY SEEK TO RAISE  
27 AND EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE

1 DISTRICT'S TOTAL PROGRAM TO PROVIDE FUNDING FOR EARLY CHILDHOOD  
2 EDUCATION PROGRAMS IN THE DISTRICT BY SUBMITTING TO THE ELIGIBLE  
3 ELECTORS OF THE DISTRICT THE QUESTION OF WHETHER THE DISTRICT  
4 SHOULD BE AUTHORIZED TO RAISE AND EXPEND ADDITIONAL LOCAL  
5 PROPERTY TAX REVENUES FOR THAT PURPOSE. THE QUESTION MAY ALSO  
6 INCLUDE A QUESTION OF WHETHER TO IMPOSE AN ADDITIONAL MILL LEVY  
7 OF A STATED AMOUNT AND LIMITED DURATION TO MEET THE INITIAL  
8 CAPITAL CONSTRUCTION NEEDS OF THE DISTRICT ASSOCIATED WITH THE  
9 ESTABLISHMENT OF AN EARLY CHILDHOOD EDUCATION PROGRAM.

10 (b) IN ADDITION, IF A DISTRICT THAT LEVIES ITS FULL TOTAL  
11 PROGRAM MILL LEVY RECEIVES BY PROPER SUBMITTAL A VALID INITIATIVE  
12 PETITION TO RAISE AND EXPEND LOCAL PROPERTY TAX REVENUES IN  
13 EXCESS OF THE DISTRICT'S TOTAL PROGRAM TO PROVIDE FUNDING FOR  
14 EARLY CHILDHOOD EDUCATION PROGRAMS, WHICH INITIATIVE PETITION  
15 MAY INCLUDE FUNDING OF A STATED AMOUNT AND LIMITED DURATION TO  
16 MEET THE INITIAL CAPITAL CONSTRUCTION NEEDS ASSOCIATED WITH AN  
17 EARLY CHILDHOOD EDUCATION PROGRAM, 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 PARAGRAPH (b) MUST BE SIGNED BY AT LEAST FIVE PERCENT OF THE  
21 ELIGIBLE ELECTORS IN THE DISTRICT AT THE TIME THE PETITION IS FILED.

22 (c) IF A MILL LEVY QUESTION SUBMITTED TO THE ELIGIBLE  
23 ELECTORS OF A DISTRICT PURSUANT TO PARAGRAPH (a) OR (b) OF THIS  
24 SUBSECTION (1) FOR CAPITAL CONSTRUCTION NEEDS ASSOCIATED WITH  
25 THE DISTRICT'S EARLY CHILDHOOD EDUCATION PROGRAM IS APPROVED  
26 FOR MORE THAN ONE YEAR, THE BOARD OF EDUCATION OF THE DISTRICT  
27 MAY, WITHOUT CALLING AN ELECTION, DECREASE THE AMOUNT OR



1 DURATION OF THE MILL LEVY IN SUBSEQUENT YEARS.

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 EARLY CHILDHOOD EDUCATION FUND OF THE DISTRICT  
18 CREATED IN SECTION 22-45-103 (1) (h). IF THE DISTRICT OBTAINS VOTER  
19 APPROVAL FOR AN ADDITIONAL MILL LEVY TO MEET THE CAPITAL  
20 CONSTRUCTION NEEDS ASSOCIATED WITH THE DISTRICT'S EARLY  
21 CHILDHOOD EDUCATION PROGRAM, THE DISTRICT SHALL DEPOSIT THE  
22 REVENUES GENERATED FROM THAT MILL LEVY IN THE CAPITAL  
23 CONSTRUCTION ACCOUNT OF THE DISTRICT'S EARLY CHILDHOOD  
24 EDUCATION FUND.

25 (4) NOTWITHSTANDING THE PROVISIONS OF SECTION 20 OF  
26 ARTICLE X OF THE STATE CONSTITUTION THAT ALLOW DISTRICTS TO SEEK  
27 VOTER APPROVAL FOR SPENDING AND REVENUE INCREASES, THE

1 PROVISIONS OF THIS SECTION LIMIT A DISTRICT'S AUTHORITY TO RAISE AND  
2 EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE DISTRICT'S  
3 TOTAL PROGRAM.

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

10 (6) (a) A DISTRICT THAT RECEIVES VOTER APPROVAL PURSUANT TO  
11 THIS SECTION ON OR AFTER JULY 1, 2014, TO COLLECT ADDITIONAL LOCAL  
12 PROPERTY TAX REVENUES SHALL DISTRIBUTE TO EACH CHARTER SCHOOL  
13 OF THE DISTRICT, AS PROVIDED IN SECTION 22-30.5-111.5 (7) (d), A  
14 PORTION OF THE LOCAL PROPERTY TAX REVENUES COLLECTED; EXCEPT  
15 THAT, IF A DISTRICT RECEIVES VOTER APPROVAL PURSUANT TO THIS  
16 SECTION FOR ADDITIONAL LOCAL PROPERTY TAX REVENUES FOR A SPECIFIC  
17 PROGRAM THAT IS IDENTIFIED IN THE BALLOT MEASURE, THE DISTRICT IS  
18 NOT REQUIRED TO DISTRIBUTE A PORTION OF ADDITIONAL LOCAL  
19 PROPERTY TAX REVENUES RECEIVED AS A RESULT OF THE APPROVAL OF  
20 THAT BALLOT MEASURE TO A CHARTER SCHOOL THAT DOES NOT OFFER THE  
21 PROGRAM FOR WHICH THE REVENUES WERE SPECIFICALLY APPROVED.

22 (b) IF A DISTRICT FAILS TO COMPLY WITH THE PROVISIONS OF THIS  
23 SUBSECTION (6), THE STATE BOARD SHALL REVOKE THE DISTRICT'S  
24 EXCLUSIVE AUTHORITY TO CHARTER SCHOOLS WITHIN THE GEOGRAPHIC  
25 BOUNDARIES OF THE DISTRICT AS PROVIDED IN SECTION 22-30.5-504 (7.7).

26 **22-54.5-207. Authorization of additional local revenues -**  
27 **technology and building maintenance and operation.** (1) THE BOARD

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

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

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

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

13           (5) (a) A DISTRICT THAT RECEIVES VOTER APPROVAL PURSUANT TO  
14 THIS SECTION ON OR AFTER JULY 1, 2014, TO COLLECT ADDITIONAL LOCAL  
15 PROPERTY TAX REVENUES SHALL DISTRIBUTE TO EACH CHARTER SCHOOL  
16 OF THE DISTRICT, AS PROVIDED IN SECTION 22-30.5-111.5 (7) (d), A  
17 PORTION OF THE LOCAL PROPERTY TAX REVENUES COLLECTED; EXCEPT  
18 THAT, IF A DISTRICT RECEIVES VOTER APPROVAL PURSUANT TO THIS  
19 SECTION FOR ADDITIONAL LOCAL PROPERTY TAX REVENUES FOR A SPECIFIC  
20 PROGRAM THAT IS IDENTIFIED IN THE BALLOT MEASURE, THE DISTRICT IS  
21 NOT REQUIRED TO DISTRIBUTE A PORTION OF ADDITIONAL LOCAL  
22 PROPERTY TAX REVENUES RECEIVED AS A RESULT OF THE APPROVAL OF  
23 THAT BALLOT MEASURE TO A CHARTER SCHOOL THAT DOES NOT OFFER THE  
24 PROGRAM FOR WHICH THE REVENUES WERE SPECIFICALLY APPROVED.

25           (b) IF A DISTRICT FAILS TO COMPLY WITH THE PROVISIONS OF THIS  
26 SUBSECTION (5), THE STATE BOARD SHALL REVOKE THE DISTRICT'S  
27 EXCLUSIVE AUTHORITY TO CHARTER SCHOOLS WITHIN THE GEOGRAPHIC

1 BOUNDARIES OF THE DISTRICT AS PROVIDED IN SECTION 22-30.5-504 (7.7).

2 **22-54.5-208. Authorization of additional local revenues - cost**

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

4 LEVIES ITS FULL TOTAL PROGRAM MILL LEVY MAY SEEK TO RAISE AND

5 EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE DISTRICT'S

6 TOTAL PROGRAM, SUBJECT TO THE LIMITATIONS SPECIFIED IN SUBSECTION

7 (4) OF THIS SECTION, TO PROVIDE FUNDING FOR COST OF LIVING EXPENSES

8 FOR DISTRICT EMPLOYEES BY SUBMITTING TO THE ELIGIBLE ELECTORS OF

9 THE DISTRICT THE QUESTION OF WHETHER THE DISTRICT SHOULD BE

10 AUTHORIZED TO RAISE AND EXPEND ADDITIONAL LOCAL PROPERTY TAX

11 REVENUES FOR THAT PURPOSE. IN ADDITION, IF A DISTRICT THAT LEVIES

12 ITS FULL TOTAL PROGRAM MILL LEVY RECEIVES BY PROPER SUBMITTAL A

13 VALID INITIATIVE PETITION TO RAISE AND EXPEND LOCAL PROPERTY TAX

14 REVENUES IN EXCESS OF THE DISTRICT'S TOTAL PROGRAM, SUBJECT TO THE

15 LIMITATIONS SPECIFIED IN SUBSECTION (4) OF THIS SECTION, TO PROVIDE

16 FUNDING FOR COST OF LIVING EXPENSES FOR DISTRICT EMPLOYEES, THE

17 BOARD OF EDUCATION OF THE DISTRICT MUST SUBMIT THE QUESTION TO

18 THE ELIGIBLE ELECTORS OF THE DISTRICT. AN INITIATIVE PETITION

19 SUBMITTED PURSUANT TO THIS SUBSECTION (1) MUST BE SIGNED BY AT

20 LEAST FIVE PERCENT OF THE ELIGIBLE ELECTORS IN THE DISTRICT AT THE

21 TIME THE PETITION IS FILED.

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

23 ADDITIONAL LOCAL PROPERTY TAXES PURSUANT TO THIS SECTION TO THE

24 ELIGIBLE ELECTORS AT AN ELECTION HELD IN ACCORDANCE WITH SECTION

25 20 OF ARTICLE X OF THE STATE CONSTITUTION AND TITLE 1, C.R.S. IF THE

26 QUESTION IS APPROVED BY A MAJORITY OF THE ELIGIBLE ELECTORS

27 VOTING IN THE ELECTION, THE DISTRICT IS AUTHORIZED TO COLLECT THE

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

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

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

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

27 (II) NOTWITHSTANDING ANY PROVISION OF SUBPARAGRAPH (I) OF

1 THIS PARAGRAPH (b) TO THE CONTRARY, BEGINNING WITH THE 2016-17  
2 BUDGET YEAR, THE LIMITATION ON THE AMOUNT OF ADDITIONAL  
3 PROPERTY TAX REVENUE THAT A DISTRICT MAY RAISE PURSUANT TO THIS  
4 SECTION INCREASES ANNUALLY BY THE RATE OF INFLATION.

5 (c) THE DIFFERENCE BETWEEN THE DISTRICT'S TOTAL PROGRAM AS  
6 CALCULATED BEFORE APPLICATION OF THE NEGATIVE FACTOR PURSUANT  
7 TO SECTION 22-54-104 (5) (g), AS IT EXISTED PRIOR TO REPEAL, FOR THE  
8 2014-15 BUDGET YEAR AND THE DISTRICT'S TOTAL PROGRAM CALCULATED  
9 PURSUANT TO SECTION 22-54.5-201 FOR THE 2015-16 BUDGET YEAR  
10 APPLIES TO CALCULATING THE LIMITATION IN THIS SUBSECTION (4).

11 (5) FOR PURPOSES OF THIS SECTION, "COST OF LIVING EXPENSES"  
12 INCLUDES THE COSTS OF FOOD, HOUSING, CLOTHING, AND  
13 TRANSPORTATION THAT MAY BE GREATER WITHIN THE DISTRICT THAN IN  
14 OTHER AREAS OF THE STATE BECAUSE OF THE ECONOMIC CONDITIONS  
15 EXISTING WITHIN THE DISTRICT.

16 (6) (a) A DISTRICT THAT RECEIVES VOTER APPROVAL PURSUANT TO  
17 THIS SECTION ON OR AFTER JULY 1, 2014, TO COLLECT ADDITIONAL LOCAL  
18 PROPERTY TAX REVENUES SHALL DISTRIBUTE TO EACH CHARTER SCHOOL  
19 OF THE DISTRICT, AS PROVIDED IN SECTION 22-30.5-111.5 (7) (d), A  
20 PORTION OF THE PROPERTY TAX REVENUES COLLECTED.

21 (b) IF A DISTRICT FAILS TO COMPLY WITH THE PROVISIONS OF THIS  
22 SUBSECTION (6), THE STATE BOARD SHALL REVOKE THE DISTRICT'S  
23 EXCLUSIVE AUTHORITY TO CHARTER SCHOOLS WITHIN THE GEOGRAPHIC  
24 BOUNDARIES OF THE DISTRICT AS PROVIDED IN SECTION 22-30.5-504 (7.7).

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 REPAID 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 REPAID 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 REPAID  
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.** (1) (a) IN  
16 ADDITION TO THE STATE SHARE CALCULATED PURSUANT TO SECTION  
17 22-54.5-203 FOR DISTRICTS AND THE TOTAL PROGRAM FUNDING FOR  
18 INSTITUTE CHARTER SCHOOLS, EACH DISTRICT AND EACH INSTITUTE  
19 CHARTER SCHOOL SHALL ANNUALLY RECEIVE THE PER PUPIL AMOUNT OF  
20 TEACHING AND LEADERSHIP INVESTMENT MONEYS THAT THE DEPARTMENT  
21 CALCULATES ANNUALLY PURSUANT TO PARAGRAPH (b) OF THIS  
22 SUBSECTION (1), MULTIPLIED BY THE DISTRICT'S OR THE INSTITUTE  
23 CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE  
24 FUNDING AVERAGING PERIOD. THE DEPARTMENT SHALL DISTRIBUTE THE  
25 INVESTMENT MONEYS WITH EACH DISTRICT'S STATE SHARE AND WITH  
26 EACH INSTITUTE CHARTER SCHOOL'S FUNDING AS PROVIDED IN SECTION  
27 22-54.5-408. IF A DISTRICT DOES NOT RECEIVE STATE SHARE, THE

1 DEPARTMENT SHALL DISTRIBUTE THE DISTRICT'S INVESTMENT MONEYS IN  
2 ACCORDANCE WITH THE PROVISIONS OF SECTION 22-54.5-408.

3 (b) THE DEPARTMENT SHALL ANNUALLY SET THE PER PUPIL  
4 AMOUNT OF INVESTMENT MONEYS AS:

5 (I) FOR THE 2015-16 BUDGET YEAR, SIX HUNDRED DOLLARS; AND

6 (II) FOR THE 2016-17 BUDGET YEAR AND BUDGET YEARS  
7 THEREAFTER, AN AMOUNT EQUAL TO FIFTY PERCENT OF THE TAX  
8 REVENUES GENERATED IN THE PRECEDING INCOME TAX YEAR BY A  
9 STATEWIDE BALLOT MEASURE THAT INCREASES STATE TAX REVENUES FOR  
10 THE PURPOSE OF FUNDING PUBLIC EDUCATION, DIVIDED BY THE TOTAL  
11 AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING  
12 PERIOD OF ALL DISTRICTS AND ALL INSTITUTE CHARTER SCHOOLS, WHICH  
13 ARE NOT MULTI-DISTRICT ON-LINE SCHOOLS, IN THE STATE.

14 (2) EACH DISTRICT, DISTRICT CHARTER SCHOOL, AND INSTITUTE  
15 CHARTER SCHOOL SHALL USE THE INVESTMENT MONEYS RECEIVED  
16 PURSUANT TO THIS SECTION TO PAY THE COSTS INCURRED IN PROVIDING  
17 STAFF SUPPORT AND PROFESSIONAL DEVELOPMENT NECESSARY TO  
18 IMPLEMENT:

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

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

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

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



1 SECTION:

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

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

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

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

17 (DISTRICT'S 2014-15 STATE SHARE - DISTRICT'S STATE  
18 FUNDING) + (0.02 X (DISTRICT'S TOTAL PROGRAM +  
19 DISTRICT'S INVESTMENT MONEYS)

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

25 (c) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE  
26 CONTRARY, THE DEPARTMENT SHALL REDUCE A DISTRICT'S  
27 HOLD-HARMLESS MONEYS AS NECESSARY TO ENSURE THAT, IN ANY

1 BUDGET YEAR, THE DISTRICT'S HOLD-HARMLESS MONEYS PLUS THE  
2 DISTRICT'S LOCAL SHARE AND STATE SHARE DO NOT EXCEED THE GREATER  
3 OF THE DISTRICT'S TOTAL PROGRAM FOR THE APPLICABLE BUDGET YEAR OR  
4 THE DISTRICT'S TOTAL PROGRAM FOR THE 2014-15 BUDGET YEAR  
5 CALCULATED PURSUANT TO SECTION 22-54-104, AS IT EXISTED PRIOR TO  
6 REPEAL.

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

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

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

1           22-54.5-303. Per pupil supplemental payment - per pupil  
2 supplemental fund - created - definitions. (1) FOR PURPOSES OF THIS  
3 SECTION:

4           (a) "DISTRICT'S PER PUPIL REVENUE" MEANS, FOR EACH BUDGET  
5 YEAR, THE SUM OF THE AMOUNT OF LOCAL PROPERTY TAX REVENUES  
6 GENERATED FROM THE NUMBER OF MILLS A DISTRICT LEVIES FOR TOTAL  
7 PROGRAM PLUS THE SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE  
8 DISTRICT PLUS THE STATE SHARE PAID TO THE DISTRICT PLUS ANY  
9 HOLD-HARMLESS MONEYS PAID TO THE DISTRICT PURSUANT TO SECTION  
10 22-54.5-302, DIVIDED BY THE DISTRICT'S FUNDED MEMBERSHIP FOR THE  
11 APPLICABLE BUDGET YEAR.

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

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

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

27           (b) THE DEPARTMENT SHALL CALCULATE THE AMOUNT PAYABLE

1 TO EACH DISTRICT BY SUBTRACTING THE DISTRICT'S PER PUPIL REVENUE  
2 FOR THE APPLICABLE BUDGET YEAR FROM THE STATE AVERAGE PER PUPIL  
3 REVENUE FOR THE APPLICABLE BUDGET YEAR AND MULTIPLYING THE  
4 DIFFERENCE BY THE DISTRICT'S FUNDED MEMBERSHIP FOR THE APPLICABLE  
5 BUDGET YEAR.

