

**First Regular Session  
Seventieth General Assembly  
STATE OF COLORADO**

**REVISED**

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

LLS NO. 15-0871.03 Brita Darling x2241

**SENATE BILL 15-267**

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**SENATE SPONSORSHIP**

**Hill**, Holbert, Marble, Neville T., Woods

**HOUSE SPONSORSHIP**

**Hamner**,

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**Senate Committees**

Education  
Appropriations

**House Committees**

Education  
Appropriations

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**A BILL FOR AN ACT**

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

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**Bill Summary**

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

The bill sets the statewide base per pupil funding amount for the 2015-16 budget year at \$6,292.39, which is an inflationary increase of 2.8% and establishes the minimum amount of total program funding for the 2015-16 budget year. The minimum amount of total program funding reflects a reduction of the dollar amount of the negative factor by \$25 million.

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

HOUSE  
Amended 2nd Reading  
April 29, 2015

SENATE  
3rd Reading Unamended  
April 24, 2015

SENATE  
Amended 2nd Reading  
April 23, 2015

For the 2016-17 budget year, the difference between the amount of statewide total program funding calculated without the negative factor and the amount of statewide total program funding calculated with the negative factor cannot exceed the dollar amount of that difference for the 2015-16 budget year.

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

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

3 (a) (XXII) and (5) (g) (I) (F) as follows:

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

6 (a) (XXII) FOR THE 2015-16 BUDGET YEAR, THE STATEWIDE BASE  
7 PER PUPIL FUNDING IS \$6,292.39, WHICH IS AN AMOUNT EQUAL TO \$6,121,  
8 SUPPLEMENTED BY \$171.39 TO ACCOUNT FOR INFLATION.

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

19 (F) THAT, FOR THE 2015-16 BUDGET YEAR, THE SUM OF THE TOTAL  
20 PROGRAM FUNDING FOR ALL DISTRICTS, INCLUDING THE FUNDING FOR  
21 INSTITUTE CHARTER SCHOOLS, AFTER APPLICATION OF THE NEGATIVE  
22 FACTOR, IS NOT LESS THAN SIX BILLION TWO HUNDRED THIRTY-THREE  
23 MILLION NINE HUNDRED FIFTY-FIVE THOUSAND SEVEN HUNDRED

1 THIRTY-SEVEN DOLLARS (\$6,233,955,737); EXCEPT THAT THE  
2 DEPARTMENT OF EDUCATION AND THE STAFF OF THE LEGISLATIVE COUNCIL  
3 SHALL MAKE MID-YEAR REVISIONS TO REPLACE PROJECTIONS WITH  
4 ACTUAL FIGURES, INCLUDING BUT NOT LIMITED TO ACTUAL PUPIL  
5 ENROLLMENT, ASSESSED VALUATIONS, AND SPECIFIC OWNERSHIP TAX  
6 REVENUE FROM THE PRIOR YEAR, TO DETERMINE ANY NECESSARY  
7 CHANGES IN THE AMOUNT OF THE REDUCTION TO MAINTAIN A TOTAL  
8 PROGRAM FUNDING AMOUNT FOR THE APPLICABLE BUDGET YEAR THAT IS  
9 CONSISTENT WITH THIS SUB-SUBPARAGRAPH (F). FOR THE 2016-17  
10 BUDGET YEAR, THE DIFFERENCE BETWEEN CALCULATED STATEWIDE TOTAL  
11 PROGRAM FUNDING AND ACTUAL STATEWIDE TOTAL PROGRAM FUNDING  
12 MUST NOT EXCEED THE DIFFERENCE BETWEEN CALCULATED STATEWIDE  
13 TOTAL PROGRAM FUNDING AND ACTUAL STATEWIDE TOTAL PROGRAM  
14 FUNDING FOR THE 2015-16 BUDGET YEAR.

