

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

INTRODUCED

LLS NO. 01-0311.01 Jerry Barry

HOUSE BILL 01-1051

HOUSE SPONSORSHIP

Groff

SENATE SPONSORSHIP

(None)

House Committees

Education

Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING AN INCREASE IN THE OPPORTUNITY TO PARTICIPATE IN**
102 **EXTRACURRICULAR ACTIVITIES IN PUBLIC SCHOOLS, AND, IN**
103 **CONNECTION THEREWITH, ESTABLISHING THE**
104 **EXTRACURRICULAR ENHANCEMENT PROGRAM AND FUND.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Creates the extracurricular enhancement program to assist students in public schools in participating in extracurricular and interscholastic activities. Establishes application procedures and requirements. Directs the department of education to review applications, prioritize awards, and review the use of moneys by schools. Requires the state board of

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.*

education to establish rules for the program. Creates the extracurricular enhancement fund (the "fund").

Allocates to the fund up to 50%, but not more than \$10 million, of the state income taxes received from nonresident professional athletes and nonresident entertainers. Directs the executive director of the department of revenue to estimate the amount of state income taxes allocable to the fund based upon a prior calendar year and to establish rules for estimating such amounts.

Adds information concerning participation in the program to the school report cards.

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

2 **SECTION 1.** Article 1 of title 22, Colorado Revised Statutes, is
3 amended BY THE ADDITION OF A NEW SECTION to read:

4 **22-1-124. Extracurricular enhancement program - fund.**

5 (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

6 (a) STUDIES HAVE SHOWN THAT CHILDREN WHO PARTICIPATE IN
7 EXTRACURRICULAR OR INTERSCHOLASTIC ACTIVITIES TEND TO RECEIVE
8 BETTER GRADES AND STAY IN SCHOOL LONGER THAN CHILDREN WHO DO
9 NOT PARTICIPATE IN SUCH ACTIVITIES;

10 (b) PARTICIPATION IN EXTRACURRICULAR AND INTERSCHOLASTIC
11 ACTIVITIES PROVIDES CHILDREN WITH A MORE WELL-ROUNDED EDUCATION.

12 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
13 REQUIRES:

14 (a) "EXTRACURRICULAR AND INTERSCHOLASTIC ACTIVITIES"
15 INCLUDE, BUT ARE NOT LIMITED TO, CLUBS, PROGRAMS, SPORTS TEAMS,
16 AND FIELD TRIPS OPERATED OR CONDUCTED IN COOPERATION WITH A
17 PUBLIC SCHOOL.

18 (b) "FUND" MEANS THE EXTRACURRICULAR ENHANCEMENT FUND
19 CREATED IN SUBSECTION (6) OF THIS SECTION.

20 (3) THERE IS HEREBY CREATED IN THE DEPARTMENT THE

1 EXTRACURRICULAR ENHANCEMENT PROGRAM, REFERRED TO IN THIS
2 SECTION AS THE "PROGRAM", TO ASSIST PUBLIC SCHOOLS IN PROVIDING
3 EXPANDED PARTICIPATION IN EXTRACURRICULAR AND INTERSCHOLASTIC
4 ACTIVITIES.

5 (4) (a) ON OR BEFORE JUNE 15, 2001, AND EACH JUNE 15
6 THEREAFTER, ANY PUBLIC SCHOOL MAY SUBMIT TO THE DEPARTMENT AN
7 APPLICATION, ON A FORM SPECIFIED BY RULE OF THE STATE BOARD,
8 INDICATING ITS INTENT TO PARTICIPATE IN THE PROGRAM FOR THE FISCAL
9 YEAR COMMENCING THE FOLLOWING JULY 1. SUCH APPLICATION SHALL
10 INCLUDE, BUT NEED NOT BE LIMITED TO, THE PROPOSED USES OF ANY
11 MONEYS RECEIVED FROM THE FUND.

12 (b) ANY SCHOOL RECEIVING MONEYS FROM THE FUND SHALL USE
13 SUCH MONEYS ONLY FOR THE USES PROPOSED IN THE APPLICATION.