6 (c) THE DEPARTMENT SHALL CALCULATE THE AMOUNT PAYABLE  
7 TO EACH INSTITUTE CHARTER SCHOOL BY SUBTRACTING THE INSTITUTE  
8 CHARTER SCHOOL'S PER PUPIL REVENUE FOR THE APPLICABLE BUDGET  
9 YEAR FROM THE STATE AVERAGE PER PUPIL REVENUE FOR THE APPLICABLE  
10 BUDGET YEAR AND MULTIPLYING THE DIFFERENCE BY THE INSTITUTE  
11 CHARTER SCHOOL'S FUNDED MEMBERSHIP FOR THE APPLICABLE BUDGET  
12 YEAR.

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

17 (3) (a) THERE IS CREATED IN THE STATE TREASURY THE PER PUPIL  
18 SUPPLEMENTAL FUND CONSISTING OF SUCH MONEYS AS THE GENERAL  
19 ASSEMBLY MAY APPROPRIATE TO THE FUND. THE MONEYS IN THE FUND  
20 ARE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY TO  
21 THE DEPARTMENT FOR DISTRIBUTION TO DISTRICTS AND INSTITUTE  
22 CHARTER SCHOOLS AS PROVIDED IN THIS SECTION.

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

1 THE FUND AT THE END OF A FISCAL YEAR MUST REMAIN IN THE FUND AND  
2 SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR  
3 ANOTHER FUND.

4 (4) IN A BUDGET YEAR IN WHICH THE GENERAL ASSEMBLY DOES  
5 NOT APPROPRIATE A SUFFICIENT AMOUNT TO FULLY FUND THE PER PUPIL  
6 SUPPLEMENTAL PAYMENTS AUTHORIZED IN SUBSECTION (2) OF THIS  
7 SECTION, THE DEPARTMENT SHALL REDUCE EACH DISTRICT'S AND EACH  
8 INSTITUTE CHARTER SCHOOL'S PAYMENT BY THE SAME PERCENTAGE THAT  
9 THE DEFICIT BEARS TO THE AMOUNT REQUIRED TO FULLY FUND THE PER  
10 PUPIL SUPPLEMENTAL PAYMENTS AUTHORIZED BY SUBSECTION (2) OF THIS  
11 SECTION.

12 **22-54.5-304. Mill levy equalization - mill levy equalization**  
13 **fund - created - definitions.** (1) FOR PURPOSES OF THIS SECTION:

14 (a) "DISTRICT MILL LEVY EQUALIZATION PAYMENT" MEANS AN  
15 AMOUNT EQUAL TO:

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

21 (II) THE AMOUNT OF PROPERTY TAX REVENUES RECEIVED FROM  
22 THE LEVY OF TWO AND FIVE-TENTHS MILLS BY THE ELIGIBLE DISTRICT FOR  
23 THE PROPERTY TAX YEAR IN WHICH THE ELIGIBLE DISTRICT APPLIES FOR  
24 THE MILL LEVY EQUALIZATION PAYMENT.

25 (b) "DISTRICT PER PUPIL EQUALIZATION" MEANS AN AMOUNT  
26 EQUAL TO THE AMOUNT OF PROPERTY TAX REVENUE THAT WOULD BE  
27 GENERATED BY A LEVY OF TWO AND FIVE-TENTHS MILLS ON THE

1 STATEWIDE ASSESSED PROPERTY VALUATION FOR THE BUDGET YEAR IN  
2 WHICH AN ELIGIBLE DISTRICT RECEIVES VOTER APPROVAL FOR AN  
3 INCREASE IN PROPERTY TAX REVENUES, DIVIDED BY THE TOTAL AVERAGE  
4 DAILY MEMBERSHIP PLUS TOTAL ON-LINE AVERAGE DAILY MEMBERSHIP  
5 FOR ALL DISTRICTS FOR THE FUNDING AVERAGING PERIOD FOR THAT  
6 BUDGET YEAR.

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

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

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

20 (d) "FUND" MEANS THE MILL LEVY EQUALIZATION FUND CREATED  
21 IN SUBSECTION (5) OF THIS SECTION.

22 (e) "PER PUPIL SHARE" MEANS THE AMOUNT OF MILL LEVY  
23 EQUALIZATION PAYMENT RECEIVED BY A DISTRICT DIVIDED BY THE  
24 DISTRICT'S COMBINED AVERAGE DAILY MEMBERSHIP AND ON-LINE  
25 AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING  
26 PERIOD.

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

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

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

11 (3) (a) IN A BUDGET YEAR IN WHICH AN ELIGIBLE DISTRICT  
12 RECEIVES A MILL LEVY EQUALIZATION PAYMENT PURSUANT TO THIS  
13 SECTION, THE ELIGIBLE DISTRICT MUST DISTRIBUTE TO EACH CHARTER  
14 SCHOOL OF THE DISTRICT AN AMOUNT EQUAL TO THE PER PUPIL SHARE  
15 MULTIPLIED BY THE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP OR  
16 ON-LINE AVERAGE DAILY MEMBERSHIP, WHICHEVER IS APPLICABLE, FOR  
17 THE APPLICABLE FUNDING AVERAGING PERIOD. IF A DISTRICT FAILS TO  
18 COMPLY WITH THE PROVISIONS OF THIS SUBSECTION (3), THE STATE BOARD  
19 SHALL REVOKE THE DISTRICT'S EXCLUSIVE AUTHORITY TO CHARTER  
20 SCHOOLS WITHIN THE GEOGRAPHIC BOUNDARIES OF THE DISTRICT AS  
21 PROVIDED IN SECTION 22-30.5-504 (7.7).

22 (b) NOTWITHSTANDING THE PROVISIONS OF THIS SUBSECTION (3)  
23 TO THE CONTRARY:

24 (I) IF A CHARTER SCHOOL IS IN THE FIRST YEAR OF ENROLLING  
25 PUPILS, THE DISTRICT SHALL CALCULATE THE AMOUNT DUE TO THE  
26 CHARTER SCHOOL PURSUANT TO THIS SUBSECTION (3) BASED ON THE  
27 CHARTER SCHOOL'S PROJECTED MEMBERSHIP OR ON-LINE PUPIL

1 ENROLLMENT, WHICHEVER IS APPLICABLE, FOR THE FIRST DAY OF THE  
2 SCHOOL YEAR.

3 (II) IF A CHARTER SCHOOL IS IN THE SECOND YEAR OF ENROLLING  
4 PUPILS, THE DISTRICT SHALL CALCULATE THE AMOUNT DUE TO THE  
5 CHARTER SCHOOL PURSUANT TO THIS SUBSECTION (3) BASED ON THE  
6 CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP OR ON-LINE AVERAGE  
7 DAILY MEMBERSHIP, WHICHEVER IS APPLICABLE, FOR THE FIRST HALF OF  
8 THE PRECEDING SCHOOL YEAR.

9 (4) A MILL LEVY EQUALIZATION PAYMENT THAT A DISTRICT  
10 RECEIVES PURSUANT TO THIS SECTION IS IN ADDITION TO ANY OTHER  
11 STATE MONEYS THAT THE DISTRICT RECEIVES FOR THE APPLICABLE  
12 BUDGET YEAR.

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

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

27 (6) IN A BUDGET YEAR IN WHICH THE GENERAL ASSEMBLY DOES



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

7 **22-54.5-305. Mill levy elections - administrative costs.** (1) A  
8 DISTRICT THAT, PURSUANT TO SECTION 22-54.5-203 (4) (a), MUST SEEK  
9 VOTER APPROVAL FOR A MILL LEVY INCREASE MAY APPLY TO THE  
10 DEPARTMENT FOR REIMBURSEMENT OF ELECTION COSTS IF:

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

14 (b) THE COUNTY CLERK AND RECORDER'S OFFICE THAT  
15 ADMINISTERS THE ELECTION REQUIRES THE DISTRICT TO PAY THE  
16 ADMINISTRATION COSTS FOR THE ELECTION.

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

22 (3) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE TO  
23 THE DEPARTMENT THE AMOUNT NECESSARY TO REIMBURSE DISTRICTS FOR  
24 ELECTION COSTS PURSUANT TO THIS SECTION. IF THE AMOUNT  
25 APPROPRIATED IN A BUDGET YEAR IS LESS THAN THE AMOUNT REQUIRED  
26 TO FULLY REIMBURSE DISTRICTS PURSUANT TO THIS SECTION, THE  
27 DEPARTMENT SHALL REDUCE EACH DISTRICT'S REIMBURSEMENT BY THE

1 PERCENTAGE OF THE OVERALL DEFICIT.

2 **22-54.5-306. Small attendance center aid.** (1) A DISTRICT IS  
3 ELIGIBLE FOR AID PURSUANT TO THIS SECTION IF:

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

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

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

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

1 DIFFERENCE BY TWO HUNDRED.

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

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

16 (5) FOR PURPOSES OF THIS SECTION, A DISTRICT CHARTER SCHOOL  
17 MAY QUALIFY AS A SMALL ATTENDANCE CENTER IN ITS FIRST YEAR OF  
18 ENROLLING PUPILS IF THE NEW CHARTER SCHOOL'S PROJECTED  
19 MEMBERSHIP ON THE FIRST SCHOOL DAY IN WHICH IT ENROLLS PUPILS IS  
20 FEWER THAN TWO HUNDRED PUPILS. A DISTRICT CHARTER SCHOOL MAY  
21 QUALIFY AS A SMALL ATTENDANCE CENTER IN ITS SECOND YEAR OF  
22 ENROLLING PUPILS IF THE CHARTER SCHOOL'S AVERAGE DAILY  
23 MEMBERSHIP FOR THE FIRST HALF OF THE PRECEDING SCHOOL YEAR IS  
24 FEWER THAN TWO HUNDRED PUPILS.

25 **22-54.5-307. National school meal programs - appropriation**  
26 **of state matching funds - definitions.** (1) AS USED IN THIS SECTION,  
27 UNLESS THE CONTEXT OTHERWISE REQUIRES:

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

5 (b) "SCHOOL FOOD AUTHORITY" MEANS:

6 (I) A SCHOOL DISTRICT OR THE STATE CHARTER SCHOOL  
7 INSTITUTE;

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

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

13 (IV) A DISTRICT CHARTER SCHOOL OR AN INSTITUTE CHARTER  
14 SCHOOL THAT:

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

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

20 (2) THE GENERAL ASSEMBLY SHALL APPROPRIATE BY SEPARATE  
21 LINE ITEM AN AMOUNT TO COMPLY WITH THE REQUIREMENTS FOR STATE  
22 MATCHING FUNDS UNDER THE FEDERAL "NATIONAL SCHOOL LUNCH ACT",  
23 42 U.S.C. SEC. 1751 ET SEQ. THE DEPARTMENT SHALL DEVELOP  
24 PROCEDURES TO ALLOCATE AND DISBURSE THE FUNDS AMONG  
25 PARTICIPATING SCHOOL FOOD AUTHORITIES EACH YEAR IN AN EQUITABLE  
26 MANNER SO AS TO COMPLY WITH THE REQUIREMENTS OF THE FEDERAL  
27 ACT.

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

9 (b) EACH SCHOOL DISTRICT THAT RECEIVES MONEYS PURSUANT TO  
10 THIS SUBSECTION (3) MUST USE THE MONEYS TO CREATE, EXPAND, OR  
11 ENHANCE THE SCHOOL BREAKFAST PROGRAM IN EACH LOW-PERFORMING  
12 SCHOOL OF THE RECEIVING DISTRICT WITH THE GOAL OF IMPROVING THE  
13 ACADEMIC PERFORMANCE OF THE STUDENTS ATTENDING THE SCHOOLS.

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

24 **22-54.5-308. Declining enrollment districts with new charter**  
25 **schools - additional aid - definitions.** (1) AS USED IN THIS SECTION,  
26 UNLESS THE CONTEXT OTHERWISE REQUIRES:

27 (a) "DECLINING ENROLLMENT DISTRICT" MEANS A DISTRICT WHOSE

1 FUNDED MEMBERSHIP IS GREATER THAN THE SUM OF THE DISTRICT'S  
2 AVERAGE DAILY MEMBERSHIP, ON-LINE AVERAGE DAILY MEMBERSHIP,  
3 AND ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP FOR THE FUNDING  
4 AVERAGING PERIOD FOR THE APPLICABLE BUDGET YEAR.

5 (b) "NEW CHARTER SCHOOL ENROLLMENT" MEANS THE PROJECTED  
6 MEMBERSHIP OF A NEW DISTRICT CHARTER SCHOOL OF A DECLINING  
7 ENROLLMENT DISTRICT FOR THE FIRST SCHOOL DAY FOR THE BUDGET YEAR  
8 IN WHICH THE NEW DISTRICT CHARTER SCHOOL IS OPENED IN THE  
9 DECLINING ENROLLMENT DISTRICT.

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

20 (3) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE  
21 MONEYS FROM THE GENERAL FUND OR ANY OTHER SOURCE FOR  
22 ADDITIONAL AID TO A DECLINING ENROLLMENT DISTRICT IN WHICH A NEW  
23 CHARTER SCHOOL IS OPENED. THE DEPARTMENT SHALL DISTRIBUTE THE  
24 ADDITIONAL AID TO ALL DECLINING ENROLLMENT DISTRICTS IN WHICH  
25 NEW CHARTER SCHOOLS ARE OPENED IN THE BUDGET YEAR FOR WHICH THE  
26 AID IS APPROPRIATED. THE DEPARTMENT SHALL DISTRIBUTE THE  
27 ADDITIONAL AID AMONG THE DECLINING ENROLLMENT DISTRICTS IN WHICH

1 NEW CHARTER SCHOOLS ARE OPENED IN THE PROPORTION THAT THE  
2 DECLINING ENROLLMENT DISTRICT'S NEW CHARTER SCHOOL ENROLLMENT  
3 BEARS TO THE TOTAL NEW CHARTER SCHOOL ENROLLMENT IN ALL  
4 DECLINING ENROLLMENT DISTRICTS STATEWIDE IN WHICH NEW CHARTER  
5 SCHOOLS ARE OPENED IN THE BUDGET YEAR FOR WHICH THE ADDITIONAL  
6 AID IS APPROPRIATED; EXCEPT THAT A DECLINING ENROLLMENT DISTRICT  
7 SHALL NOT RECEIVE MORE THAN THREE HUNDRED THOUSAND DOLLARS OF  
8 ADDITIONAL AID PURSUANT TO THIS SECTION.

9 **22-54.5-309. State assistance for charter schools - use of state**  
10 **education fund moneys - definitions.** (1) AS USED IN THIS SECTION,  
11 UNLESS THE CONTEXT OTHERWISE REQUIRES:

12 (a) "CAPITAL CONSTRUCTION" MEANS CONSTRUCTION,  
13 DEMOLITION, REMODELING, FINANCING, PURCHASING, OR LEASING OF  
14 LAND, BUILDINGS, OR FACILITIES USED TO EDUCATE PUPILS ENROLLED IN  
15 OR TO BE ENROLLED IN A CHARTER SCHOOL.

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

19 (c) "DISTRICT'S CERTIFIED CHARTER SCHOOL AVERAGE DAILY  
20 MEMBERSHIP" MEANS THE PROJECTED TOTAL AVERAGE DAILY  
21 MEMBERSHIP OF PUPILS WHO ARE NOT ON-LINE PUPILS, AS DEFINED IN  
22 SECTION 22-30.5-103 (6), FOR ALL QUALIFIED CHARTER SCHOOLS THAT  
23 RECEIVE FUNDING FROM THE DISTRICT PURSUANT TO SECTION  
24 22-30.5-111.5 FOR THE FUNDING AVERAGING PERIOD FOR THE BUDGET  
25 YEAR FOR WHICH STATE EDUCATION FUND MONEYS ARE APPROPRIATED  
26 AND DISTRIBUTED PURSUANT TO SUBSECTION (4) OF THIS SECTION, AS  
27 CERTIFIED BY THE DEPARTMENT PURSUANT TO PARAGRAPH (b) OF

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

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

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

27 (A) A CHARTER SCHOOL THAT IS NOT OPERATING IN A SCHOOL



1 DISTRICT FACILITY AND THAT HAS CAPITAL CONSTRUCTION COSTS;

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

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

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

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

13 (B) A CHARTER SCHOOL THAT DOES NOT HAVE CAPITAL  
14 CONSTRUCTION COSTS; OR

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

21 (2)(a) A DISTRICT IS ELIGIBLE TO RECEIVE STATE EDUCATION FUND  
22 MONEYS FOR DISTRICT CHARTER SCHOOL CAPITAL CONSTRUCTION  
23 PURSUANT TO THIS SECTION IF AT LEAST ONE QUALIFIED DISTRICT  
24 CHARTER SCHOOL RECEIVES FUNDING FROM THE DISTRICT PURSUANT TO  
25 SECTION 22-30.5-111.5 DURING THE BUDGET YEAR FOR WHICH STATE  
26 EDUCATION FUND MONEYS ARE DISTRIBUTED.

27 (b) AN INSTITUTE CHARTER SCHOOL IS ELIGIBLE TO RECEIVE STATE

1 EDUCATION FUND MONEYS FOR INSTITUTE CHARTER SCHOOL CAPITAL  
2 CONSTRUCTION IF THE INSTITUTE CHARTER SCHOOL RECEIVES FUNDING  
3 FROM THE STATE CHARTER SCHOOL INSTITUTE PURSUANT TO SECTION  
4 22-30.5-513.5 DURING THE BUDGET YEAR FOR WHICH STATE EDUCATION  
5 FUND MONEYS ARE DISTRIBUTED.

6 (3) (a) (I) THE GENERAL ASSEMBLY SHALL ANNUALLY  
7 APPROPRIATE FROM THE STATE EDUCATION FUND CREATED IN SECTION 17  
8 (4) OF ARTICLE IX OF THE STATE CONSTITUTION TO THE DEPARTMENT A  
9 TOTAL OF SIX MILLION DOLLARS FOR ALL ELIGIBLE DISTRICTS AND FOR ALL  
10 ELIGIBLE INSTITUTE CHARTER SCHOOLS FOR DISTRIBUTION PURSUANT TO  
11 THIS SECTION.

12 (II) FROM THE MONEYS APPROPRIATED PURSUANT TO  
13 SUBPARAGRAPH (I) OF THIS PARAGRAPH (a), THE DEPARTMENT SHALL  
14 DISTRIBUTE TO EACH ELIGIBLE DISTRICT AND EACH ELIGIBLE INSTITUTE  
15 CHARTER SCHOOL AN AMOUNT EQUAL TO THE PERCENTAGE OF THE SUM OF  
16 THE DISTRICT'S CERTIFIED CHARTER SCHOOL AVERAGE DAILY MEMBERSHIP  
17 AND THE INSTITUTE CHARTER SCHOOL'S CERTIFIED AVERAGE DAILY  
18 MEMBERSHIP FOR ALL ELIGIBLE DISTRICTS AND ELIGIBLE INSTITUTE  
19 CHARTER SCHOOLS IN THE STATE THAT IS ATTRIBUTABLE TO THE ELIGIBLE  
20 DISTRICT OR ELIGIBLE INSTITUTE CHARTER SCHOOL, MULTIPLIED BY THE  
21 TOTAL AMOUNT OF STATE EDUCATION FUND MONEYS APPROPRIATED FOR  
22 THE APPLICABLE BUDGET YEAR PURSUANT TO SUBPARAGRAPH (I) OF THIS  
23 PARAGRAPH (a).