15 **SECTION 2. In Colorado Revised Statutes, 22-54-106, amend**  
16 **(1) (b) (I), (2) (a) (II) (A), and (4) (c); and repeal (1) (b) (II) as follows:**

17 **22-54-106. Local and state shares of district total program.**  
18 **(1) (b) (I) Except as provided in subsections (11) and (12) of this section,**  
19 **the state's share of a district's total program is the difference between the**  
20 **district's total program and the district's share of its total program. except**  
21 **that, unless otherwise provided by subparagraph (II) of this paragraph (b),**  
22 **no district shall receive less in state aid than an amount established by the**  
23 **general assembly in the annual general appropriation act based upon the**  
24 **amount of school lands and mineral lease moneys received pursuant to**  
25 **article 41 of this title and section 34-63-102, C.R.S., multiplied by the**  
26 **district's funded pupil count.**

27 **(II) (A) For the 2010-11 budget year through the 2014-15 budget**

1 year, the requirement that no district shall receive less in state aid than an  
2 amount established by the general assembly in the annual general  
3 appropriation act as specified in subparagraph (I) of this paragraph (b)  
4 shall not apply to any district.

5 (B) On or before January 15, 2015, the department of education  
6 shall submit a report to the joint budget committee of the general  
7 assembly and to the education committees of the senate and the house of  
8 representatives, or any successor committees, regarding the estimated  
9 fiscal impact of and the potential number of districts that will be impacted  
10 by restoring the requirement, in the 2015-16 budget year, that no district  
11 shall receive less in state aid than an amount established by the general  
12 assembly in the annual general appropriation act as specified in  
13 subparagraph (I) of this paragraph (b).

14 (2) (a) Except as provided in paragraph (c) of this subsection (2),  
15 for reorganized districts, for the 2007 property tax year and property tax  
16 years thereafter, each district shall levy the lesser of:

17 (II) (A) Subject to the provisions of sub-subparagraph (B) of this  
18 subparagraph (II), the number of mills that will generate property tax  
19 revenue in an amount equal to the district's total program for the  
20 applicable budget year minus the district's minimum state aid, if  
21 applicable for that budget year, and minus the amount of specific  
22 ownership tax revenue paid to the district.

23 (4) (c) If a supplemental appropriation is not made by the general  
24 assembly to fully fund the state's share of the total program of all districts  
25 including funding for institute charter schools or a supplemental  
26 appropriation is made to reduce the state's share of the total program of  
27 all districts including funding for institute charter schools, the state aid of

1 each district and the funding for each institute charter school shall be  
2 reduced in accordance with the provisions of this paragraph (c). The total  
3 program of each district that receives state aid shall be reduced by a  
4 percentage determined by dividing the deficit in the appropriation or the  
5 reduction in the appropriation, whichever is applicable, by the total  
6 program of all districts that receive state aid. The state aid of each district  
7 shall be reduced by the amount of the reduction in the district's total  
8 program or the amount of state aid, whichever is less. even if, for the  
9 2009-10 budget year or any budget year thereafter, the reduction would  
10 result in a district receiving less state aid than the amount of minimum  
11 state aid for each district as determined by the general assembly for the  
12 applicable budget year. The funding for each institute charter school shall  
13 be reduced in proportion to the reduction in the total program of the  
14 district from which the institute charter school's funding is withheld. The  
15 department of education shall see that the reduction in state aid required  
16 by this paragraph (c) is accomplished prior to the end of the budget year.

17 **SECTION 3.** In Colorado Revised Statutes, 22-54-114, amend  
18 (2.3) as follows:

19 **22-54-114. State public school fund. (2.3)** Notwithstanding any  
20 provision of this article to the contrary, of the total amount appropriated  
21 by the general assembly in the annual appropriation bill for each budget  
22 year to meet the state's share of the total program of all districts and the  
23 total funding for all institute charter schools, the department of education  
24 may transfer an amount specified by the general assembly in the annual  
25 general appropriation bill for that budget year to offset the direct and  
26 indirect administrative costs incurred by the department in implementing  
27 the provisions of this article. The total program of each district that