14 (c) ON OR BEFORE JUNE 15, 2002, AND ON OR BEFORE EACH JUNE
15 15 THEREAFTER, ANY SCHOOL THAT RECEIVES MONEYS FROM THE FUND
16 DUE TO AN APPLICATION SUBMITTED BY THE PREVIOUS JUNE 15, SHALL
17 SUBMIT A REPORT TO THE DEPARTMENT ON THE USES OF THE MONEYS
18 RECEIVED PURSUANT TO SUCH APPLICATION. SUCH REPORT SHALL
19 INCLUDE, BUT NEED NOT BE LIMITED TO, INFORMATION ON THE NUMBER OF
20 STUDENTS WHO WERE ABLE TO PARTICIPATE IN ACTIVITIES BECAUSE OF THE
21 MONEYS AND WHETHER SUCH STUDENTS SHOWED IMPROVEMENT IN GRADES
22 AND SCHOOL ATTENDANCE. IN ADDITION, ON OR BEFORE JUNE 15, 2002,
23 AND ON OR BEFORE EACH JUNE 15 THEREAFTER, ANY SCHOOL THAT DOES
24 NOT EXPEND ALL OF THE MONEYS RECEIVED FROM THE FUND FOR THAT
25 FISCAL YEAR SHALL RETURN ANY UNEXPENDED AND UNENCUMBERED
26 MONEYS TO THE DEPARTMENT FOR CREDITING TO THE FUND.

27 (5) (a) THE DEPARTMENT SHALL REVIEW THE APPLICATIONS

1 RECEIVED PURSUANT TO SUBSECTION (4) OF THIS SECTION. THE
2 DEPARTMENT SHALL PRIORITIZE THE USE OF MONEYS FROM THE FUND IN
3 FAVOR OF:

4 (I) SCHOOLS THAT HAVE THE HIGHEST PERCENTAGE OF STUDENTS
5 WHO ARE ELIGIBLE FOR FREE OR REDUCED COST LUNCH PURSUANT TO THE
6 "NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ.;

7 (II) SCHOOLS THAT RECEIVED AN ACADEMIC PERFORMANCE GRADE
8 OF "D" OR "F" PURSUANT TO SECTION 22-7-604 IN THE IMMEDIATELY
9 PRECEDING SCHOOL YEAR;

10 (III) SCHOOLS THAT WILL USE MONEYS FROM THE FUND TO ADD
11 NEW EXTRACURRICULAR AND INTERSCHOLASTIC ACTIVITIES NOT
12 CURRENTLY OFFERED BY THE SCHOOL, ESPECIALLY NEW OR INNOVATIVE
13 PROGRAMS NOT OFFERED BY OTHER PUBLIC SCHOOLS;

14 (IV) SCHOOLS THAT PROPOSE TO USE MONEYS FROM THE FUND TO
15 PROVIDE EXTRACURRICULAR AND INTERSCHOLASTIC ACTIVITIES AS A
16 COLLABORATIVE EFFORT AMONG PUBLIC SCHOOLS; AND

17 (V) SCHOOLS THAT PROPOSE TO USE MONEYS FROM THE FUND TO
18 REPLACE OUTDATED EQUIPMENT.

19 (b) ON OR BEFORE AUGUST 1, 2001, AND ON OR BEFORE EACH
20 AUGUST 1 THEREAFTER, THE DEPARTMENT SHALL DISTRIBUTE MONEYS IN
21 THE FUND TO SCHOOLS THAT SUBMIT AN APPLICATION PURSUANT TO
22 SUBSECTION (3) OF THIS SECTION, BASED ON THE PRIORITIES ESTABLISHED
23 PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (5).

24 (c) THE STATE BOARD SHALL ADOPT RULES GOVERNING
25 IMPLEMENTATION OF THE PROGRAM, INCLUDING BUT NOT LIMITED TO:

26 (I) A PROCEDURE FOR SCHOOLS TO APPLY TO PARTICIPATE IN THE
27 PROGRAM;

1 (II) ALLOWABLE USES OF THE MONEYS FROM THE FUND; AND

2 (III) A PROCEDURE FOR THE DEPARTMENT TO PRIORITIZE THE
3 APPLICATIONS PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (5).

4 (6) THERE IS HEREBY CREATED IN THE STATE TREASURY THE
5 EXTRACURRICULAR ENHANCEMENT FUND. THE FUND SHALL CONSIST OF
6 THE MONEYS SPECIFIED IN SECTION 39-22-623.1, C.R.S., ANY ADDITIONAL
7 MONEYS APPROPRIATED TO THE FUND BY THE GENERAL ASSEMBLY, ANY
8 UNEXPENDED MONEYS RETURNED BY SCHOOLS AS PROVIDED IN
9 SUBSECTION (4) OF THIS SECTION, AND ALL OTHER GIFTS, GRANTS, AND
10 DONATIONS AND OTHER MONEYS OBTAINED BY THE DEPARTMENT TO ASSIST
11 SCHOOLS IN EXPANDING PARTICIPATION IN EXTRACURRICULAR AND
12 INTERSCHOLASTIC ACTIVITIES. MONEYS IN THE FUND SHALL BE ANNUALLY
13 APPROPRIATED BY THE GENERAL ASSEMBLY TO THE DEPARTMENT FOR THE
14 PURPOSES OF THIS SECTION. AT THE END OF ANY FISCAL YEAR, ONE-HALF
15 OF ALL UNEXPENDED AND UNENCUMBERED MONEYS IN THE FUND SHALL
16 REMAIN IN THE FUND AND SHALL NOT REVERT OR BE CREDITED OR
17 TRANSFERRED TO THE GENERAL FUND. ALL REMAINING UNEXPENDED AND
18 UNENCUMBERED MONEYS IN THE FUND AT THE END OF ANY FISCAL YEAR
19 SHALL REVERT TO THE GENERAL FUND. IN ADDITION, IN ACCORDANCE WITH
20 SECTION 24-36-114, C.R.S., ANY INTEREST OR INCOME DERIVED FROM THE
21 DEPOSIT AND INVESTMENT OF MONEYS IN THE FUND SHALL BE CREDITED TO
22 THE GENERAL FUND.