24 (b) NO LATER THAN FEBRUARY 1 OF EACH BUDGET YEAR, THE  
25 DEPARTMENT SHALL CERTIFY TO THE EDUCATION COMMITTEES OF THE  
26 SENATE AND THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR  
27 COMMITTEES, AND TO THE JOINT BUDGET COMMITTEE OF THE GENERAL

1 ASSEMBLY THE PROJECTED TOTAL AVERAGE DAILY MEMBERSHIP FOR ALL  
2 QUALIFIED CHARTER SCHOOLS IN THE STATE FOR THE FUNDING AVERAGING  
3 PERIOD FOR THE NEXT BUDGET YEAR, AS DERIVED FROM REPORTS  
4 PROVIDED TO THE DEPARTMENT BY DISTRICTS PURSUANT TO SECTION  
5 22-30.5-111.5 (2) AND BY INSTITUTE CHARTER SCHOOLS PURSUANT TO  
6 SECTION 22-30.5-513.5 (2). FOR THE PURPOSES OF THE CERTIFICATION, A  
7 PUPIL EXPECTED TO BE ENROLLED IN A QUALIFIED CHARTER SCHOOL AS  
8 DEFINED IN SUB-SUBPARAGRAPH (B) OF SUBPARAGRAPH (I) OF PARAGRAPH  
9 (e) OF SUBSECTION (1) OF THIS SECTION IS COUNTED AS ONE-HALF OF ONE  
10 PUPIL.

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

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

22 (6) PURSUANT TO SECTION 17 (3) OF ARTICLE IX OF THE STATE  
23 CONSTITUTION, THE MONEYS APPROPRIATED BY THE GENERAL ASSEMBLY  
24 OUT OF THE STATE EDUCATION FUND, RECEIVED BY AN ELIGIBLE DISTRICT  
25 OR ELIGIBLE INSTITUTE CHARTER SCHOOL PURSUANT TO THIS SECTION,  
26 AND DISTRIBUTED TO A QUALIFIED CHARTER SCHOOL BY A DISTRICT  
27 PURSUANT TO THIS SECTION AND SECTION 22-30.5-111.5 ARE EXEMPT

1 FROM:

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

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

8 (7) THE GENERAL ASSEMBLY FINDS THAT, FOR PURPOSES OF  
9 SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, PROVIDING  
10 FUNDING FOR CHARTER SCHOOL CAPITAL CONSTRUCTION FROM MONEYS  
11 IN THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX  
12 OF THE STATE CONSTITUTION IS A PERMISSIBLE USE OF THE MONEYS IN THE  
13 STATE EDUCATION FUND BECAUSE THE MONEYS ARE BEING USED FOR  
14 PUBLIC SCHOOL BUILDING CAPITAL CONSTRUCTION AS AUTHORIZED BY  
15 SECTION 17 (4) (b) OF ARTICLE IX OF THE STATE CONSTITUTION.

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

1 GENERAL FUND AND SHALL NOT BE TRANSFERRED TO ANOTHER FUND.

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

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

8 (II) FINANCIAL EMERGENCIES ARISING FROM THE NONPAYMENT OF  
9 PROPERTY TAXES PENDING THE OUTCOME OF AN ADMINISTRATIVE APPEAL  
10 OR LITIGATION OR BOTH CHALLENGING THE INCLUSION OF THE VALUE OF  
11 CERTAIN PROPERTY IN A COUNTY'S ABSTRACT OF ASSESSMENT THAT  
12 RESULTED FROM A CHANGE IN THE APPLICABLE STATE LAW;

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

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

22 (V) UNUSUAL FINANCIAL BURDEN CAUSED BY INSTRUCTION OF  
23 CHILDREN WHO FORMERLY RESIDED OUTSIDE THE DISTRICT BUT ARE  
24 ASSIGNED TO LIVE WITHIN THE DISTRICT BY COURTS OR PUBLIC WELFARE  
25 AGENCIES. SUPPLEMENTAL ASSISTANCE UNDER THIS CIRCUMSTANCE MUST  
26 NOT EXCEED THE ADDITIONAL COST FOR CURRENT OPERATIONS INCURRED  
27 BY THIS CIRCUMSTANCE.

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

8 (VII) UNUSUAL FINANCIAL BURDEN CAUSED BY A SIGNIFICANT  
9 DECLINE IN AVERAGE DAILY MEMBERSHIP AS A RESULT OF DETACHMENT  
10 AND ANNEXATION PURSUANT TO A REORGANIZATION PLAN APPROVED  
11 PURSUANT TO ARTICLE 30 OF THIS TITLE.

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

21 (d) IF THE DEPARTMENT PAYS SUPPLEMENTAL ASSISTANCE  
22 PURSUANT TO SUBPARAGRAPH (II) OF PARAGRAPH (b) OF SUBSECTION (1)  
23 OF THIS SECTION AND THE DISPUTED PROPERTY IS FINALLY DETERMINED  
24 TO HAVE BEEN PROPERLY INCLUDED IN THE ABSTRACT OF ASSESSMENT,  
25 THE DISTRICT SHALL REIMBURSE TO THE CONTINGENCY RESERVE FUND THE  
26 AMOUNT OF SUPPLEMENTAL ASSISTANCE PAID, PLUS INTEREST AT THE  
27 SAME RATE AS PROVIDED BY STATUTE FOR PENALTY INTEREST ON UNPAID

1 PROPERTY TAXES, AFTER THE DISTRICT COLLECTS THE TAXES IN FULL.

2 (e) IN ADDITION TO A REIMBURSEMENT PURSUANT TO PARAGRAPH  
3 (d) OF THIS SUBSECTION (1), THE DEPARTMENT SHALL CREDIT TO THE  
4 CONTINGENCY RESERVE FUND ANY OTHER REIMBURSEMENT BY A SCHOOL  
5 DISTRICT OF A PAYMENT FOR SUPPLEMENTAL ASSISTANCE MADE PURSUANT  
6 TO THIS SUBSECTION (1).

7 (2) A DISTRICT MAY APPLY FOR SUPPLEMENTAL ASSISTANCE  
8 PURSUANT TO SUBSECTION (1) OF THIS SECTION BY SUBMITTING TO THE  
9 DEPARTMENT AN APPLICATION THAT, AT A MINIMUM, DESCRIBES FULLY  
10 THE GROUNDS UPON WHICH IT RELIES FOR ASSISTANCE. THE PRESIDENT  
11 AND SECRETARY OF THE DISTRICT BOARD OF EDUCATION SHALL SWEAR  
12 UNDER OATH TO THE CONTENTS OF THE APPLICATION.

13 (3) THE STATE BOARD SHALL INVESTIGATE EACH APPLICATION, AS  
14 IT DEEMS NECESSARY, AND, IF IT FINDS THAT AN APPLICATION SHOULD BE  
15 APPROVED, IT SHALL DETERMINE THE AMOUNT OF SUPPLEMENTAL  
16 ASSISTANCE THAT THE DISTRICT RECEIVES. IN DETERMINING WHICH  
17 DISTRICTS RECEIVE SUPPLEMENTAL ASSISTANCE PURSUANT TO THIS  
18 SECTION AND THE AMOUNT OF THE ASSISTANCE, THE STATE BOARD SHALL  
19 CONSIDER THE AMOUNT OF THE SUPPLEMENTAL ASSISTANCE REQUESTED  
20 BY THE DISTRICT AS A PERCENTAGE OF THE DISTRICT'S TOTAL PROGRAM.  
21 BY ORDER UPON THE STATE TREASURER, THE STATE BOARD SHALL DIRECT  
22 PAYMENT OF THE SPECIFIED AMOUNT OF SUPPLEMENTAL ASSISTANCE FROM  
23 THE CONTINGENCY RESERVE FUND TO THE TREASURER OF THE ELIGIBLE  
24 DISTRICT FOR CREDIT TO THE GENERAL FUND OF THE DISTRICT.

25 **22-54.5-311. Education innovation grant program - board**  
26 **created - fund created - rules - report - definitions - repeal.** (1) AS  
27 USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

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

3 (b) "EDUCATORS" MEANS TEACHERS, PRINCIPALS, AND  
4 ADMINISTRATORS.

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

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

15 (2) THE EDUCATION INNOVATION GRANT PROGRAM IS CREATED IN  
16 THE DEPARTMENT TO PROVIDE MONEYS TO EDUCATORS, LOCAL  
17 EDUCATION PROVIDERS, AND BOARDS OF COOPERATIVE SERVICES TO  
18 IMPLEMENT INNOVATIONS IN THE DELIVERY OF PUBLIC PRESCHOOL,  
19 ELEMENTARY, AND SECONDARY EDUCATION IN THE STATE. THE  
20 DEPARTMENT SHALL RECOMMEND GRANT RECIPIENTS TO THE BOARD, AND  
21 THE BOARD SHALL AWARD GRANTS FOR EDUCATION INNOVATION  
22 INITIATIVES OUT OF ANY MONEYS AVAILABLE IN THE FUND.

23 (3) (a) THE DEPARTMENT SHALL PUBLISH POLICIES THAT SPECIFY  
24 THE PROCEDURES AND TIMELINES BY WHICH AN EDUCATOR, A LOCAL  
25 EDUCATION PROVIDER, OR A BOARD OF COOPERATIVE SERVICES MAY  
26 APPLY FOR AN EDUCATION INNOVATION GRANT. AN EDUCATOR WHO IS  
27 EMPLOYED BY A DISTRICT MUST OBTAIN THE APPROVAL OF THE BOARD OF



1 EDUCATION OF THE APPLICABLE DISTRICT BEFORE APPLYING TO THE  
2 DEPARTMENT FOR A GRANT.

3 (b) EACH APPLICATION MUST INCLUDE A DESCRIPTION OF THE  
4 EDUCATION INNOVATION INITIATIVE THE APPLICANT WILL IMPLEMENT  
5 USING THE GRANT MONEYS AND THE MANNER IN WHICH THE APPLICANT  
6 WILL MEASURE WHETHER THE INITIATIVE IS EFFECTIVE IN IMPROVING  
7 STUDENT ACADEMIC GROWTH. APPLICANTS ARE ENCOURAGED TO APPLY  
8 FOR GRANTS TO IMPLEMENT EXPANDED LEARNING TIME INITIATIVES.

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

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

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

23 (b) BASED ON THE DEPARTMENT'S RECOMMENDATIONS, THE  
24 BOARD SHALL AWARD THE EDUCATION INNOVATION GRANTS, SUBJECT TO  
25 AVAILABLE APPROPRIATIONS.

26 (5) THE DEPARTMENT SHALL ADOPT METHODS OF MEASURING THE  
27 SUCCESS OF EACH EDUCATION INNOVATION INITIATIVE, AND EACH GRANT

1 RECIPIENT SHALL REPORT THE INFORMATION REQUIRED BY THE  
2 DEPARTMENT TO APPLY THE METHODS. THE DEPARTMENT SHALL  
3 COMMUNICATE TO LOCAL EDUCATION PROVIDERS AND BOARDS OF  
4 COOPERATIVE SERVICES DESCRIPTIONS OF THE SUCCESSFUL EDUCATION  
5 INNOVATION INITIATIVES, INCLUDING BEST PRACTICES AND STRATEGIES.

6 (6) WITHIN SIX MONTHS AFTER THE END OF EACH BUDGET YEAR IN  
7 WHICH THE BOARD AWARDS EDUCATION INNOVATION GRANTS, THE  
8 DEPARTMENT SHALL SUBMIT TO THE EDUCATION COMMITTEES OF THE  
9 SENATE AND THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR  
10 COMMITTEES, A REPORT DESCRIBING AT A MINIMUM THE EDUCATION  
11 INNOVATION INITIATIVES THAT RECEIVED GRANTS, THE AMOUNT  
12 AWARDED TO EACH INITIATIVE, AND THE RESULTS ACHIEVED BY EACH  
13 INITIATIVE. THE REPORT SHALL ALSO DESCRIBE THE ORGANIZATIONS THAT  
14 THE BOARD CONTRACTS WITH TO SUPPORT APPLICANTS THAT IMPLEMENT  
15 EXPANDED LEARNING TIME INITIATIVES, INCLUDING THE AMOUNT AND  
16 DURATION OF, AND DUTIES REQUIRED IN, EACH CONTRACT.

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

25 (I) THE GOVERNOR, WITH THE ADVICE AND CONSENT OF THE  
26 SENATE, SHALL APPOINT NINE MEMBERS AS FOLLOWS:

27 (A) ONE MEMBER WHO REPRESENTS A STATEWIDE BUSINESS

1 ORGANIZATION OR ASSOCIATION;

2 (B) ONE MEMBER WHO REPRESENTS AN EDUCATION POLICY AND  
3 ADVOCACY ORGANIZATION;

4 (C) ONE MEMBER WHO REPRESENTS A STATEWIDE ORGANIZATION  
5 OF TEACHERS;

6 (D) ONE MEMBER WHO REPRESENTS A STATEWIDE ORGANIZATION  
7 OF CHARTER SCHOOLS;

8 (E) ONE MEMBER WHO REPRESENTS A STATEWIDE ORGANIZATION  
9 OF SCHOOL EXECUTIVES;

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

12 (G) THREE MEMBERS WHO REPRESENT THE STATE AT LARGE; AND

13 (II) THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE  
14 HOUSE OF REPRESENTATIVES SHALL EACH APPOINT ONE MEMBER TO THE  
15 BOARD.

16 (b) THE APPOINTING AUTHORITIES SHALL CONSIDER ETHNICITY,  
17 GENDER, AND GEOGRAPHIC REPRESENTATION IN APPOINTING MEMBERS TO  
18 THE BOARD. THE APPOINTING AUTHORITIES SHALL MAKE THE INITIAL  
19 APPOINTMENTS TO THE BOARD NO LATER THAN JULY 1, 2014. EACH  
20 MEMBER OF THE BOARD SERVES AT THE PLEASURE OF THE APPOINTING  
21 AUTHORITY. EACH MEMBER OF THE BOARD SERVES A FOUR-YEAR TERM;  
22 EXCEPT THAT THREE OF THE MEMBERS INITIALLY APPOINTED BY THE  
23 GOVERNOR SERVE TWO-YEAR TERMS, AND THREE OF THE MEMBERS  
24 INITIALLY APPOINTED BY THE GOVERNOR SERVE ONE-YEAR TERMS. IF A  
25 VACANCY ARISES ON THE BOARD, THE ORIGINAL APPOINTING AUTHORITY  
26 SHALL APPOINT A PERSON TO FILL THE VACANCY FOR THE REMAINDER OF  
27 THE TERM.

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

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

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

10 (8) THE BOARD, WITH SUPPORT FROM THE DEPARTMENT, SHALL  
11 ISSUE A REQUEST FOR PROPOSALS FROM ORGANIZATIONS WITH EXPERIENCE  
12 IN RESEARCHING, DESIGNING, OR IMPLEMENTING EXPANDED LEARNING  
13 TIME INITIATIVES. THE BOARD SHALL SELECT FROM AMONG THE  
14 ORGANIZATIONS THAT RESPOND TO THE REQUEST FOR PROPOSALS ONE OR  
15 MORE ORGANIZATIONS AND ENTER INTO CONTRACTS WITH THE SELECTED  
16 ORGANIZATIONS TO PROVIDE TECHNICAL ASSISTANCE TO EDUCATORS,  
17 LOCAL EDUCATION PROVIDERS, AND BOARDS OF COOPERATIVE SERVICES  
18 THAT SEEK EDUCATION INNOVATION GRANTS TO DESIGN AND IMPLEMENT  
19 EXPANDED LEARNING TIME INITIATIVES. TECHNICAL ASSISTANCE  
20 PURSUANT TO THIS SUBSECTION (8) IS AVAILABLE TO AN APPLICANT UPON  
21 REQUEST TO THE DEPARTMENT.

22 (9) (a) THERE IS CREATED IN THE STATE TREASURY THE  
23 EDUCATION INNOVATION GRANT FUND. THE FUND CONSISTS OF ANY  
24 MONEYS THE GENERAL ASSEMBLY MAY APPROPRIATE TO THE FUND AND  
25 ANY MONEYS THE STATE TREASURER MAY CREDIT TO THE FUND PURSUANT  
26 TO PARAGRAPH (d) OF THIS SUBSECTION (9).

27 (b) IT IS THE INTENT OF THE GENERAL ASSEMBLY, BEGINNING IN

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

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

13 (I) THE DEPARTMENT MAY EXPEND UP TO TWO PERCENT OF THE  
14 TOTAL AMOUNT OF MONEYS ANNUALLY APPROPRIATED FROM THE FUND TO  
15 OFFSET THE ADMINISTRATIVE COSTS THAT THE DEPARTMENT INCURS IN  
16 IMPLEMENTING THIS SECTION;

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

23 (III) OF THE AMOUNT OF MONEYS ANNUALLY APPROPRIATED FROM  
24 THE FUND THAT REMAINS AFTER THE EXPENDITURES DESCRIBED IN  
25 SUBPARAGRAPHS (I) AND (II) OF THIS PARAGRAPH (b), THE BOARD SHALL  
26 DISTRIBUTE NINETY-FIVE PERCENT IN GRANTS FOR APPLICANTS THAT SEEK  
27 EDUCATION INNOVATION GRANTS TO IMPLEMENT EXPANDED LEARNING

1 TIME INITIATIVES AND FIVE PERCENT FOR APPLICANTS THAT SEEK  
2 EDUCATION INNOVATION GRANTS TO IMPLEMENT EDUCATION  
3 INNOVATIONS IN OTHER AREAS.

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

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

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

25 PART 4

26 ADMINISTRATION

27 **22-54.5-401. County public school fund - created.** (1) THERE

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

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

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

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

25 (5) FOR THE PURPOSE OF DETERMINATION AND CERTIFICATION BY  
26 THE STATE BOARD AND DISTRIBUTION OF MONEYS IN THE FUND, THE  
27 FUNDED MEMBERSHIP OF A JOINT DISTRICT FOR A BUDGET YEAR SHALL BE

1 APPORTIONED AND ASSIGNED TO THE PORTION OF THE DISTRICT IN EACH  
2 COUNTY THAT HAS TERRITORY IN THE DISTRICT IN THE SAME PROPORTION  
3 AS THE PORTION OF THE DISTRICT'S FUNDED MEMBERSHIP FOR THE BUDGET  
4 YEAR THAT IS ATTRIBUTABLE TO PUPILS WHO RESIDE IN EACH COUNTY  
5 BEARS TO THE TOTAL FUNDED MEMBERSHIP OF THE JOINT DISTRICT FOR  
6 THE BUDGET YEAR. THE SECRETARY OF THE BOARD OF EDUCATION OF  
7 EACH JOINT DISTRICT SHALL CERTIFY TO THE STATE BOARD THE REQUIRED  
8 INFORMATION APPLICABLE TO EACH COUNTY.