1 receives state aid and the total funding for each institute charter school  
2 shall be reduced by a percentage determined by dividing the amount of  
3 the transfer by the total program of all districts that receive state aid plus  
4 the total funding for all institute charter schools. The state aid of each  
5 district shall be reduced by the amount of the reduction in the district's  
6 total program or the amount of state aid, whichever is less. even if, for the  
7 2009-10 budget year or any budget year thereafter, the reduction would  
8 result in a district receiving less state aid than the amount of minimum  
9 state aid for each district as determined by the general assembly for the  
10 applicable budget year. The department of education shall ensure that the  
11 reduction in state aid and institute charter school funding required by this  
12 subsection (2.3) is accomplished prior to the end of the budget year. The  
13 reductions described in this subsection (2.3) shall be in addition to any  
14 reduction that may be required pursuant to section 22-54-106 (4) (c).

15 **SECTION 4.** In Colorado Revised Statutes, 22-41-102, **amend**  
16 (3) (d); and **add** (3) (e) as follows:

17 **22-41-102. Fund inviolate.** (3) (d) For the 2013-14 state fiscal  
18 year ~~and each state fiscal year thereafter~~ THROUGH THE 2014-15 FISCAL  
19 YEAR, the first sixteen million dollars of any interest or income earned on  
20 the investment of the moneys in the public school fund shall be credited  
21 to the state public school fund created in section 22-54-114 for  
22 distribution as provided by law. Any amount of such interest and income  
23 earned on the investment of the moneys in the state public school fund in  
24 excess of sixteen million dollars, other than interest and income credited  
25 to the public school capital construction assistance fund, created in  
26 section 22-43.7-104 (1), pursuant to section 22-43.7-104 (2) (b) (I), shall  
27 remain in the fund and shall become part of the principal of the fund.

1 (e) FOR THE 2015-16 STATE FISCAL YEAR, AND EACH STATE FISCAL  
2 YEAR THEREAFTER, THE FIRST TWENTY-ONE MILLION DOLLARS OF ANY  
3 INTEREST OR INCOME EARNED ON THE INVESTMENT OF THE MONEYS IN THE  
4 PUBLIC SCHOOL FUND SHALL BE CREDITED TO THE STATE PUBLIC SCHOOL  
5 FUND CREATED IN SECTION 22-54-114 FOR DISTRIBUTION AS PROVIDED BY  
6 LAW. ANY AMOUNT OF SUCH INTEREST AND INCOME EARNED ON THE  
7 INVESTMENT OF THE MONEYS IN THE STATE PUBLIC SCHOOL FUND IN  
8 EXCESS OF TWENTY-ONE MILLION DOLLARS, OTHER THAN INTEREST AND  
9 INCOME CREDITED TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION  
10 ASSISTANCE FUND, CREATED IN SECTION 22-43.7-104 (1), PURSUANT TO  
11 SECTION 22-43.7-104 (2) (B) (I), SHALL REMAIN IN THE FUND AND SHALL  
12 BECOME PART OF THE PRINCIPAL OF THE FUND.

13 **SECTION 5.** In Colorado Revised Statutes, 22-54-102, **add** (4)  
14 as follows:

15 **22-54-102. Legislative declaration - statewide applicability -**  
16 **intergovernmental agreements.** (4) IF THE DECEMBER 2015 REVENUE  
17 FORECAST PREPARED BY THE LEGISLATIVE COUNCIL STAFF ESTIMATES  
18 THAT THE AMOUNT OF LOCAL PROPERTY TAX REVENUES THAT WILL BE  
19 AVAILABLE TO DISTRICTS FOR THE 2015-16 BUDGET YEAR WILL BE  
20 GREATER THAN THE AMOUNT ESTIMATED IN THE DECEMBER 2014  
21 REVENUE FORECAST, IT IS THE INTENT OF THE GENERAL ASSEMBLY,  
22 THROUGH THE SUPPLEMENTAL APPROPRIATIONS PROCESS DURING THE  
23 2016 REGULAR LEGISLATIVE SESSION, TO MAINTAIN AND NOT REDUCE  
24 STATE APPROPRIATIONS FOR SCHOOL FINANCE FUNDING AFTER  
25 CONSIDERATION OF OTHER FORECAST CHANGES, INCLUDING CHANGES IN  
26 THE NUMBER OF PUPILS AND AT-RISK PUPILS ENROLLED, THE INFLATION  
27 RATE, AND THE EXPECTED STATE EDUCATION FUND REVENUES.

