

Be It Enacted by the People of the State of Colorado:

Article X of the constitution of the state of Colorado is amended BY THE ADDITION OF A NEW SECTION to read:

Section 22: Mineral revenue for education. (1) BY AT LEAST STATE FISCAL YEAR 2009-10 AND EACH YEAR THEREAFTER, ALL MONEYS DEPOSITED IN THE STATE PUBLIC SCHOOL FUND FROM A REALLOCATION OF MONEYS RECEIVED FROM THE FEDERAL GOVERNMENT PURSUANT TO THE FEDERAL MINERAL LEASING ACT OF FEBRUARY 25, 1920, AS AMENDED, SHALL BE TRANSFERRED INTO THE PUBLIC SCHOOL IMPROVEMENT FUND WHICH IS HEREBY CREATED IN THE STATE TREASURY. THE MONEYS DEPOSITED IN THE PUBLIC SCHOOL IMPROVEMENT FUND EACH STATE FISCAL YEAR, UP TO FORTY MILLION DOLLARS, ADJUSTED FOR INFLATION EACH STATE FISCAL YEAR AFTER 2007-08, SHALL BE USED TO PROVIDE LOW INCOME CHILDREN THE OPPORTUNITY TO ATTEND VOLUNTARY QUALITY PRESCHOOL PROGRAMS SO THEY ARE ABLE TO BEGIN SCHOOL READY TO LEARN. ALL OTHER MONEYS IN THE PUBLIC SCHOOL IMPROVEMENT FUND, UP TO ONE HUNDRED TWENTY MILLION DOLLARS, ADJUSTED FOR INFLATION EACH STATE FISCAL YEAR AFTER 2007-08, SHALL BE USED EACH FISCAL YEAR FOR PRESCHOOL THROUGH TWELFTH GRADE PUBLIC SCHOOL RENOVATIONS OR CONSTRUCTION, WITH PRIORITY GIVEN TO SCHOOLS AND DISTRICTS IN RURAL AREAS, AND SCHOOLS AND DISTRICTS THAT ARE UNABLE TO RAISE SUFFICIENT REVENUE LOCALLY TO ADDRESS THEIR SCHOOL BUILDING NEEDS; AND PRIORITY SHALL BE PLACED ON THE USE OF THESE CAPITAL CONSTRUCTION FUNDS TO ADDRESS IMMEDIATE STUDENT HEALTH AND SAFETY NEEDS IN SCHOOL BUILDINGS, TO ENSURE COMPLIANCE WITH ALL RELEVANT FEDERAL, STATE, AND LOCAL LAWS, CODES, AND STANDARDS FOR SCHOOL BUILDINGS, AND TO RENOVATE OR REPLACE BUILDINGS THAT ARE FORTY YEARS OR OLDER. ONLY ADMINISTRATIVE COSTS THAT DO NOT IN TOTAL EXCEED ONE PERCENT OF THE MONEYS USED IN THE SAME STATE FISCAL YEAR FOR PRESCHOOL THROUGH TWELFTH GRADE CAPITAL CONSTRUCTION AND RENOVATION MAY BE PAID FOR WITH MONEYS DEPOSITED INTO THE PUBLIC SCHOOL IMPROVEMENT FUND. THE GENERAL ASSEMBLY SHALL TRANSFER ANY UNENCUMBERED BALANCE REMAINING IN THE PUBLIC SCHOOL IMPROVEMENT FUND AT THE END OF EACH STATE FISCAL YEAR INTO THE PERMANENT SCHOOL FUND. ALL INTEREST GENERATED FROM THE PERMANENT SCHOOL FUND SHALL BE ALLOCATED EACH STATE FISCAL YEAR TO FUND PRESCHOOL THROUGH TWELFTH GRADE EDUCATIONAL PROGRAMS, WHICH MAY INCLUDE BUT ARE NOT LIMITED TO PROGRAMS TO LOWER THE DROP OUT RATE, PURCHASE TEXTBOOKS, OR HELP SCHOOL DISTRICTS ATTRACT AND RETAIN QUALITY TEACHERS. ALLOCATIONS OF INTEREST MUST BE IN ADDITION TO OTHER EDUCATION FUNDING REQUIREMENTS AS OF NOVEMBER 7, 2006. THE GENERAL ASSEMBLY SHALL PUBLISH A REPORT EACH STATE FISCAL YEAR DESCRIBING ALL OF THE MONEYS RECEIVED BY AND EXPENDED FROM THE PUBLIC SCHOOL IMPROVEMENT FUND IN THE PRECEDING STATE FISCAL YEAR. THE GENERAL ASSEMBLY SHALL ENACT LAWS TO IMPLEMENT THE PURPOSES OF THIS SECTION.

(2) ALL MONEYS RECEIVED FROM THE FEDERAL GOVERNMENT AND DEPOSITED IN THE MINERAL LEASING FUND SHALL BE ALLOCATED AS FOLLOWS:

(a) FORTY-EIGHT PERCENT TO THE STATE PUBLIC SCHOOL FUND;

(b) FIFTEEN PERCENT TO THE LOCAL GOVERNMENT MINERAL IMPACT FUND;

(c) TEN PERCENT TO THE COLORADO WATER CONSERVATION BOARD CONSTRUCTION FUND;

(d) TWENTY-SEVEN PERCENT TO THOSE RESPECTIVE COUNTIES OF THIS STATE FROM WHICH THE FEDERAL LEASING MONEY IS DERIVED IN PROPORTION TO THE AMOUNT OF SAID FEDERAL LEASING MONEY DERIVED FROM EACH OF THE RESPECTIVE COUNTIES, WITH SOME PORTION TO BE TRANSFERRED TO SCHOOL DISTRICTS AND MUNICIPALITIES WITHIN THE COUNTIES IN EQUAL SHARES AS DETERMINED BY THE GENERAL ASSEMBLY.

(3) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, IN ORDER TO PROVIDE REVENUE FOR PRESCHOOL THROUGH TWELFTH GRADE PUBLIC EDUCATION, THE GENERAL ASSEMBLY SHALL HAVE THE POWER TO ENACT OR INCREASE A TAX UPON THE PROCEEDS FROM THE SALE OF OIL AND NATURAL GAS PRODUCED FROM WELLS LOCATED IN THIS STATE WITHOUT REFERRAL OR SUBMISSION OF SUCH ENACTMENT OR INCREASE FOR VOTER APPROVAL OR COMPLIANCE WITH ANY OTHER PROVISION OF THIS SECTION, AND THE REVENUES GENERATED BY SUCH TAX SHALL NOT BE SUBJECT TO ANY SPENDING LIMITATION CONTAINED HEREIN AND SHALL NOT BE DEEMED OR APPLIED TO LIMIT IN ANY YEAR THE AMOUNT OF OTHER REVENUE THAT MAY BE COLLECTED OR SPENT BY THE STATE OR ANY OTHER DISTRICT, SO LONG AS THE TAX OR TAX INCREASE IS NO LESS THAN ONE PERCENT AND NO GREATER THAN FOUR PERCENT.