9 **22-54.5-402. Adjustments in valuation for assessment.** (1) FOR  
10 EACH BUDGET YEAR, IN CALCULATING THE TOTAL AMOUNT OF REVENUE  
11 THAT A DISTRICT IS ENTITLED TO RECEIVE FROM THE PROPERTY TAX LEVY  
12 FOR THE GENERAL FUND OF A DISTRICT DURING THE BUDGET YEAR, THE  
13 VALUATION FOR ASSESSMENT OF A DISTRICT SHALL BE ADJUSTED AS  
14 PROVIDED IN SUBSECTION (2) OF THIS SECTION.

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



1 STATE GENERAL FUND IN FULL PLUS INTEREST AT THE SAME RATE AS  
2 PROVIDED BY STATUTE FOR PENALTY INTEREST ON UNPAID PROPERTY  
3 TAXES.

4 **22-54.5-403. Joint districts.** (1) THE BOARD OF EDUCATION OF A  
5 JOINT DISTRICT SHALL DETERMINE THE LOCATION OF ITS ADMINISTRATIVE  
6 HEADQUARTERS AND SHALL NOTIFY BOTH THE STATE BOARD AND THE  
7 TREASURER OF EACH COUNTY IN WHICH ANY TERRITORY OF THE JOINT  
8 DISTRICT IS SITUATED OF THE LOCATION.

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

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

26 **22-54.5-404. Valuations for assessment - reports to the state**  
27 **board.** (1) ON OR BEFORE NOVEMBER 15 OF EACH YEAR, THE PROPERTY

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

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

17 **22-54.5-405. Average daily membership - reports to state**  
18 **board - calculation - department duties.** (1) (a) EACH DISTRICT AND  
19 EACH INSTITUTE CHARTER SCHOOL SHALL REPORT TO THE DEPARTMENT  
20 FOR EACH QUARTER OF THE SCHOOL YEAR THE DISTRICT'S OR INSTITUTE  
21 CHARTER SCHOOL'S MEMBERSHIP FOR EACH SCHOOL DAY DURING THE  
22 QUARTER, INCLUDING SPECIFYING THE NUMBER OF PRESCHOOL PUPILS,  
23 AT-RISK PUPILS, AND ENGLISH LANGUAGE LEARNERS. THE DISTRICT AND  
24 THE INSTITUTE CHARTER SCHOOL SHALL ALSO REPORT TO THE  
25 DEPARTMENT FOR EACH QUARTER OF THE SCHOOL YEAR THE NUMBER OF  
26 THE DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S PUPILS WHO ARE  
27 ENROLLED EACH SCHOOL DAY DURING THE QUARTER IN A MULTI-DISTRICT

1 ON-LINE SCHOOL, INCLUDING SPECIFYING THE NUMBER OF AT-RISK PUPILS  
2 AND ENGLISH LANGUAGE LEARNERS, OR IN THE ASCENT PROGRAM. THE  
3 STATE BOARD BY RULE SHALL ESTABLISH THE TIMELINES AND REPORTING  
4 REQUIREMENTS FOR SUBMITTING QUARTERLY MEMBERSHIP AND  
5 ENROLLMENT REPORTS THROUGHOUT THE SCHOOL YEAR.

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

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

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) (a) 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 (b) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO THE  
19 CONTRARY, FOR A BUDGET YEAR IN WHICH A DISTRICT REPORTS THE  
20 PROJECTED MEMBERSHIP OR ENROLLMENT OF A NEW CHARTER SCHOOL OF  
21 THE DISTRICT, AS PROVIDED IN PARAGRAPH (b) OF SUBSECTION (1) OF THIS  
22 SECTION, THE DEPARTMENT SHALL ADD THE PROJECTED MEMBERSHIP OR  
23 ENROLLMENT TO THE DISTRICT'S AVERAGE DAILY MEMBERSHIP, AT-RISK  
24 PUPIL AVERAGE DAILY MEMBERSHIP, ENGLISH LANGUAGE LEARNER  
25 AVERAGE DAILY MEMBERSHIP, AND ON-LINE AVERAGE DAILY  
26 ENROLLMENT, AS APPLICABLE, FOR THAT BUDGET YEAR AND INCLUDE THE  
27 PROJECTED MEMBERSHIP OR ENROLLMENT IN CALCULATING THE DISTRICT'S

1 FUNDED MEMBERSHIP, TOTAL PROGRAM AND INVESTMENT MONEYS FOR  
2 THAT BUDGET YEAR.

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

8 (A) THE INSTITUTE CHARTER SCHOOL'S PROJECTED MEMBERSHIP,  
9 INCLUDING THE PROJECTED PRESCHOOL PROGRAM MEMBERSHIP, AT-RISK  
10 PUPIL MEMBERSHIP, AND ENGLISH LANGUAGE LEARNER MEMBERSHIP, FOR  
11 THE FIRST SCHOOL DAY OF THE SCHOOL YEAR; OR

12 (B) IF THE INSTITUTE CHARTER SCHOOL IS A MULTI-DISTRICT  
13 ON-LINE SCHOOL, THE INSTITUTE CHARTER SCHOOL'S PROJECTED NUMBER  
14 OF PUPILS, INCLUDING THE PROJECTED NUMBER OF AT-RISK PUPILS AND  
15 ENGLISH LANGUAGE LEARNERS, THAT WILL BE ENROLLED ON THE FIRST  
16 SCHOOL DAY OF THE SCHOOL YEAR.

17 (II) THE DEPARTMENT SHALL CALCULATE THE INSTITUTE CHARTER  
18 SCHOOL'S FUNDED MEMBERSHIP, AT-RISK PUPIL AVERAGE DAILY  
19 MEMBERSHIP, AND ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
20 MEMBERSHIP FOR THE FIRST HALF OF THE INSTITUTE CHARTER SCHOOL'S  
21 FIRST SCHOOL YEAR. IF THE CALCULATED FUNDED MEMBERSHIP IS  
22 DIFFERENT FROM THE PROJECTED MEMBERSHIP OR ENROLLMENT, THE  
23 DEPARTMENT SHALL RECALCULATE THE INSTITUTE CHARTER SCHOOL'S  
24 TOTAL PROGRAM AND INVESTMENT MONEYS USING THE FUNDED  
25 MEMBERSHIP, AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP AND ENGLISH  
26 LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP OF THE FIRST HALF OF  
27 THE THEN-CURRENT SCHOOL YEAR AND ADJUST THE INSTITUTE CHARTER

1 SCHOOL'S FUNDING ACCORDINGLY FOR THE REMAINDER OF THE FIRST  
2 SCHOOL YEAR.

3 (b) (I) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO  
4 THE CONTRARY, FOR THE SECOND SCHOOL YEAR IN WHICH AN INSTITUTE  
5 CHARTER SCHOOL ENROLLS PUPILS, THE DEPARTMENT SHALL CALCULATE  
6 THE INSTITUTE CHARTER SCHOOL'S TOTAL PROGRAM AND INVESTMENT  
7 MONEYS USING THE INSTITUTE CHARTER SCHOOL'S FUNDED MEMBERSHIP,  
8 AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP, AND ENGLISH LANGUAGE  
9 LEARNER AVERAGE DAILY MEMBERSHIP, FOR THE FIRST HALF OF THE  
10 INSTITUTE CHARTER SCHOOL'S FIRST SCHOOL YEAR.

11 (II) THE DEPARTMENT SHALL CALCULATE THE INSTITUTE CHARTER  
12 SCHOOL'S FUNDED MEMBERSHIP, AT-RISK PUPIL AVERAGE DAILY  
13 MEMBERSHIP AND ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
14 MEMBERSHIP FOR THE FIRST QUARTER OF THE INSTITUTE CHARTER  
15 SCHOOL'S SECOND SCHOOL YEAR. IF THE FUNDED MEMBERSHIP FOR THE  
16 FIRST QUARTER OF THE SECOND SCHOOL YEAR EXCEEDS THE FUNDED  
17 MEMBERSHIP FOR THE FIRST HALF OF THE FIRST SCHOOL YEAR, THE  
18 DEPARTMENT SHALL RECALCULATE THE INSTITUTE CHARTER SCHOOL'S  
19 TOTAL PROGRAM AND INVESTMENT MONEYS USING THE FUNDED  
20 MEMBERSHIP, AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP, AND ENGLISH  
21 LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP FOR THE FIRST  
22 QUARTER OF THE THEN-CURRENT SCHOOL YEAR AND ADJUST THE  
23 INSTITUTE CHARTER SCHOOL'S FUNDING ACCORDINGLY FOR THE  
24 REMAINDER OF THE SECOND SCHOOL YEAR.

25 (5) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO THE  
26 CONTRARY, THE DEPARTMENT, IN CALCULATING AVERAGE DAILY  
27 MEMBERSHIP, PRESCHOOL PROGRAM AVERAGE DAILY MEMBERSHIP,

1 AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP, ENGLISH LANGUAGE  
2 LEARNER AVERAGE DAILY MEMBERSHIP, ON-LINE AVERAGE DAILY  
3 MEMBERSHIP, AND ASCENT PROGRAM AVERAGE DAILY MEMBERSHIP AS  
4 PROVIDED IN THIS SECTION, SHALL ADJUST THE CALCULATION AS  
5 NECESSARY TO ENSURE THAT A SINGLE STUDENT IS NOT COUNTED AS MORE  
6 THAN A FULL-TIME PUPIL.

7 (6) (a) IF A DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S AVERAGE  
8 DAILY MEMBERSHIP FOR THE FIRST HALF OF A SCHOOL YEAR EXCEEDS THE  
9 DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP  
10 FOR THE APPLICABLE FUNDING AVERAGING PERIOD BY A PERCENTAGE  
11 THAT IS GREATER THAN THE STATEWIDE AVERAGE ENROLLMENT GROWTH  
12 FOR THE APPLICABLE FUNDING AVERAGING PERIOD, THE DEPARTMENT  
13 SHALL RECALCULATE THE DISTRICT'S OR THE INSTITUTE CHARTER  
14 SCHOOL'S TOTAL PROGRAM FOR THE THEN-CURRENT BUDGET YEAR USING  
15 THE AVERAGE DAILY MEMBERSHIP, PRESCHOOL PROGRAM AVERAGE DAILY  
16 MEMBERSHIP, AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP, ENGLISH  
17 LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP, ON-LINE AVERAGE  
18 DAILY MEMBERSHIP, AND ASCENT PROGRAM AVERAGE DAILY  
19 MEMBERSHIP FOR THE FIRST HALF OF THE THEN-CURRENT SCHOOL YEAR.  
20 THE DEPARTMENT SHALL ADJUST THE DISTRICT'S OR THE INSTITUTE  
21 CHARTER SCHOOL'S MONTHLY PAYMENTS ACCORDINGLY FOR THE  
22 REMAINDER OF THE APPLICABLE BUDGET YEAR.

23 (b) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (a) OF THIS  
24 SUBSECTION (6) TO THE CONTRARY, IN THE SECOND SCHOOL YEAR IN  
25 WHICH AN INSTITUTE CHARTER SCHOOL ENROLLS PUPILS OR IN ANY  
26 SCHOOL YEAR IN WHICH AN INSTITUTE CHARTER SCHOOL INCREASES ITS  
27 PROGRAM AVAILABILITY BY AT LEAST ONE GRADE LEVEL, THE



1 DEPARTMENT SHALL RECALCULATE THE INSTITUTE CHARTER SCHOOL'S  
2 TOTAL PROGRAM AS PROVIDED IN PARAGRAPH (a) OF THIS SUBSECTION (6)  
3 IF THE INSTITUTE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP OR  
4 ON-LINE AVERAGE DAILY MEMBERSHIP, WHICHEVER IS APPLICABLE, FOR  
5 THE FIRST QUARTER OF THE THEN-CURRENT SCHOOL YEAR EXCEEDS THE  
6 INSTITUTE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP OR ON-LINE  
7 AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING  
8 PERIOD, OR FOR THE FIRST HALF OF THE PRECEDING BUDGET YEAR IF THE  
9 INSTITUTE CHARTER SCHOOL IS IN ITS SECOND YEAR OF ENROLLING PUPILS.  
10 THE DEPARTMENT SHALL ADJUST THE INSTITUTE CHARTER SCHOOL'S  
11 MONTHLY PAYMENTS ACCORDINGLY FOR THE REMAINDER OF THE  
12 APPLICABLE BUDGET YEAR.

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

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

24 (2) A COURT OF RECORD, THE DEPARTMENT OF HUMAN SERVICES,  
25 OR ANOTHER AGENCY THAT IS AUTHORIZED TO PLACE A CHILD IN A  
26 RESIDENTIAL CHILD CARE FACILITY SHALL NOTIFY THE CHILD'S SCHOOL  
27 DISTRICT OF RESIDENCE, THE DISTRICT IN WHICH THE CHILD WILL RECEIVE

1 EDUCATIONAL SERVICES, AND THE DEPARTMENT OF THE PLACEMENT  
2 WITHIN FIFTEEN DAYS AFTER THE PLACEMENT.

3 **22-54.5-407. State public school fund - created.** (1) (a) THERE  
4 IS CREATED IN THE OFFICE OF THE STATE TREASURER A FUND, SEPARATE  
5 FROM THE GENERAL FUND, TO BE KNOWN AS THE STATE PUBLIC SCHOOL  
6 FUND. THE STATE TREASURER SHALL CREDIT TO THE STATE PUBLIC  
7 SCHOOL FUND ALL DISTRIBUTIONS FROM THE STATE PUBLIC SCHOOL  
8 INCOME FUND MADE ON OR AFTER DECEMBER 31, 1973, THE STATE'S  
9 SHARE OF ALL MONEYS RECEIVED FROM THE FEDERAL GOVERNMENT  
10 PURSUANT TO THE PROVISIONS OF SECTION 34-63-102, C.R.S., AND SUCH  
11 ADDITIONAL MONEYS AS THE GENERAL ASSEMBLY APPROPRIATES, WHICH  
12 ARE NECESSARY TO MEET THE STATE FUNDING REQUIREMENTS SPECIFIED  
13 IN THIS ARTICLE. MONEYS ANNUALLY APPROPRIATED BY THE GENERAL  
14 ASSEMBLY SHALL BE TRANSFERRED FROM THE STATE GENERAL FUND AND  
15 CREDITED TO THE STATE PUBLIC SCHOOL FUND IN FOUR QUARTERLY  
16 INSTALLMENTS ON JULY 1, SEPTEMBER 30, DECEMBER 31, AND MARCH 31  
17 TO ENSURE THE AVAILABILITY OF FUNDS FOR THE REQUIRED DISTRIBUTION  
18 OF STATE MONEYS TO DISTRICTS AND INSTITUTE CHARTER SCHOOLS. THE  
19 AMOUNTS OF THE QUARTERLY INSTALLMENTS ARE DETERMINED IN  
20 ACCORDANCE WITH ESTIMATES PREPARED BY THE DEPARTMENT WITH  
21 RESPECT TO THE REQUIRED DISTRIBUTION OF STATE MONEYS TO DISTRICTS  
22 AND INSTITUTE CHARTER SCHOOLS.

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

27 (2) NO LATER THAN THIRTY DAYS BEFORE THE BEGINNING OF THE

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

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

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

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

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

27 (6) THE DEPARTMENT SHALL PAY FROM MONEYS APPROPRIATED TO

1 THE STATE PUBLIC SCHOOL FUND ALL PUBLISHING COSTS ASSOCIATED  
2 WITH THE ANNUAL PRINTING OF THE LAWS ENACTED BY THE GENERAL  
3 ASSEMBLY CONCERNING EDUCATION.

4 **22-54.5-408. Distribution from state public school fund.**

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

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

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

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

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

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

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

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

22 (b) THE DEPARTMENT SHALL TRANSFER THE INSTITUTE CHARTER  
23 SCHOOL FUNDING TO THE STATE CHARTER SCHOOL INSTITUTE FOR  
24 DISTRIBUTION PURSUANT TO SECTION 22-30.5-513.5; EXCEPT THAT THE  
25 DEPARTMENT MAY WITHHOLD UP TO ONE PERCENT OF THE TOTAL AMOUNT  
26 DISTRIBUTED TO THE STATE CHARTER SCHOOL INSTITUTE TO OFFSET THE  
27 REASONABLE AND NECESSARY EXPENSES THE DEPARTMENT INCURS IN

1 IMPLEMENTING PART 5 OF ARTICLE 30.5 OF THIS TITLE.

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

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

22 (c) IF THE GENERAL ASSEMBLY DOES NOT MAKE A SUPPLEMENTAL  
23 APPROPRIATION TO FULLY FUND THE STATE SHARE OF TOTAL PROGRAM OF  
24 ALL DISTRICTS, THE TOTAL PROGRAM OF ALL INSTITUTE CHARTER  
25 SCHOOLS, AND THE INVESTMENT MONEYS FOR ALL DISTRICTS AND  
26 INSTITUTE CHARTER SCHOOLS, OR THE GENERAL ASSEMBLY ENACTS A  
27 SUPPLEMENTAL APPROPRIATION TO REDUCE THE STATE SHARE OF TOTAL

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

20 (4) (a) THE GENERAL ASSEMBLY SHALL MAKE ANNUAL  
21 APPROPRIATIONS, IN ADDITION TO THE AMOUNT REQUIRED IN SUBSECTION  
22 (3) OF THIS SECTION, TO FUND THE SUPPLEMENTAL FUNDING FOR DISTRICT  
23 CHARTER SCHOOLS CALCULATED AS PROVIDED IN SECTION 22-30.5-111.5  
24 (3) (d). IF THE APPROPRIATION, AS ESTABLISHED IN THE GENERAL  
25 APPROPRIATION ACT, FOR THE SUPPLEMENTAL FUNDING FOR DISTRICT  
26 CHARTER SCHOOLS FOR A BUDGET YEAR IS NOT SUFFICIENT TO FULLY FUND  
27 THE SUPPLEMENTAL FUNDING FOR DISTRICT CHARTER SCHOOLS, THE



1 DEPARTMENT SHALL SUBMIT A REQUEST FOR A SUPPLEMENTAL  
2 APPROPRIATION IN AN AMOUNT THAT WILL FULLY FUND THE  
3 SUPPLEMENTAL FUNDING FOR DISTRICT CHARTER SCHOOLS. THE  
4 DEPARTMENT SHALL SUBMIT THE REQUEST TO THE GENERAL ASSEMBLY  
5 DURING THE FISCAL YEAR IN WHICH THE FUNDING DEFICIT OCCURS.