1           **SECTION 6.** In Colorado Revised Statutes, add 22-54-136 as  
2 follows:

3           **22-54-136. At-risk per pupil additional funding - definitions.**

4           (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
5 REQUIRES, "AT-RISK PER PUPIL ADDITIONAL FUNDING" MEANS AN AMOUNT  
6 EQUAL TO FIVE MILLION DOLLARS DIVIDED BY THE TOTAL NUMBER OF  
7 AT-RISK PUPILS ENROLLED IN THE PUBLIC SCHOOLS THROUGHOUT THE  
8 STATE FOR THE APPLICABLE BUDGET YEAR.

9           (2) FOR THE 2015-16 BUDGET YEAR, AND EACH BUDGET YEAR  
10 THEREAFTER, THE GENERAL ASSEMBLY SHALL APPROPRIATE FIVE MILLION  
11 DOLLARS TO THE DEPARTMENT OF EDUCATION FOR DISTRIBUTION AS  
12 AT-RISK PER PUPIL ADDITIONAL FUNDING TO DISTRICTS AND INSTITUTE  
13 CHARTER SCHOOLS AS PROVIDED IN THIS SECTION.

14           (3) (a) (I) FOR THE 2015-16 BUDGET YEAR, AND EACH BUDGET  
15 YEAR THEREAFTER, THE DEPARTMENT OF EDUCATION SHALL DISTRIBUTE  
16 TO EACH DISTRICT AN AMOUNT EQUAL TO THE AT-RISK PER PUPIL  
17 ADDITIONAL FUNDING MULTIPLIED BY THE NUMBER OF AT-RISK PUPILS  
18 ENROLLED IN THE DISTRICT FOR THE APPLICABLE BUDGET YEAR.

19           (II) EACH DISTRICT THAT IS AN AUTHORIZER FOR A CHARTER  
20 SCHOOL SHALL DISTRIBUTE TO THE DISTRICT CHARTER SCHOOL AN  
21 AMOUNT EQUAL TO ONE HUNDRED PERCENT OF THE AT-RISK PER PUPIL  
22 ADDITIONAL FUNDING MULTIPLIED BY THE NUMBER OF AT-RISK PUPILS  
23 ENROLLED IN THE DISTRICT CHARTER SCHOOL FOR THE APPLICABLE  
24 BUDGET YEAR.

25           (b) (I) FOR THE 2015-16 BUDGET YEAR, AND EACH BUDGET YEAR  
26 THEREAFTER, THE DEPARTMENT OF EDUCATION SHALL DISTRIBUTE TO THE  
27 STATE CHARTER SCHOOL INSTITUTE FOR DISTRIBUTION TO THE INSTITUTE



1 CHARTER SCHOOLS AN AMOUNT EQUAL TO THE AT-RISK PER PUPIL  
2 ADDITIONAL FUNDING MULTIPLIED BY THE TOTAL NUMBER OF AT-RISK  
3 PUPILS ENROLLED IN THE INSTITUTE CHARTER SCHOOLS FOR THE  
4 APPLICABLE BUDGET YEAR.

5 (II) THE STATE CHARTER SCHOOL INSTITUTE SHALL DISTRIBUTE TO  
6 EACH INSTITUTE CHARTER SCHOOL AN AMOUNT EQUAL TO ONE HUNDRED  
7 PERCENT OF THE AT-RISK PER PUPIL ADDITIONAL FUNDING MULTIPLIED BY  
8 THE NUMBER OF AT-RISK PUPILS ENROLLED IN THE INSTITUTE CHARTER  
9 SCHOOL FOR THE APPLICABLE BUDGET YEAR.