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

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

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

27 (a) PAY THE AMOUNT CERTIFIED AS PAYABLE TO EACH DISTRICT,

1 LESS THE TOTAL AMOUNT OF ANY DIRECT PAYMENTS OF PRINCIPAL AND  
2 INTEREST DUE ON BONDS PURSUANT TO SECTION 22-30.5-406 MADE BY  
3 THE STATE TREASURER ON BEHALF OF A CHARTER SCHOOL AUTHORIZED BY  
4 THE DISTRICT, DIRECTLY TO THE TREASURER OF EACH DISTRICT OR, IN  
5 ACCORDANCE WITH WRITTEN INSTRUCTIONS FROM THE DISTRICT,  
6 DIRECTLY TO AN ACCOUNT DESIGNATED BY THE DISTRICT THAT ALLOWS  
7 THE DISTRICT TO RETAIN TITLE TO THE MONEYS;

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

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

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

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

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

3 (b) "FACILITY" HAS THE SAME MEANING AS PROVIDED IN SECTION  
4 22-2-402 (3).

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

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

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

23 (3) (a) TO RECEIVE EDUCATION PROGRAM FUNDING PURSUANT TO  
24 THIS SECTION, AN APPROVED FACILITY SCHOOL OR A STATE PROGRAM  
25 MUST, ON OR BEFORE THE FIFTEENTH DAY OF EACH MONTH, REPORT TO  
26 THE DEPARTMENT, IN A MANNER DETERMINED BY THE DEPARTMENT, THE  
27 ACTUAL NUMBER OF STUDENTS WHO RECEIVED EDUCATIONAL SERVICES AT

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

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

21 (c) THE DEPARTMENT MAY PRORATE THE PAYMENTS MADE  
22 PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (3) IF THE  
23 DEPARTMENT DETERMINES THAT PRORATION IS NECESSARY TO  
24 ACCOMMODATE A PROJECTED SHORTFALL IN EDUCATION PROGRAM  
25 FUNDING AS CALCULATED PURSUANT TO SUBSECTION (2) OF THIS SECTION.

26 (4) IN EACH APPLICABLE BUDGET YEAR, THE GENERAL ASSEMBLY  
27 SHALL APPROPRIATE TO THE DEPARTMENT THE AMOUNT REQUIRED FOR

1 EDUCATION PROGRAM FUNDING PURSUANT TO SUBSECTION (2) OF THIS  
2 SECTION.

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

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

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

24 **22-54.5-410. Funding - allocation within districts - rules.**

25 (1) (a) EACH DISTRICT SHALL ANNUALLY CALCULATE THE DISTRICT'S PER  
26 PUPIL AT-RISK FUNDING BY DIVIDING THE TOTAL AMOUNT OF AT-RISK  
27 FUNDING RECEIVED BY THE DISTRICT FOR THE APPLICABLE BUDGET YEAR

1 BY:

2 (I) THE NUMBER OF AT-RISK PUPILS PROJECTED TO BE ENROLLED  
3 ON THE FIRST SCHOOL DAY OF THE APPLICABLE BUDGET YEAR IN A  
4 CHARTER SCHOOL OF THE DISTRICT THAT IS IN ITS FIRST YEAR OF  
5 ENROLLING PUPILS; PLUS

6 (II) THE NUMBER OF AT-RISK PUPILS ENROLLED EACH SCHOOL DAY  
7 IN CHARTER SCHOOLS OF THE DISTRICT THAT ARE IN THE SECOND YEAR OF  
8 ENROLLING PUPILS, TOTALED FOR THE FIRST HALF OF THE PRECEDING  
9 BUDGET YEAR AND DIVIDED BY THE NUMBER OF SCHOOL DAYS IN THE  
10 FIRST HALF OF THE PRECEDING BUDGET YEAR; PLUS

11 (III) THE NUMBER OF AT-RISK PUPILS ENROLLED IN THE DISTRICT  
12 EACH SCHOOL DAY, LESS THE NUMBER OF AT-RISK PUPILS ENROLLED EACH  
13 SCHOOL DAY IN CHARTER SCHOOLS OF THE DISTRICT THAT ARE IN THE  
14 SECOND YEAR OF ENROLLING PUPILS, TOTALED FOR THE APPLICABLE  
15 FUNDING AVERAGING PERIOD AND DIVIDED BY THE NUMBER OF SCHOOL  
16 DAYS IN THE APPLICABLE FUNDING AVERAGING PERIOD.

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

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

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

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

26 (C) FOR A CHARTER SCHOOL IN ITS SECOND YEAR OF ENROLLING  
27 PUPILS, THE CHARTER SCHOOL'S AT-RISK PUPIL AVERAGE DAILY

1 MEMBERSHIP FOR THE FIRST HALF OF THE PRECEDING BUDGET YEAR; AND

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

7 (2) (a) EACH DISTRICT SHALL ANNUALLY CALCULATE THE  
8 DISTRICT'S PER PUPIL ENGLISH LANGUAGE LEARNER FUNDING BY DIVIDING  
9 THE TOTAL AMOUNT OF ENGLISH LANGUAGE LEARNER FUNDING RECEIVED  
10 BY THE DISTRICT FOR THE APPLICABLE BUDGET YEAR BY THE DISTRICT'S  
11 ENGLISH LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP FOR THE  
12 APPLICABLE FUNDING AVERAGING PERIOD.

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

15 (I) TO EACH CHARTER SCHOOL OF THE DISTRICT, AN AMOUNT  
16 EQUAL TO THE PER PUPIL ENGLISH LANGUAGE LEARNER FUNDING  
17 MULTIPLIED BY:

18 (A) THE CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER  
19 AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING  
20 PERIOD; OR

21 (B) FOR A CHARTER SCHOOL IN ITS FIRST YEAR OF ENROLLING  
22 PUPILS, THE NUMBER OF ENGLISH LANGUAGE LEARNERS PROJECTED TO BE  
23 ENROLLED ON THE FIRST SCHOOL DAY OF THE APPLICABLE BUDGET YEAR;  
24 OR

25 (C) FOR A CHARTER SCHOOL IN ITS SECOND YEAR OF ENROLLING  
26 PUPILS, THE CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER AVERAGE  
27 DAILY MEMBERSHIP FOR THE FIRST HALF OF THE PRECEDING BUDGET YEAR;

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

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

25 (b) A PRINCIPAL MAY USE THE AT-RISK FUNDING ALLOCATED TO  
26 THE PRINCIPAL'S PUBLIC SCHOOL PURSUANT TO THIS SECTION TO PURCHASE  
27 AT-RISK PROGRAMS OR SERVICES FROM THE DISTRICT AND MAY USE THE



1 ENGLISH LANGUAGE LEARNER FUNDING ALLOCATED TO THE PRINCIPAL'S  
2 PUBLIC SCHOOL TO PURCHASE ENGLISH LANGUAGE LEARNER PROGRAMS  
3 OR SERVICES FROM THE DISTRICT.

4 (c) A PRINCIPAL MAY CHOOSE TO FOREGO THE CONTROL OF  
5 AT-RISK FUNDING AND ENGLISH LANGUAGE LEARNER FUNDING  
6 ALLOCATED TO THE PRINCIPAL'S PUBLIC SCHOOL PURSUANT TO THIS  
7 SECTION, IN WHICH CASE THE DISTRICT MAINTAINS CONTROL OF THE  
8 AT-RISK FUNDING AND ENGLISH LANGUAGE LEARNER FUNDING  
9 ALLOCATED TO THE PUBLIC SCHOOL.

10 (5) EACH DISTRICT SHALL USE THE LOCAL SHARE OF THE AT-RISK  
11 FUNDING TO PROVIDE PROGRAMS, ACTIVITIES, AND PERSONNEL THAT  
12 PRIMARILY SERVE AT-RISK PUPILS. EACH DISTRICT SHALL USE THE LOCAL  
13 SHARE OF THE ENGLISH LANGUAGE LEARNER FUNDING TO PROVIDE  
14 PROGRAMS, ACTIVITIES, AND PERSONNEL THAT PRIMARILY SERVE ENGLISH  
15 LANGUAGE LEARNERS.

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

1                   **22-54.5-411. National school lunch eligibility - applications.**

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

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

27           (3) IN CERTIFYING THE AVERAGE DAILY ENROLLMENT PURSUANT

1 TO SECTION 22-54.5-405, THE SECRETARY OF THE BOARD OF EDUCATION  
2 OF EACH DISTRICT AND EACH INSTITUTE CHARTER SCHOOL SHALL SPECIFY  
3 AS AT-RISK PUPILS THOSE PUPILS IDENTIFIED THROUGH USE OF THE PUPIL  
4 APPLICATION FORM AND THE FAMILY ECONOMIC DATA SURVEY FORM. A  
5 PUPIL WHO IS IDENTIFIED AS AN AT-RISK PUPIL ONCE DURING A SCHOOL  
6 YEAR IS PRESUMED TO QUALIFY AS AN AT-RISK PUPIL THROUGHOUT THE  
7 REMAINDER OF THE SCHOOL YEAR.

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

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

12 (a) "ADDITIONAL LOCAL PROPERTY TAX REVENUES" MEANS LOCAL  
13 PROPERTY TAX REVENUES THAT A DISTRICT IS AUTHORIZED TO COLLECT  
14 PURSUANT TO SECTIONS 22-54.5-205, 22-54.5-206, 22-54.5-207, AND  
15 22-54.5-208.

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

18 (c) "AT-RISK" HAS THE SAME MEANING AS PROVIDED IN SECTION  
19 22-54.5-103 (5).

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

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

24 (f) "CENTRAL ADMINISTRATIVE OVERHEAD COSTS" MEANS  
25 INDIRECT COSTS INCURRED IN PROVIDING:

26 (I) SERVICES LISTED UNDER THE HEADING OF SUPPORT SERVICES  
27 - GENERAL ADMINISTRATION IN THE SCHOOL DISTRICT CHART OF

1 ACCOUNTS AS SPECIFIED BY RULE OF THE STATE BOARD; AND

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

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

13 (h) "DISTRICT'S CERTIFIED CHARTER SCHOOL AVERAGE DAILY  
14 MEMBERSHIP" HAS THE SAME MEANING AS PROVIDED IN SECTION  
15 22-54.5-309 (1) (c).

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

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

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

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

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

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

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

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

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

8 (q) "PER PUPIL AMOUNT OF ADDITIONAL LOCAL PROPERTY TAX  
9 REVENUES RECEIVED" MEANS THE AMOUNT OF ADDITIONAL LOCAL  
10 PROPERTY TAX REVENUES RECEIVED BY A SCHOOL DISTRICT FOR A BUDGET  
11 YEAR DIVIDED BY THE DISTRICT'S AVERAGE DAILY MEMBERSHIP PLUS  
12 ON-LINE AVERAGE DAILY MEMBERSHIP FOR THAT BUDGET YEAR.

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

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

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

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

11 (b) THE SCHOOL DISTRICT SHALL REPORT TO THE DEPARTMENT THE  
12 PROJECTED MEMBERSHIP, INCLUDING SPECIFYING THE PROJECTED NUMBER  
13 OF PRESCHOOL PUPILS, AT-RISK PUPILS, AND ENGLISH LANGUAGE  
14 LEARNERS, FOR THE FIRST SCHOOL DAY OF THE FIRST SCHOOL YEAR IN  
15 WHICH A NEW CHARTER SCHOOL OF THE DISTRICT ENROLLS PUPILS. IF THE  
16 NEW CHARTER SCHOOL IS A MULTI-DISTRICT ON-LINE SCHOOL, THE  
17 DISTRICT SHALL REPORT TO THE DEPARTMENT THE PROJECTED ON-LINE  
18 PUPIL ENROLLMENT, INCLUDING SPECIFYING THE PROJECTED NUMBER OF  
19 AT-RISK PUPILS AND ENGLISH LANGUAGE LEARNERS, FOR THE FIRST  
20 SCHOOL DAY OF THE FIRST SCHOOL YEAR IN WHICH THE NEW CHARTER  
21 SCHOOL OF THE DISTRICT ENROLLS PUPILS.

22 (c) THE SCHOOL DISTRICT SHALL IDENTIFY IN A REPORT TO THE  
23 DEPARTMENT:

24 (I) EACH CHARTER SCHOOL THAT IS A QUALIFIED CHARTER  
25 SCHOOL;

26 (II) EACH QUALIFIED CHARTER SCHOOL THAT WILL BE OPERATING  
27 IN A SCHOOL DISTRICT FACILITY AND THAT DOES NOT HAVE ONGOING

1 FINANCIAL OBLIGATIONS INCURRED TO REPAY THE OUTSTANDING COSTS  
2 OF NEW CONSTRUCTION UNDERTAKEN FOR THE CHARTER SCHOOL'S  
3 BENEFIT; AND

4 (III) AN ESTIMATE OF THE NUMBER OF PUPILS EXPECTED TO BE  
5 INCLUDED IN THE AVERAGE DAILY MEMBERSHIP FOR EACH QUALIFIED  
6 CHARTER SCHOOL FOR THE FUNDING AVERAGE PERIOD FOR THE BUDGET  
7 YEAR FOLLOWING THE BUDGET YEAR IN WHICH THE DISTRICT SUBMITS THE  
8 REPORT.

9 (3) (a) AS PART OF THE CHARTER SCHOOL CONTRACT, EACH  
10 CHARTER SCHOOL AND THE AUTHORIZING SCHOOL DISTRICT SHALL AGREE  
11 ON FUNDING AND ANY SERVICES THAT THE SCHOOL DISTRICT PROVIDES TO  
12 THE CHARTER SCHOOL. EXCEPT AS OTHERWISE PROVIDED IN SUBSECTIONS  
13 (5) AND (6) OF THIS SECTION, THE CHARTER SCHOOL AND THE  
14 AUTHORIZING SCHOOL DISTRICT SHALL NEGOTIATE FUNDING UNDER THE  
15 CHARTER CONTRACT, STARTING WITH THE AMOUNTS SPECIFIED IN  
16 SUBSECTION (4) OF THIS SECTION.

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

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

1 (d) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE  
2 CONTRARY:

3 (I) (A) IN THE FIRST YEAR THAT A CHARTER SCHOOL ENROLLS  
4 PUPILS, THE SCHOOL DISTRICT SHALL CALCULATE THE MONEYS PAYABLE  
5 TO THE CHARTER SCHOOL BASED ON THE CHARTER SCHOOL'S PROJECTED  
6 MEMBERSHIP, INCLUDING THE PROJECTED NUMBER OF AT-RISK PUPILS AND  
7 ENGLISH LANGUAGE LEARNERS, ON THE FIRST DAY OF THE SCHOOL YEAR.  
8 IF THE NEW CHARTER SCHOOL IS A MULTI-DISTRICT ON-LINE SCHOOL, THE  
9 SCHOOL DISTRICT SHALL CALCULATE THE MONEYS PAYABLE TO THE  
10 CHARTER SCHOOL BASED ON THE NUMBER OF ON-LINE PUPILS, INCLUDING  
11 THE PROJECTED NUMBER OF AT-RISK PUPILS AND ENGLISH LANGUAGE  
12 LEARNERS, EXPECTED TO BE ENROLLED ON THE FIRST DAY OF THE SCHOOL  
13 YEAR.

14 (B) THE DISTRICT SHALL CALCULATE THE CHARTER SCHOOL'S  
15 AVERAGE DAILY MEMBERSHIP OR ON-LINE AVERAGE DAILY MEMBERSHIP,  
16 WHICHEVER IS APPLICABLE, AND THE CHARTER SCHOOL'S AT-RISK PUPIL  
17 AVERAGE DAILY MEMBERSHIP AND ENGLISH LANGUAGE LEARNER  
18 AVERAGE DAILY MEMBERSHIP FOR THE FIRST QUARTER OF THE CHARTER  
19 SCHOOL'S FIRST SCHOOL YEAR. IF THE CALCULATED AVERAGE DAILY  
20 MEMBERSHIP OR ON-LINE AVERAGE DAILY MEMBERSHIP IS DIFFERENT  
21 FROM THE PROJECTED MEMBERSHIP, THE DISTRICT SHALL RECALCULATE  
22 THE CHARTER SCHOOL'S FUNDING USING THE AVERAGE DAILY MEMBERSHIP  
23 OR ON-LINE AVERAGE DAILY MEMBERSHIP, WHICHEVER IS APPLICABLE,  
24 AND THE AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP AND ENGLISH  
25 LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP OF THE FIRST QUARTER  
26 OF THE THEN-CURRENT SCHOOL YEAR AND ADJUST THE CHARTER SCHOOL'S  
27 FUNDING ACCORDINGLY FOR THE REMAINDER OF THE FIRST SCHOOL YEAR.



1           (II) (A) IN THE SECOND YEAR THAT A CHARTER SCHOOL ENROLLS  
2 PUPILS, THE SCHOOL DISTRICT SHALL CALCULATE THE MONEYS PAYABLE  
3 TO THE CHARTER SCHOOL BASED ON THE CHARTER SCHOOL'S AVERAGE  
4 DAILY MEMBERSHIP, INCLUDING THE CHARTER SCHOOL'S AT-RISK PUPIL  
5 AVERAGE DAILY MEMBERSHIP AND ENGLISH LANGUAGE LEARNER  
6 AVERAGE DAILY MEMBERSHIP, FOR THE FIRST HALF OF THE PRECEDING  
7 BUDGET YEAR. IF THE CHARTER SCHOOL IS A MULTI-DISTRICT ON-LINE  
8 SCHOOL, THE SCHOOL DISTRICT SHALL CALCULATE THE MONEYS PAYABLE  
9 TO THE CHARTER SCHOOL BASED ON THE CHARTER SCHOOL'S ON-LINE  
10 AVERAGE DAILY MEMBERSHIP, INCLUDING THE AT-RISK PUPIL AVERAGE  
11 DAILY MEMBERSHIP AND ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
12 MEMBERSHIP, FOR THE FIRST HALF OF THE PRECEDING BUDGET YEAR.

13           (B) THE DISTRICT SHALL CALCULATE THE CHARTER SCHOOL'S  
14 AVERAGE DAILY MEMBERSHIP OR ON-LINE AVERAGE DAILY MEMBERSHIP,  
15 WHICHEVER IS APPLICABLE, AND THE CHARTER SCHOOL'S AT-RISK PUPIL  
16 AVERAGE DAILY MEMBERSHIP AND ENGLISH LANGUAGE LEARNER  
17 AVERAGE DAILY MEMBERSHIP FOR THE FIRST QUARTER OF THE CHARTER  
18 SCHOOL'S SECOND SCHOOL YEAR. IF THE CALCULATED AVERAGE DAILY  
19 MEMBERSHIP OR ON-LINE AVERAGE DAILY MEMBERSHIP FOR THE FIRST  
20 QUARTER OF THE SECOND SCHOOL YEAR EXCEEDS THE AVERAGE DAILY  
21 MEMBERSHIP OR ON-LINE AVERAGE DAILY MEMBERSHIP FOR THE FIRST  
22 HALF OF THE CHARTER SCHOOL'S FIRST SCHOOL YEAR, THE DISTRICT SHALL  
23 RECALCULATE THE CHARTER SCHOOL'S FUNDING USING THE AVERAGE  
24 DAILY MEMBERSHIP OR ON-LINE AVERAGE DAILY MEMBERSHIP,  
25 WHICHEVER IS APPLICABLE, AND THE AT-RISK PUPIL AVERAGE DAILY  
26 MEMBERSHIP AND ENGLISH LANGUAGE LEARNER AVERAGE DAILY  
27 MEMBERSHIP OF THE FIRST QUARTER OF THE THEN-CURRENT SCHOOL YEAR

1 AND ADJUST THE CHARTER SCHOOL'S FUNDING ACCORDINGLY FOR THE  
2 REMAINDER OF THE SECOND SCHOOL YEAR.

3 (III) IN A SCHOOL YEAR IN WHICH A CHARTER SCHOOL INCREASES  
4 ITS PROGRAM AVAILABILITY BY AT LEAST ONE ADDITIONAL GRADE LEVEL,  
5 IF THE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP OR ON-LINE  
6 AVERAGE DAILY MEMBERSHIP, WHICHEVER IS APPLICABLE, FOR THE FIRST  
7 QUARTER OF THE THEN-CURRENT BUDGET YEAR EXCEEDS THE CHARTER  
8 SCHOOL'S AVERAGE DAILY MEMBERSHIP OR ON-LINE AVERAGE DAILY  
9 MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING PERIOD, ===  
10 THE DISTRICT SHALL RECALCULATE THE CHARTER SCHOOL'S FUNDING FOR  
11 THE THEN-CURRENT BUDGET YEAR USING THE AVERAGE DAILY  
12 MEMBERSHIP, AT-RISK PUPIL AVERAGE DAILY MEMBERSHIP, ENGLISH  
13 LANGUAGE LEARNER AVERAGE DAILY MEMBERSHIP, ON-LINE AVERAGE  
14 DAILY MEMBERSHIP, IF APPLICABLE, AND ASCENT PROGRAM AVERAGE  
15 DAILY MEMBERSHIP, IF APPLICABLE, FOR THE FIRST QUARTER OF THE  
16 THEN-CURRENT BUDGET YEAR.

17 (IV) IF A CHARTER SCHOOL'S FUNDING INCREASES BECAUSE OF THE  
18 RECALCULATIONS DESCRIBED IN THIS PARAGRAPH (d), THE DISTRICT SHALL  
19 REPORT TO THE DEPARTMENT THE INCREASE IN FUNDING DUE TO THE  
20 CHARTER SCHOOL BASED ON THE RECALCULATIONS. THE DEPARTMENT  
21 SHALL PAY THE INCREASE IN FUNDING TO THE DISTRICT IN MONTHLY  
22 INSTALLMENTS FOR THE REMAINDER OF THE BUDGET YEAR, AND THE  
23 DISTRICT SHALL INCREASE THE MONTHLY PAYMENTS DUE TO THE CHARTER  
24 SCHOOL BY THE FULL AMOUNT RECEIVED FROM THE DEPARTMENT FOR THE  
25 REMAINDER OF THE BUDGET YEAR. NOTWITHSTANDING ANY PROVISION OF  
26 THIS PARAGRAPH (d) TO THE CONTRARY, THE AMOUNT OF INCREASED  
27 FUNDING THAT A CHARTER SCHOOL RECEIVES PURSUANT TO THIS

1 PARAGRAPH (d) MAY BE REDUCED AS PROVIDED IN SECTION 22-54.5-408  
2 (4).

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

7 (I) THE AUTHORIZING DISTRICT'S PER PUPIL FUNDING FOR THE  
8 APPLICABLE BUDGET YEAR MULTIPLIED BY THE CHARTER SCHOOL'S  
9 AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING  
10 PERIOD; PLUS

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

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

19 (IV) THE INVESTMENT MONEYS IN THE PER PUPIL AMOUNT  
20 CALCULATED PURSUANT TO SECTION 22-54.5-301 (1) (b) MULTIPLIED BY  
21 THE CHARTER SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR THE  
22 APPLICABLE FUNDING AVERAGING PERIOD; PLUS

23 (V) FOR CHARTER SCHOOLS AUTHORIZED ON OR AFTER THE  
24 EFFECTIVE DATE OF THIS SECTION, THE PER PUPIL FUNDING THE SCHOOL  
25 DISTRICT RECEIVES FOR CHILDREN WITH DISABILITIES PURSUANT TO  
26 SECTION 22-20-114 (1) (b) FOR THE APPLICABLE BUDGET YEAR  
27 MULTIPLIED BY THE NUMBER OF STUDENTS INCLUDED IN THE CHARTER

1 SCHOOL'S AVERAGE DAILY MEMBERSHIP FOR THE APPLICABLE FUNDING  
2 AVERAGING PERIOD WHO HAVE INDIVIDUALIZED EDUCATION PROGRAMS  
3 PURSUANT TO SECTION 22-20-108.

4 (b) IN NEGOTIATING THE CHARTER SCHOOL'S FUNDING, THE  
5 CHARTER SCHOOL AND THE AUTHORIZING SCHOOL DISTRICT MAY, BY  
6 NEGOTIATION:

7 (I) ALLOW THE SCHOOL DISTRICT TO RETAIN THE ACTUAL AMOUNT  
8 OF THE CHARTER SCHOOL'S PER PUPIL SHARE OF THE CENTRAL  
9 ADMINISTRATIVE OVERHEAD COSTS FOR SERVICES ACTUALLY PROVIDED  
10 TO THE CHARTER SCHOOL, UP TO FIVE PERCENT OF THE AMOUNT SPECIFIED  
11 IN SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS SUBSECTION (4); AND

12 (II) DISTRIBUTE FUNDING AND PROVIDE SERVICES FOR CHILDREN  
13 WITH DISABILITIES IN A MANNER OTHER THAN THAT SPECIFIED IN  
14 SUBPARAGRAPH (V) OF PARAGRAPH (a) OF THIS SUBSECTION (4).

15 (5) (a) IF A CHARTER SCHOOL IS A MULTI-DISTRICT ON-LINE  
16 SCHOOL, NEGOTIATIONS BETWEEN THE CHARTER SCHOOL AND THE  
17 AUTHORIZING DISTRICT BEGIN WITH THE CHARTER SCHOOL RECEIVING AN  
18 AMOUNT EQUAL TO:

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

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

26 (b) IN NEGOTIATING THE CHARTER SCHOOL'S FUNDING, THE  
27 CHARTER SCHOOL AND THE AUTHORIZING SCHOOL DISTRICT MAY, BY

1 NEGOTIATION, ALLOW THE SCHOOL DISTRICT TO RETAIN THE ACTUAL  
2 AMOUNT OF THE CHARTER SCHOOL'S PER PUPIL SHARE OF THE CENTRAL  
3 ADMINISTRATIVE OVERHEAD COSTS FOR SERVICES ACTUALLY PROVIDED  
4 TO THE CHARTER SCHOOL, UP TO FIVE PERCENT OF THE AMOUNT SPECIFIED  
5 IN SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS SUBSECTION (5).

6 (6) (a) 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 NOT 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 SUBPARAGRAPHS (I)  
12 TO (IV) OF PARAGRAPH (a) OF SUBSECTION (4) OF THIS SECTION MINUS THE  
13 ACTUAL AMOUNT OF THE CHARTER SCHOOL'S PER PUPIL SHARE OF THE  
14 CENTRAL ADMINISTRATIVE OVERHEAD COSTS INCURRED BY THE SCHOOL  
15 DISTRICT, BASED ON AUDITED FIGURES; OR

16 (II) EIGHTY-FIVE PERCENT OF THE AMOUNT SPECIFIED IN  
17 SUBPARAGRAPH (I) OF PARAGRAPH (a) OF SUBSECTION (4) OF THIS SECTION  
18 PLUS THE TOTAL OF THE AMOUNTS SPECIFIED IN SUBPARAGRAPHS (II) TO  
19 (IV) OF PARAGRAPH (a) OF SUBSECTION (4) OF THIS SECTION.

20 (b) IF A SCHOOL DISTRICT THAT HAS AN AVERAGE DAILY  
21 MEMBERSHIP OF FIVE HUNDRED OR FEWER STUDENTS FOR THE MOST  
22 RECENT FUNDING AVERAGING PERIOD AUTHORIZES A CHARTER SCHOOL  
23 THAT IS A MULTI-DISTRICT ON-LINE SCHOOL, THE CHARTER SCHOOL  
24 RECEIVES FUNDING IN THE AMOUNT OF THE GREATER OF:

25 (I) THE TOTAL OF THE AMOUNTS SPECIFIED IN PARAGRAPH (a) OF  
26 SUBSECTION (5) OF THIS SECTION MINUS THE ACTUAL AMOUNT OF THE  
27 CHARTER SCHOOL'S PER PUPIL SHARE OF THE CENTRAL ADMINISTRATIVE

1 OVERHEAD COSTS INCURRED BY THE SCHOOL DISTRICT, BASED ON AUDITED  
2 FIGURES; OR

3 (II) EIGHTY-FIVE PERCENT OF THE AMOUNT SPECIFIED IN  
4 SUBPARAGRAPH (I) OF PARAGRAPH (a) OF SUBSECTION (5) OF THIS SECTION  
5 PLUS THE AMOUNT SPECIFIED IN SUBPARAGRAPH (II) OF PARAGRAPH (a) OF  
6 SUBSECTION (5) OF THIS SECTION.

7 (c) IN ADDITION TO THE AMOUNTS SPECIFIED IN PARAGRAPH (a) OR  
8 (b) OF THIS SUBSECTION (6), WHICHEVER IS APPLICABLE, THE CHARTER  
9 SCHOOL AND THE AUTHORIZING SCHOOL DISTRICT SHALL NEGOTIATE THE  
10 AMOUNT OF FUNDING THAT THE CHARTER SCHOOL RECEIVES OUT OF THE  
11 MONEYS THE SCHOOL DISTRICT RECEIVES PURSUANT TO SECTION  
12 22-20-114 (1) (b), AND THE SERVICES PROVIDED BY THE AUTHORIZING  
13 SCHOOL DISTRICT, FOR STUDENTS WITH DISABILITIES WHO ENROLL IN THE  
14 CHARTER SCHOOL.

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

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

1 22-54.5-309. THE QUALIFIED CHARTER SCHOOL SHALL USE THE MONEYS  
2 RECEIVED PURSUANT TO THIS PARAGRAPH (a) SOLELY FOR CAPITAL  
3 CONSTRUCTION AS DEFINED IN SECTION 22-54.5-309 (1) (a).

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

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

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

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

27 (d) (I) A SCHOOL DISTRICT SHALL ANNUALLY DISTRIBUTE TO EACH

1 OF THE CHARTER SCHOOLS OF THE SCHOOL DISTRICT AN AMOUNT EQUAL  
2 TO THE PER PUPIL AMOUNT OF ADDITIONAL LOCAL PROPERTY TAX  
3 REVENUES RECEIVED BY THE SCHOOL DISTRICT FOR THE APPLICABLE  
4 BUDGET YEAR, MULTIPLIED BY THE CHARTER SCHOOL'S AVERAGE DAILY  
5 MEMBERSHIP OR ON-LINE AVERAGE DAILY MEMBERSHIP, WHICHEVER IS  
6 APPLICABLE, FOR THE APPLICABLE BUDGET YEAR.

7 (II) NOTWITHSTANDING ANY PROVISION OF THIS PARAGRAPH (d)  
8 TO THE CONTRARY, IF A SCHOOL DISTRICT RECEIVES VOTER APPROVAL FOR  
9 ADDITIONAL LOCAL PROPERTY TAX REVENUES FOR A SPECIFIC PROGRAM  
10 THAT IS IDENTIFIED IN THE BALLOT MEASURE, THE SCHOOL DISTRICT IS NOT  
11 REQUIRED TO DISTRIBUTE THE PORTION OF THE PER PUPIL AMOUNT OF  
12 ADDITIONAL LOCAL PROPERTY TAX REVENUES RECEIVED AS A RESULT OF  
13 THE APPROVAL OF THAT BALLOT MEASURE TO A CHARTER SCHOOL THAT  
14 DOES NOT OFFER THE PROGRAM FOR WHICH THE REVENUES WERE  
15 SPECIFICALLY APPROVED.

16 (III) IF A DISTRICT FAILS TO COMPLY WITH THE PROVISIONS OF THIS  
17 PARAGRAPH (d), THE STATE BOARD SHALL REVOKE THE DISTRICT'S  
18 EXCLUSIVE AUTHORITY TO CHARTER SCHOOLS WITHIN THE GEOGRAPHIC  
19 BOUNDARIES OF THE DISTRICT AS PROVIDED IN SECTION 22-30.5-504 (7.7).

20 (IV) THE PROVISIONS OF THIS PARAGRAPH (d) APPLY TO  
21 ADDITIONAL LOCAL PROPERTY TAX REVENUES APPROVED ON OR AFTER  
22 JULY 1, 2014.

23 (e) A SCHOOL DISTRICT SHALL DISTRIBUTE TO THE CHARTER  
24 SCHOOLS OF THE SCHOOL DISTRICT THE PER PUPIL SHARE OF MILL LEVY  
25 EQUALIZATION PAYMENTS AS PROVIDED IN SECTION 22-54.5-304 (2).

26 (f) EACH CHARTER SCHOOL RETAINS THE FEES COLLECTED FROM  
27 STUDENTS ENROLLED AT THE CHARTER SCHOOL.



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

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

27           (10) IN ACCORDANCE WITH SECTION 22-30.5-406, AN

1 AUTHORIZING SCHOOL DISTRICT SHALL REDUCE THE FUNDING PROVIDED  
2 TO A CHARTER SCHOOL PURSUANT TO SUBSECTION (4), (5), OR (6) OF THIS  
3 SECTION, WHICHEVER IS APPLICABLE, BY THE AMOUNT OF ANY DIRECT  
4 PAYMENTS MADE BY THE STATE TREASURER OR THE AUTHORIZING SCHOOL  
5 DISTRICT, ON THE CHARTER SCHOOL'S BEHALF, OF PRINCIPAL AND  
6 INTEREST DUE ON BONDS THAT WERE ISSUED ON THE CHARTER SCHOOL'S  
7 BEHALF BY A GOVERNMENTAL ENTITY OTHER THAN A SCHOOL DISTRICT TO  
8 FINANCE CHARTER SCHOOL CAPITAL CONSTRUCTION.

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

22 (b) IF A CHARTER SCHOOL AND THE AUTHORIZING SCHOOL  
23 DISTRICT NEGOTIATE TO ALLOW THE CHARTER SCHOOL TO PROVIDE  
24 FEDERALLY REQUIRED EDUCATIONAL SERVICES PURSUANT TO PARAGRAPH  
25 (a) OF THIS SUBSECTION (11), THE SCHOOL DISTRICT OR ADMINISTRATIVE  
26 UNIT SHALL DISTRIBUTE TO THE CHARTER SCHOOL THE PROPORTIONATE  
27 SHARE OF STATE AND FEDERAL RESOURCES GENERATED BY STUDENTS

1 ENROLLED IN THE CHARTER SCHOOL WHO RECEIVE THE FEDERALLY  
2 REQUIRED EDUCATIONAL SERVICES OR BY THE STAFF WHO SERVE THE  
3 STUDENTS.

4 (12) IF A STUDENT WITH A DISABILITY ATTENDS A CHARTER  
5 SCHOOL, THE SCHOOL DISTRICT OF RESIDENCE IS RESPONSIBLE FOR PAYING  
6 ANY TUITION CHARGE FOR THE EXCESS COSTS INCURRED IN EDUCATING  
7 THE STUDENT IN ACCORDANCE WITH THE PROVISIONS OF SECTION  
8 22-20-109 (5).

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

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

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

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

2 (16) (a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY  
3 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION AT WHICH  
4 A MAJORITY OF THOSE VOTING APPROVE AN INCREASE IN STATE TAX  
5 REVENUES FOR THE PURPOSE OF FUNDING PUBLIC EDUCATION.

6 (b) THE PROVISIONS OF THIS SECTION APPLY IN THE SECOND  
7 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
8 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE  
9 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
10 THEREAFTER; EXCEPT THAT, IN THE FIRST BUDGET YEAR COMMENCING  
11 AFTER THE STATEWIDE ELECTION, EACH SCHOOL DISTRICT SHALL BEGIN  
12 REPORTING TO THE DEPARTMENT THE MEMBERSHIP OF THE CHARTER  
13 SCHOOLS OF THE SCHOOL DISTRICT, INCLUDING SPECIFYING AT-RISK PUPILS  
14 AND ENGLISH LANGUAGE LEARNERS, AND THE ON-LINE PROGRAM  
15 ENROLLMENT, INCLUDING SPECIFYING AT-RISK PUPILS AND ENGLISH  
16 LANGUAGE LEARNERS, AND THE ASCENT PROGRAM ENROLLMENT OF THE  
17 CHARTER SCHOOLS OF THE SCHOOL DISTRICT, AS REQUIRED IN SECTION  
18 22-54.5-405.

19 **22-30.5-111.7. Financial reporting - request for accounting.**

20 (1) (a) A CHARTER SCHOOL SHALL COMPLY WITH ALL OF THE STATE  
21 FINANCIAL AND BUDGET RULES, REGULATIONS, AND FINANCIAL REPORTING  
22 REQUIREMENTS WITH WHICH THE AUTHORIZING SCHOOL DISTRICT IS  
23 REQUIRED TO COMPLY, INCLUDING BUT NOT LIMITED TO ANNUAL  
24 COMPLETION OF AN INDEPENDENT GOVERNMENTAL AUDIT THAT COMPLIES  
25 WITH THE REQUIREMENTS OF THE DEPARTMENT.

26 (b) A SCHOOL DISTRICT, UNDER THE CIRCUMSTANCES SPECIFIED IN  
27 THE CONTRACT BETWEEN THE SCHOOL DISTRICT AND THE CHARTER

1 SCHOOL PURSUANT TO SECTION 22-30.5-105 (2) (c) (IV), MAY WITHHOLD  
2 A PORTION OF A CHARTER SCHOOL'S MONTHLY PAYMENT DUE PURSUANT  
3 TO SECTION 22-30.5-111.5 UNTIL THE CHARTER SCHOOL COMPLIES WITH  
4 THE FINANCIAL REPORTING REQUIREMENTS.