10 **SECTION 7.** In Colorado Revised Statutes, **add** 22-54-104.7 as  
11 follows:

12 **22-54-104.7. School finance review committee - created -**  
13 **duties.** (1) THERE IS CREATED THE SCHOOL FINANCE REVIEW COMMITTEE  
14 TO STUDY AND RECOMMEND LEGISLATION REGARDING TAX POLICY AND  
15 SCHOOL FINANCE. THE COMMITTEE CONSISTS OF TEN NONLEGISLATIVE  
16 MEMBERS APPOINTED BY THE SPEAKER OF THE HOUSE OF  
17 REPRESENTATIVES AND THE PRESIDENT OF THE SENATE, AND THE  
18 MEMBERS OF THE COMMITTEE SHALL SELECT A CHAIR FROM THEIR  
19 MEMBERSHIP.

20 (2) THE CHAIR OF THE COMMITTEE SHALL SCHEDULE THE FIRST  
21 MEETING OF THE COMMITTEE TO BE HELD NO LATER THAN AUGUST 1,  
22 2015. FROM AUGUST THROUGH DECEMBER 2015, THE COMMITTEE SHALL  
23 MEET UP TO FIVE TIMES. FROM JANUARY THROUGH DECEMBER 2016, THE  
24 COMMITTEE SHALL MEET AT LEAST QUARTERLY, AT THE CALL OF THE  
25 CHAIR, TO ACCOMPLISH ITS DUTIES. THE COMMITTEE MAY MEET AT OTHER  
26 TIMES DURING THE LEGISLATIVE SESSION AND DURING THE LEGISLATIVE  
27 INTERIM, AT THE CALL OF THE CHAIR, AS NECESSARY TO COMPLETE ITS

1 DUTIES.

2 (3) THE COMMITTEE MAY ANNUALLY RECOMMEND TO THE  
3 EDUCATION COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE  
4 SENATE UP TO A TOTAL OF FIVE BILLS, JOINT RESOLUTIONS, AND  
5 CONCURRENT RESOLUTIONS IN EACH OF THE 2016 AND 2017 LEGISLATIVE  
6 SESSIONS.

7 **SECTION 8. Appropriation.** For the 2015-16 state fiscal year,  
8 \$25,000,000 is appropriated to the department of education. This  
9 appropriation is from the general fund. To implement this act, the  
10 department may use this appropriation for the state share of districts' total  
11 program funding.

12 **SECTION 9. Appropriation.** For the 2015-16 state fiscal year,  
13 \$5,000,000 is appropriated to the department of education. This  
14 appropriation is from the state public school fund created in section  
15 22-54-114 (1), C.R.S., and is from interest and income earned on the  
16 investment of moneys in the public school fund that is credited to the state  
17 public school fund pursuant to section 22-41-102 (3) (e), C.R.S. To  
18 implement this act, the department may use this appropriation for at-risk  
19 per pupil additional funding pursuant to section 22-54-136, C.R.S.

20 **SECTION 10. Appropriation to the department of education**  
21 **for the fiscal year beginning July 1, 2015.** In section 2 of Senate Bill  
22 15-234, amend Part III (2) (A) Footnote 6, as follows:

23 **Section 2. Appropriation.**  
24 6 Department of Education, Assistance to Public Schools, Public  
25 School Finance, State Share of Districts' Total Program Funding  
26 -- Pursuant to Section 22-35-108 (2) (a), C.R.S., the purpose of  
27 this footnote is to specify what portion of this appropriation is

1 intended to be available for the Accelerating Students Through  
2 Concurrent Enrollment (ASCENT) Program for FY 2015-16. The  
3 Department of Education is authorized to utilize up to \$3,652,000  
4 \$3,666,850 of this appropriation to fund qualified students  
5 designated as ASCENT Program participants. This amount is  
6 calculated based on an estimated 550 FTE participants funded at  
7 a rate of \$6,640 \$6,667 per FTE pursuant to Section 22-54-104  
8 (4.7), C.R.S.

9 **SECTION 11. Safety clause.** The general assembly hereby finds,  
10 determines, and declares that this act is necessary for the immediate  
11 preservation of the public peace, health, and safety.