5 (2) (a) WITHIN NINETY DAYS AFTER THE END OF EACH BUDGET  
6 YEAR, EACH SCHOOL DISTRICT SHALL PROVIDE TO EACH CHARTER SCHOOL  
7 OF THE SCHOOL DISTRICT AN ITEMIZED ACCOUNTING OF ALL OF THE  
8 CHARTER SCHOOL'S CENTRAL ADMINISTRATIVE OVERHEAD COSTS FOR THE  
9 APPLICABLE BUDGET YEAR. THE ACTUAL CENTRAL ADMINISTRATIVE  
10 OVERHEAD COSTS MUST BE THE AMOUNT CHARGED TO THE CHARTER  
11 SCHOOL. THE SCHOOL DISTRICT AND THE CHARTER SCHOOL SHALL  
12 RECONCILE ANY DIFFERENCE, WITHIN THE LIMITATIONS SPECIFIED IN  
13 SECTION 22-30.5-111.5 (4) (b) (I), (5) (b), OR (6) (a), BETWEEN THE  
14 AMOUNT THE SCHOOL DISTRICT INITIALLY CHARGED TO THE CHARTER  
15 SCHOOL AND THE ACTUAL COST, AND THE OWED PARTY SHALL RECEIVE  
16 APPROPRIATE REIMBURSEMENT.

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

27 (c) IF EITHER PARTY DISPUTES THE ITEMIZED ACCOUNTING

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

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

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

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

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

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

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

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

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



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

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

10 (5) (a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY  
11 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION AT WHICH  
12 A MAJORITY OF THOSE VOTING APPROVE AN INCREASE IN STATE TAX  
13 REVENUES FOR THE PURPOSE OF FUNDING PUBLIC EDUCATION.

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

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

21 **22-30.5-513.5. Institute charter schools - funding - definitions.**

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

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

27 "ADMINISTRATIVE OVERHEAD COSTS" DOES NOT INCLUDE THE COSTS

1 INCURRED TO DELIVER SERVICES THAT AN INSTITUTE CHARTER SCHOOL  
2 MAY PURCHASE AT ITS DISCRETION.

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

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

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

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

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

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

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

17 (i) "ENGLISH LANGUAGE LEARNER FUNDING" MEANS THE FUNDING  
18 CALCULATED FOR AN INSTITUTE CHARTER SCHOOL PURSUANT TO SECTION  
19 22-54.5-202 (5).

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

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

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

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

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

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

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

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

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

1 PURSUANT TO SECTIONS 22-54.5-202 AND 22-54.5-405, AND THE  
2 INVESTMENT MONEYS FOR EACH INSTITUTE CHARTER SCHOOL PURSUANT  
3 TO SECTION 22-54.5-301.

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

15 (3) (a) AS PART OF THE CHARTER CONTRACT, EACH INSTITUTE  
16 CHARTER SCHOOL AND THE INSTITUTE SHALL AGREE ON FUNDING AND ANY  
17 SERVICES THAT THE INSTITUTE OR A THIRD PARTY PROVIDES TO THE  
18 INSTITUTE CHARTER SCHOOL. THE INSTITUTE CHARTER SCHOOL AND THE  
19 INSTITUTE SHALL NEGOTIATE FUNDING UNDER THE CHARTER CONTRACT,  
20 STARTING WITH THE AMOUNTS SPECIFIED IN SUBSECTION (4) OF THIS  
21 SECTION.

22 (b) THE INSTITUTE SHALL PAY TO EACH INSTITUTE CHARTER  
23 SCHOOL THE AMOUNTS THAT ARE DUE TO EACH INSTITUTE CHARTER  
24 SCHOOL AS PROVIDED IN THIS SECTION. THE INSTITUTE SHALL PAY THE  
25 AMOUNTS IN TWELVE MONTHLY INSTALLMENTS AS SOON AS PRACTICABLE  
26 AFTER THE INSTITUTE RECEIVES DISTRIBUTIONS OF MONEYS FROM THE  
27 DEPARTMENT PURSUANT TO SECTION 22-30.5-408.

1           (c) IF THE DEPARTMENT RECALCULATES AND ADJUSTS AN  
2 INSTITUTE CHARTER SCHOOL'S FUNDING AS PROVIDED IN SECTION  
3 22-54.5-405 (4) OR (6), THE INSTITUTE SHALL ADJUST ITS PAYMENTS TO  
4 THE INSTITUTE CHARTER SCHOOL PURSUANT TO THIS SECTION  
5 ACCORDINGLY.

6           (d) IN THE FIRST AND SECOND YEARS IN WHICH A NEW INSTITUTE  
7 CHARTER SCHOOL ENROLLS PUPILS AND IN ANY SCHOOL YEAR IN WHICH AN  
8 INSTITUTE CHARTER SCHOOL ADDS GRADE LEVELS, THE INSTITUTE SHALL  
9 CALCULATE THE INSTITUTE CHARTER SCHOOL'S MEMBERSHIP AND, IF  
10 APPLICABLE, ON-LINE PUPIL ENROLLMENT AND ASCENT PROGRAM  
11 ENROLLMENT AS PROVIDED IN SECTION 22-54.5-405 (4) AND (6).

12           (4) (a) NEGOTIATIONS BETWEEN AN INSTITUTE CHARTER SCHOOL  
13 AND THE INSTITUTE BEGIN WITH THE INSTITUTE CHARTER SCHOOL  
14 RECEIVING AN AMOUNT EQUAL TO:

15           (I) (A) THE INSTITUTE CHARTER SCHOOL'S TOTAL PROGRAM MINUS  
16 ONE PERCENT WITHHELD BY THE DEPARTMENT PURSUANT TO SECTION  
17 22-54.5-408 (2); PLUS

18           (B) THE INVESTMENT MONEYS IN THE AMOUNT OF THE PER PUPIL  
19 AMOUNT CALCULATED PURSUANT TO SECTION 22-54.5-301 (1) (b)  
20 MULTIPLIED BY THE INSTITUTE CHARTER SCHOOL'S AVERAGE DAILY  
21 MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING PERIOD, AS  
22 PROVIDED IN SECTION 22-54.5-301; MINUS

23                   
24           (II) (A) AN AMOUNT EQUAL TO THREE PERCENT OF THE INSTITUTE  
25 CHARTER SCHOOL'S TOTAL PROGRAM, WHICH AMOUNT THE INSTITUTE  
26 SHALL TRANSFER TO THE STATE TREASURER FOR CREDIT TO THE ACCOUNT  
27 CREATED IN SECTION 22-30.5-506 (4) AND USED TO OFFSET

1 ADMINISTRATIVE OVERHEAD COSTS; PLUS

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

5 (C) ANY AMOUNT AGREED TO BY THE INSTITUTE AND THE  
6 INSTITUTE CHARTER SCHOOL FOR REPAYMENT OF A LOAN TO THE  
7 INSTITUTE CHARTER SCHOOL FROM THE INSTITUTE CHARTER SCHOOL  
8 ASSISTANCE FUND CREATED IN SECTION 22-30.5-515.5; PLUS

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

14 (b) IN NEGOTIATING THE CHARTER CONTRACT, THE INSTITUTE  
15 CHARTER SCHOOL AND THE INSTITUTE BOARD SHALL AGREE ON THE  
16 SERVICES, OTHER THAN NECESSARY ADMINISTRATION, OVERSIGHT, AND  
17 MANAGEMENT SERVICES, AND THE COST OF THE SERVICES THAT A THIRD  
18 PARTY WITH WHICH THE INSTITUTE OR INSTITUTE CHARTER SCHOOL  
19 CONTRACTS PROVIDES TO THE INSTITUTE CHARTER SCHOOL.

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

22 (a) (I) THE INSTITUTE SHALL DISTRIBUTE TO EACH QUALIFIED  
23 INSTITUTE CHARTER SCHOOL AN AMOUNT EQUAL TO THE PERCENTAGE OF  
24 THE QUALIFIED INSTITUTE CHARTER SCHOOL'S CERTIFIED AVERAGE DAILY  
25 MEMBERSHIP FOR THE APPLICABLE FUNDING AVERAGING PERIOD  
26 MULTIPLIED BY THE TOTAL AMOUNT OF STATE EDUCATION FUND MONEYS  
27 DISTRIBUTED TO THE INSTITUTE FOR THE SAME BUDGET YEAR PURSUANT

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

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

13 (b) (I) THE INSTITUTE SHALL DISTRIBUTE TO EACH INSTITUTE  
14 CHARTER SCHOOL THE SCHOOL'S PROPORTIONATE SHARE OF MONEYS  
15 RECEIVED PURSUANT TO FEDERAL OR STATE CATEGORICAL AID PROGRAMS  
16 BASED ON THE PUPILS ENROLLED IN EACH INSTITUTE CHARTER SCHOOL.

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

22 (c) EACH INSTITUTE CHARTER SCHOOL RETAINS THE FEES  
23 COLLECTED FROM STUDENTS ENROLLED AT THE INSTITUTE CHARTER  
24 SCHOOL.

25 (6) EACH INSTITUTE CHARTER SCHOOL SHALL PAY AN AMOUNT  
26 EQUAL TO THE PER PUPIL COST INCURRED BY THE INSTITUTE IN PROVIDING  
27 FEDERALLY REQUIRED EDUCATIONAL SERVICES, MULTIPLIED BY THE

1 NUMBER OF STUDENTS ENROLLED IN THE INSTITUTE CHARTER SCHOOL. AT  
2 EITHER PARTY'S REQUEST, THE INSTITUTE CHARTER SCHOOL AND THE  
3 INSTITUTE MAY NEGOTIATE AND INCLUDE IN THE CHARTER CONTRACT  
4 ALTERNATE ARRANGEMENTS FOR THE PROVISION OF AND PAYMENT FOR  
5 FEDERALLY REQUIRED EDUCATIONAL SERVICES, INCLUDING BUT NOT  
6 NECESSARILY LIMITED TO A REASONABLE RESERVE NOT TO EXCEED FIVE  
7 PERCENT OF THE INSTITUTE'S TOTAL BUDGET FOR PROVIDING FEDERALLY  
8 REQUIRED EDUCATIONAL SERVICES. THE INSTITUTE SHALL USE THE  
9 RESERVE ONLY TO OFFSET THE EXCESS COSTS OF PROVIDING SERVICES TO  
10 STUDENTS WITH DISABILITIES WHO ARE ENROLLED IN AN INSTITUTE  
11 CHARTER SCHOOL.

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

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

23 (b) WITHIN NINETY DAYS AFTER THE END OF EACH BUDGET YEAR,  
24 THE INSTITUTE SHALL PROVIDE TO EACH INSTITUTE CHARTER SCHOOL AN  
25 ITEMIZED ACCOUNTING OF ALL OF THE ACTUAL COSTS OF ANY ADDITIONAL  
26 SERVICES THE INSTITUTE CHARTER SCHOOL CHOSE TO PURCHASE AS  
27 PROVIDED IN PARAGRAPH (b) OF SUBSECTION (4) OF THIS SECTION. THE



1 INSTITUTE AND THE INSTITUTE CHARTER SCHOOL SHALL RECONCILE ANY  
2 DIFFERENCE BETWEEN THE AMOUNT INITIALLY CHARGED TO THE  
3 INSTITUTE CHARTER SCHOOL AND THE ACTUAL COST OF THE SERVICES,  
4 AND THE OWED PARTY SHALL RECEIVE APPROPRIATE REIMBURSEMENT.

5 (9) (a) THE GOVERNING BODY OF AN INSTITUTE CHARTER SCHOOL  
6 MAY ACCEPT GIFTS, DONATIONS, OR GRANTS OF ANY KIND MADE TO THE  
7 INSTITUTE CHARTER SCHOOL AND EXPEND OR USE THE GIFTS, DONATIONS,  
8 OR GRANTS IN ACCORDANCE WITH THE CONDITIONS PRESCRIBED BY THE  
9 DONOR; HOWEVER, THE GOVERNING BODY SHALL NOT ACCEPT A GIFT,  
10 DONATION, OR GRANT IF THE GIFT, DONATION, OR GRANT IS SUBJECT TO  
11 ANY CONDITION CONTRARY TO LAW OR CONTRARY TO THE TERMS OF THE  
12 CHARTER CONTRACT BETWEEN THE INSTITUTE CHARTER SCHOOL AND THE  
13 INSTITUTE.

14 (b) MONEYS THAT AN INSTITUTE CHARTER SCHOOL RECEIVES FROM  
15 ANY SOURCE AND THAT REMAIN IN THE INSTITUTE CHARTER SCHOOL'S  
16 ACCOUNTS AT THE END OF A BUDGET YEAR MUST REMAIN IN THE  
17 INSTITUTE CHARTER SCHOOL'S ACCOUNTS FOR THE INSTITUTE CHARTER  
18 SCHOOL'S USE DURING SUBSEQUENT BUDGET YEARS AND DO NOT REVERT  
19 TO THE STATE. MONEYS REMAINING IN THE INSTITUTE CHARTER SCHOOL'S  
20 ACCOUNTS UPON THE REVOCATION OR NONRENEWAL OF THE CHARTER  
21 CONTRACT REVERT TO THE INSTITUTE; EXCEPT THAT ANY GIFTS MUST BE  
22 DISPOSED OF IN ACCORDANCE WITH ANY CONDITIONS PRESCRIBED BY THE  
23 DONOR THAT ARE NOT CONTRARY TO LAW.

24 (10) (a) ON OR BEFORE DECEMBER 1 OF EACH YEAR, A  
25 REPRESENTATIVE FROM THE GOVERNING BOARD OF EACH INSTITUTE  
26 CHARTER SCHOOL AND THE INSTITUTE BOARD SHALL MEET TO REVIEW THE  
27 LEVEL OF FUNDING RECEIVED BY THE INSTITUTE AS A RESULT OF THE

1       MONEYS WITHHELD BY THE INSTITUTE FOR THE AMOUNT OF ACTUAL COSTS  
2       INCURRED BY THE INSTITUTE IN PROVIDING NECESSARY ADMINISTRATION,  
3       OVERSIGHT, AND MANAGEMENT SERVICES TO THE INSTITUTE CHARTER  
4       SCHOOLS. THE INSTITUTE CHARTER SCHOOL REPRESENTATIVES AND THE  
5       INSTITUTE BOARD SHALL, AT A MINIMUM, REVIEW FOR EACH BUDGET YEAR  
6       THE AMOUNT OF MONEYS ANNUALLY APPROPRIATED TO THE INSTITUTE,  
7       THE AMOUNT OF COSTS INCURRED BY THE INSTITUTE, AND THE SERVICES  
8       PROVIDED BY THE INSTITUTE.

9               (b) ON OR BEFORE JANUARY 15 OF EACH YEAR, THE INSTITUTE  
10       BOARD SHALL SUBMIT TO THE EDUCATION COMMITTEES OF THE SENATE  
11       AND THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES,  
12       THE FINDINGS OF THE REVIEW DESCRIBED IN PARAGRAPH (a) OF THIS  
13       SUBSECTION (10) AND ANY RECOMMENDATIONS FOR LEGISLATIVE  
14       CHANGES REGARDING THE OPERATIONS OF THE INSTITUTE.

15              (c) THE PROVISIONS OF THIS SUBSECTION (10) DO NOT LIMIT THE  
16       AUTHORITY OF THE INSTITUTE OR THE INSTITUTE BOARD IN MAKING  
17       DECISIONS CONCERNING OPERATIONS OF THE INSTITUTE OR THE USE OF  
18       INSTITUTE MONEYS.

19              (11)(a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY  
20       THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION AT WHICH  
21       A MAJORITY OF THOSE VOTING APPROVE AN INCREASE IN STATE TAX  
22       REVENUES FOR THE PURPOSE OF FUNDING PUBLIC EDUCATION.

23              (b) THE PROVISIONS OF THIS SECTION APPLY IN THE SECOND  
24       BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
25       THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE  
26       PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
27       THEREAFTER; EXCEPT THAT, IN THE FIRST BUDGET YEAR COMMENCING

1 AFTER THE STATEWIDE ELECTION, EACH INSTITUTE CHARTER SCHOOL  
2 SHALL BEGIN REPORTING TO THE DEPARTMENT THE SCHOOL'S  
3 MEMBERSHIP, INCLUDING SPECIFYING AT-RISK PUPILS AND ENGLISH  
4 LANGUAGE LEARNERS, AND THE INSTITUTE CHARTER SCHOOL'S ON-LINE  
5 PROGRAM, INCLUDING SPECIFYING AT-RISK PUPILS AND ENGLISH  
6 LANGUAGE LEARNERS, AND ASCENT PROGRAM ENROLLMENT AS  
7 REQUIRED IN SECTION 22-54.5-405.

8 **SECTION 4.** In Colorado Revised Statutes, **add** 22-28-104.1 and  
9 22-28-107.1 as follows:

10 **22-28-104.1. Establishment of public preschool programs.**

11 (1) THE COLORADO PRESCHOOL PROGRAM IS ESTABLISHED IN THE  
12 DEPARTMENT AND AS A LOCAL PROGRAM IN EACH SCHOOL DISTRICT. THE  
13 PURPOSES OF THE PROGRAM ARE:

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

21 (b) TO ESTABLISH CRITERIA THAT SCHOOL DISTRICTS AND  
22 INSTITUTE CHARTER SCHOOLS MUST FOLLOW TO ESTABLISH DISTRICT AND  
23 INSTITUTE CHARTER SCHOOL PRESCHOOL PROGRAMS; AND

24 (c) TO ENCOURAGE PARENTS TO PARTICIPATE WITH THEIR  
25 CHILDREN IN DISTRICT OR INSTITUTE CHARTER SCHOOL PRESCHOOL  
26 PROGRAMS.

27 (2) ALL CHILDREN WHO MEET THE ELIGIBILITY REQUIREMENTS

1 SPECIFIED IN SECTION 22-28-106 MAY PARTICIPATE IN THE COLORADO  
2 PRESCHOOL PROGRAM AS HALF-TIME PUPILS.

3 (3) EACH SCHOOL DISTRICT AND EACH INSTITUTE CHARTER  
4 SCHOOL SHALL INCLUDE IN THE MEMBERSHIP REPORTED TO THE  
5 DEPARTMENT PURSUANT TO SECTION 22-54.5-405 THE PUPILS ENROLLED  
6 IN THE COLORADO PRESCHOOL PROGRAM TO RECEIVE FUNDING FOR THOSE  
7 PUPILS THROUGH THE "PUBLIC SCHOOL FINANCE ACT", ARTICLE 54.5 OF  
8 THIS TITLE.

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

15 (5) (a) THIS SECTION TAKES EFFECT UPON THE PROCLAMATION BY  
16 THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE ELECTION AT WHICH  
17 A MAJORITY OF THOSE VOTING APPROVE AN INCREASE IN STATE TAX  
18 REVENUES FOR THE PURPOSE OF FUNDING PUBLIC EDUCATION.

19 (b) THE PROVISIONS OF THIS SECTION APPLY IN THE SECOND  
20 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
21 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE  
22 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
23 THEREAFTER; EXCEPT THAT, IN THE FIRST BUDGET YEAR COMMENCING  
24 AFTER THE STATEWIDE ELECTION, EACH SCHOOL DISTRICT AND EACH  
25 INSTITUTE CHARTER SCHOOL SHALL BEGIN REPORTING TO THE  
26 DEPARTMENT THE SCHOOL DISTRICT'S OR INSTITUTE CHARTER SCHOOL'S  
27 PRESCHOOL PROGRAM ENROLLMENT FOR EACH SCHOOL DAY AS REQUIRED

1 IN SECTION 22-54.5-405.

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 AT WHICH  
6 A MAJORITY OF THOSE VOTING APPROVE AN INCREASE IN STATE TAX  
7 REVENUES FOR THE PURPOSE OF FUNDING PUBLIC EDUCATION.

8 (b) THE PROVISIONS OF THIS SECTION APPLY IN THE SECOND  
9 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
10 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE  
11 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
12 THEREAFTER.

13 **SECTION 5.** In Colorado Revised Statutes, 22-45-103, **add** (1)

14 (i) as follows:

15 **22-45-103. Funds.** (1) The following funds are created for each  
16 school district for purposes specified in this article:

17 (i) **Technology and building maintenance and operation fund.**

18 (I) THE REVENUES FROM A TAX LEVIED PURSUANT TO SECTION  
19 22-54.5-207 FOR THE PURPOSES OF TECHNOLOGY AND BUILDING  
20 MAINTENANCE AND OPERATION SHALL BE DEPOSITED IN THE TECHNOLOGY  
21 AND BUILDING MAINTENANCE AND OPERATION FUND. EXPENDITURES  
22 FROM THE FUND ARE LIMITED TO PAYMENT OF THE COSTS OF ACQUIRING  
23 AND MAINTAINING TECHNOLOGY AND THE COSTS OF BUILDING  
24 MAINTENANCE AND OPERATION FOR THE BUILDINGS OF THE DISTRICT AS  
25 AUTHORIZED IN THE BUDGET OF THE DISTRICT. ANY MONEYS REMAINING  
26 IN THE FUND AT THE END OF A FISCAL YEAR MUST REMAIN IN THE FUND  
27 AND MUST BE USED TO REDUCE THE LEVY FOR TECHNOLOGY AND BUILDING



1 MAINTENANCE AND OPERATION IN FUTURE YEARS.

2 (II) (A) THIS PARAGRAPH (i) TAKES EFFECT UPON THE  
3 PROCLAMATION BY THE GOVERNOR OF THE VOTE CAST IN A STATEWIDE  
4 ELECTION AT WHICH A MAJORITY OF THOSE VOTING APPROVE AN INCREASE  
5 IN STATE TAX REVENUES FOR THE PURPOSE OF FUNDING PUBLIC  
6 EDUCATION.

7 (B) THE PROVISIONS OF THIS SECTION APPLY IN THE SECOND  
8 BUDGET YEAR COMMENCING AFTER THE STATEWIDE ELECTION AT WHICH  
9 THE VOTERS APPROVE THE INCREASE IN STATE TAX REVENUES FOR THE  
10 PURPOSE OF FUNDING PUBLIC EDUCATION AND IN BUDGET YEARS  
11 THEREAFTER.

12 **SECTION 6.** In Colorado Revised Statutes, 22-44-105, **amend**  
13 (4) as follows:

14 **22-44-105. Budget - contents - mandatory.** (4) (a) ~~Not later than~~  
15 ~~July 1, 1998;~~ The state board of education, with input from the financial  
16 policies and procedures advisory committee, shall establish, ~~and~~  
17 implement, AND MAINTAIN a statewide financial, student management,  
18 and human resource electronic data communications and reporting system  
19 that is based on a ~~redesigned~~ standard chart of accounts, a standard  
20 information system, and a standard personnel classification system AND  
21 THAT INCLUDES TO THE FULLEST EXTENT POSSIBLE COMPARABLE  
22 REPORTING OF EXPENDITURES AT THE SCHOOL-SITE LEVEL AS WELL AS AT  
23 THE SCHOOL DISTRICT LEVEL, AT THE BOARD OF COOPERATIVE SERVICES  
24 LEVEL, AND BY THE STATE CHARTER SCHOOL INSTITUTE. The department  
25 of education, THE STATE CHARTER SCHOOL INSTITUTE, and all DISTRICT  
26 CHARTER SCHOOLS, INSTITUTE CHARTER SCHOOLS, school districts, and  
27 boards of cooperative services in the state shall use the system to report

1 and obtain necessary financial information.

2 (b) In ~~redesigning~~ IMPLEMENTING AND MAINTAINING the financial  
3 and human resource reporting system pursuant to paragraph (a) of this  
4 section, the state board of education shall adhere to, but is not limited to,  
5 the following guidelines:

6 (I) The ~~financial and human resource~~ reporting system ~~shall~~ MUST  
7 be based on a ~~redesigned~~ STANDARD chart of accounts that ~~will make~~  
8 MAKES school-to-school and school district-to-school district comparisons  
9 ~~more~~ accurate and meaningful;

10 (II) THE REPORTING SYSTEM, INCLUDING THE STANDARD CHART OF  
11 ACCOUNTS, MUST REQUIRE THE REPORTING OF EXPENDITURES, INCLUDING  
12 BUT NOT LIMITED TO SALARY AND BENEFIT EXPENDITURES, AT THE SCHOOL  
13 SITE LEVEL;

14 ~~(H)~~ (III) The ~~financial and human resource~~ reporting system ~~shall~~  
15 MUST provide standard definitions for employment positions such that  
16 full, accurate disclosure of administrative costs is made within the  
17 budgets and the financial statements of every school district;

18 ~~(H)~~ (IV) The ~~financial~~ reporting system ~~shall~~ MUST make it  
19 possible to collect comparable data by program and school site; AND

20 (V) THE REPORTING SYSTEM MUST REQUIRE EACH CHARTER  
21 SCHOOL, EACH SCHOOL DISTRICT, EACH BOARD OF COOPERATIVE SERVICES,  
22 AND THE INSTITUTE TO REPORT ACTUAL SALARY AMOUNTS WHEN  
23 REPORTING SALARY EXPENDITURES AND REQUIRE EACH CHARTER SCHOOL,  
24 EACH SCHOOL DISTRICT, EACH BOARD OF COOPERATIVE SERVICES, AND  
25 THE INSTITUTE TO REPORT BENEFIT EXPENDITURES BY TYPE OF BENEFIT.

26 (c) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION (4) TO  
27 THE CONTRARY, IF A SCHOOL DISTRICT'S AVERAGE DAILY MEMBERSHIP FOR

1 THE MOST RECENT FUNDING AVERAGING PERIOD IS ONE THOUSAND OR  
2 FEWER STUDENTS, THE SCHOOL DISTRICT MAY DECIDE WHETHER TO  
3 REPORT EXPENDITURES AT THE SCHOOL-SITE LEVEL.

4 (d) THE REQUIREMENTS SPECIFIED IN THIS SUBSECTION (4) TO  
5 REPORT INFORMATION AT THE SCHOOL-SITE LEVEL APPLY TO THE 2014-15  
6 BUDGET YEAR AND BUDGET YEARS THEREAFTER.

7 (e) ~~(e) Nothing in this section shall be interpreted to require~~  
8 ~~accounting of salary and benefit costs by school site.~~ THE DEPARTMENT  
9 SHALL CREATE OR CONTRACT FOR THE CREATION OF A WEB SITE VIEW  
10 THAT, AT A MINIMUM, TRANSLATES THE REPORTED EXPENDITURES FOR  
11 SCHOOL SITES, SCHOOL DISTRICTS, THE STATE CHARTER SCHOOL  
12 INSTITUTE, AND BOARDS OF COOPERATIVE SERVICES INTO A FORMAT THAT  
13 IS READABLE BY A LAYPERSON. IN ADDITION, THE DEPARTMENT SHALL  
14 COLLECT, REVIEW, AND STANDARDIZE THE DATA REPORTED BY THE STATE  
15 CHARTER SCHOOL INSTITUTE, CHARTER SCHOOLS, DISTRICTS, AND BOARDS  
16 OF COOPERATIVE SERVICES PURSUANT TO THIS SUBSECTION (4) TO ENSURE  
17 THE GREATEST LEVEL OF TRANSPARENCY AND COMPARABILITY OF  
18 EXPENDITURES AMONG SCHOOL SITES, SCHOOL DISTRICTS, THE STATE  
19 CHARTER SCHOOL INSTITUTE, AND BOARDS OF COOPERATIVE SERVICES.

20 ~~(d) Repealed.~~

21 **SECTION 7.** In Colorado Revised Statutes, 22-24-104, **add** (7)  
22 as follows:

23 **22-24-104. English language proficiency program established**  
24 **- funding.** (7) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO  
25 THE CONTRARY, BEGINNING IN THE 2015-16 BUDGET YEAR AND FOR  
26 BUDGET YEARS THEREAFTER, THE GENERAL ASSEMBLY SHALL NOT  
27 APPROPRIATE MONEYS SPECIFICALLY TO FUND THIS ARTICLE. FOR THE

1 2015-16 BUDGET YEAR AND BUDGET YEARS THEREAFTER, A DISTRICT, THE  
2 STATE CHARTER SCHOOL INSTITUTE, OR A FACILITY SCHOOL MAY RECEIVE  
3 MONEYS FOR THE IMPLEMENTATION OF THIS SECTION THROUGH THE  
4 "PUBLIC SCHOOL FINANCE ACT", ARTICLE 54.5 OF THIS TITLE.

5 **SECTION 8.** In Colorado Revised Statutes, 22-33-205, **add** (5)  
6 as follows:

7 **22-33-205. Services for expelled and at-risk students - grants**  
8 **- criteria.** (5) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO  
9 THE CONTRARY, BEGINNING IN THE 2015-16 BUDGET YEAR AND FOR  
10 BUDGET YEARS THEREAFTER, THE GENERAL ASSEMBLY SHALL NOT  
11 APPROPRIATE MONEYS SPECIFICALLY TO FUND THIS SECTION. FOR THE  
12 2015-16 BUDGET YEAR AND BUDGET YEARS THEREAFTER, A DISTRICT, A  
13 CHARTER SCHOOL, OR A FACILITY SCHOOL MAY RECEIVE MONEYS FOR THE  
14 IMPLEMENTATION OF THIS SECTION THROUGH THE "PUBLIC SCHOOL  
15 FINANCE ACT", ARTICLE 54.5 OF THIS TITLE.

16 **SECTION 9.** In Colorado Revised Statutes, 22-20-114, **add** (7)  
17 as follows:

18 **22-20-114. Funding of programs - legislative intent.** (7) IT IS  
19 THE INTENT OF THE GENERAL ASSEMBLY THAT, BEGINNING IN THE 2015-16  
20 BUDGET YEAR AND FOR BUDGET YEARS THEREAFTER, IN ADDITION TO ANY  
21 OTHER APPROPRIATIONS FOR PURPOSES OF THIS SECTION, THE GENERAL  
22 ASSEMBLY SHALL APPROPRIATE FOR DISTRIBUTION PURSUANT TO  
23 PARAGRAPH (c) OF SUBSECTION (1) OF THIS SECTION AN AMOUNT EQUAL  
24 TO THE AMOUNTS APPROPRIATED IN BUDGET YEARS BEFORE THE 2015-16  
25 BUDGET YEAR TO FUND THE "ENGLISH LANGUAGE PROFICIENCY ACT",  
26 ARTICLE 24 OF THIS TITLE, AND THE SERVICES FOR EXPELLED AND AT-RISK  
27 STUDENTS GRANT PROGRAM PURSUANT TO SECTION 22-33-205. IT IS

1 FURTHER THE GENERAL ASSEMBLY'S INTENT THAT, AS A RESULT OF  
2 RECEIVING AN INCREASE IN THE DISTRIBUTION OF STATE MONEYS  
3 PURSUANT TO THIS SUBSECTION (7) OR PURSUANT TO SECTION 22-54.5-102  
4 (2), AN ADMINISTRATIVE UNIT, IN COMPLYING WITH THE MAINTENANCE OF  
5 EFFORT REQUIREMENT SPECIFIED IN THE FEDERAL "NO CHILD LEFT  
6 BEHIND ACT OF 2001", 20 U.S.C. SEC. 6381 ET SEQ., SHALL NOT REDUCE  
7 THE LEVEL OF STATE AND LOCAL EXPENDITURES BELOW THE LEVEL OF  
8 STATE AND LOCAL EXPENDITURES FOR THE PRECEDING BUDGET YEAR. ANY  
9 ADDITIONAL APPROPRIATION OF MONEYS FOR DISTRIBUTION PURSUANT TO  
10 THIS SECTION IS INTENDED TO ALTER THE RATIO BETWEEN STATE AND  
11 LOCAL EXPENDITURES, BUT THE OVERALL LEVEL OF EXPENDITURES MAY  
12 REMAIN THE SAME, THEREBY SATISFYING THE FEDERAL MAINTENANCE OF  
13 EFFORT REQUIREMENTS.

14 **SECTION 10.** In Colorado Revised Statutes, 22-30.5-504,  
15 **amend** (4) (d); and **add** (7.7) as follows:

16 **22-30.5-504. Institute chartering authority - institute charter**  
17 **schools - exclusive authority - retention - recovery - revocation.**

18 (4) (d) Each local board of education that has been granted, prior to or on  
19 or after April 17, 2008, exclusive authority to charter schools within the  
20 geographic boundaries of the school district shall retain exclusive  
21 authority until the local board of education voluntarily relinquishes the  
22 exclusive authority or the state board of education revokes the exclusive  
23 authority pursuant to the provisions of ~~subsection (7.5)~~ SUBSECTION (7.5)  
24 OR (7.7) of this section. A local board of education that voluntarily  
25 relinquishes exclusive authority may regain exclusive authority by  
26 applying pursuant to the provisions of this subsection (4).

27 (7.7) (a) IF A SCHOOL DISTRICT FAILS TO DISTRIBUTE TO A CHARTER

1 SCHOOL OF THE SCHOOL DISTRICT THE PER PUPIL SHARE OF THE  
2 AUTHORIZED ADDITIONAL LOCAL PROPERTY TAX REVENUES AS REQUIRED  
3 IN SECTION 22-30.5-111.5 (7) (d) OR FAILS TO DISTRIBUTE TO A CHARTER  
4 SCHOOL OF THE SCHOOL DISTRICT THE PER PUPIL SHARE OF ANY MILL LEVY  
5 EQUALIZATION PAYMENT RECEIVED BY THE SCHOOL AS REQUIRED IN  
6 SECTION 22-30.5-111.5 (7) (e), THE CHARTER SCHOOL SHALL NOTIFY THE  
7 DEPARTMENT. AT THE NEXT REGULARLY SCHEDULED MEETING THAT IS AT  
8 LEAST THIRTY DAYS AFTER THE DEPARTMENT RECEIVES THE NOTICE, THE  
9 STATE BOARD SHALL CONSIDER REVOKING THE LOCAL BOARD OF  
10 EDUCATION'S EXCLUSIVE AUTHORITY TO AUTHORIZE CHARTER SCHOOLS  
11 WITHIN THE GEOGRAPHIC BOUNDARIES OF THE SCHOOL DISTRICT. AT  
12 LEAST THIRTY DAYS BEFORE THE STATE BOARD MEETING, THE  
13 DEPARTMENT SHALL PROVIDE TO THE DISTRICT A COPY OF THE NOTICE  
14 RECEIVED FROM THE CHARTER SCHOOL. THE STATE BOARD SHALL ALLOW  
15 THE LOCAL BOARD THE OPPORTUNITY TO APPEAR AT THE MEETING AND  
16 PROVIDE WRITTEN EVIDENCE THAT IT HAS DISTRIBUTED TO THE CHARTER  
17 SCHOOL THE REQUIRED PER PUPIL SHARES OF THE AUTHORIZED  
18 ADDITIONAL LOCAL PROPERTY TAX REVENUES OR MILL LEVY  
19 EQUALIZATION PAYMENTS, WHICHEVER IS APPLICABLE. THE STATE BOARD  
20 AT THE MEETING SHALL REVOKE THE LOCAL BOARD'S EXCLUSIVE  
21 AUTHORITY UNLESS IT FINDS SUFFICIENT EVIDENCE THAT THE LOCAL  
22 BOARD HAS DISTRIBUTED TO THE CHARTER SCHOOL THE REQUIRED  
23 AMOUNTS.

24 (b) IF THE STATE BOARD REVOKES A LOCAL BOARD OF  
25 EDUCATION'S EXCLUSIVE AUTHORITY, THE LOCAL BOARD MAY APPLY TO  
26 RECOVER THE GRANT OF EXCLUSIVE AUTHORITY AS PROVIDED IN  
27 SUBSECTION (4) OF THIS SECTION AS SOON AS THE LOCAL BOARD HAS

1 FULLY COMPLIED FOR AT LEAST SIX MONTHS WITH THE REQUIREMENTS OF  
2 SECTION 22-30.5-111.5 (7) (d) AND (7) (e), AS THESE PROVISIONS MAY BE  
3 APPLICABLE. THE STATE BOARD SHALL CONSIDER THE LOCAL BOARD OF  
4 EDUCATION'S APPLICATION AND EITHER GRANT OR DENY THE LOCAL  
5 BOARD EXCLUSIVE AUTHORITY AS PROVIDED IN SUBSECTION (5) OF THIS  
6 SECTION.

7 **SECTION 11.** In Colorado Revised Statutes, 2-3-1203, **add** (3)  
8 (jj.5) as follows:

9 **2-3-1203. Sunset review of advisory committees.** (3) The  
10 following dates are the dates for which the statutory authorization for the  
11 designated advisory committees is scheduled for repeal:

12 (jj.5) SEPTEMBER 1, 2023:

13 (I) THE EDUCATION INNOVATION BOARD CREATED IN SECTION  
14 22-54.5-311 (8), C.R.S.

15 **SECTION 12. Effective date.** This act takes effect upon the  
16 proclamation by the governor of the vote cast in a statewide election at  
17 which a majority of those voting approve an increase in state tax revenues  
18 for the purpose of funding public education.

19 **SECTION 13. Safety clause.** The general assembly hereby finds,  
20 determines, and declares that this act is necessary for the immediate  
21 preservation of the public peace, health, and safety.