23 **SECTION 2.** Part 6 of article 22 of title 39, Colorado Revised
24 Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

25 **39-22-623.1. Extracurricular activities funding - nonresident**
26 **members of athletic teams and nonresident entertainers.** (1) AS USED
27 IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

1 (a) "NONRESIDENT ENTERTAINER" MEANS A PERSON RESIDING OR
2 REGISTERED AS A CORPORATION OUTSIDE THIS STATE WHO, FOR
3 COMPENSATION, PERFORMS ANY VOCAL, INSTRUMENTAL, MUSICAL,
4 COMEDY, DRAMATIC, DANCE, OR OTHER PERFORMANCE IN THIS STATE
5 BEFORE A LIVE AUDIENCE OF AT LEAST ONE THOUSAND PERSONS AND ANY
6 OTHER PERSON TRAVELING WITH AND PERFORMING SERVICES ON BEHALF
7 OF A NONRESIDENT ENTERTAINER, INCLUDING A NONRESIDENT
8 ENTERTAINER WHO IS PAID COMPENSATION FOR PROVIDING
9 ENTERTAINMENT AS AN INDEPENDENT CONTRACTOR, A PARTNERSHIP THAT
10 IS PAID COMPENSATION FOR ENTERTAINMENT PROVIDED BY NONRESIDENT
11 ENTERTAINERS, A CORPORATION THAT IS PAID COMPENSATION FOR
12 ENTERTAINMENT PROVIDED BY NONRESIDENT ENTERTAINERS, OR ANY
13 OTHER ENTITY THAT IS PAID COMPENSATION FOR ENTERTAINMENT
14 PROVIDED BY NONRESIDENT ENTERTAINERS; EXCEPT THAT "NONRESIDENT
15 ENTERTAINER" SHALL NOT INCLUDE A PUBLICALLY TRADED CORPORATION
16 WHOSE PRIMARY SOURCE OF INCOME IN COLORADO COMES FROM SOURCES
17 OTHER THAN PERFORMANCES BEFORE A LIVE AUDIENCE.

18 (b) "NONRESIDENT MEMBER OF A PROFESSIONAL ATHLETIC TEAM"
19 MEANS A MEMBER OF A PROFESSIONAL ATHLETIC TEAM WHICH MEMBER
20 RESIDES OUTSIDE THIS STATE, INCLUDING ANY ACTIVE PLAYER, ANY
21 PLAYER ON THE DISABLED LIST IF SUCH PLAYER IS IN UNIFORM ON THE DAY
22 OF THE GAME AND AT THE SITE OF THE GAME, AND ANY OTHER PERSON
23 TRAVELING WITH AND PERFORMING SERVICES ON BEHALF OF A
24 PROFESSIONAL ATHLETIC TEAM.

25 (c) "NONRESIDENT PROFESSIONAL ATHLETE" MEANS A
26 NONRESIDENT MEMBER OF A PROFESSIONAL ATHLETIC TEAM AND ANY
27 PERSON RESIDING OR REGISTERED AS A CORPORATION OUTSIDE THIS STATE

1 WHO, FOR COMPENSATION, PARTICIPATES IN ANY TYPE OF A SPORTING
2 EVENT WITHIN THIS STATE.

3 (d) "PROFESSIONAL ATHLETIC TEAM" INCLUDES, BUT IS NOT
4 LIMITED TO, ANY PROFESSIONAL BASEBALL, BASKETBALL, FOOTBALL,
5 SOCCER, OR HOCKEY TEAM.

6 (2) NOTWITHSTANDING OTHER PROVISIONS OF THIS ARTICLE TO THE
7 CONTRARY, THE EXECUTIVE DIRECTOR SHALL ANNUALLY ESTIMATE THE
8 AMOUNT OF STATE INCOME TAX REVENUES COLLECTED PURSUANT TO THIS
9 ARTICLE WHICH ARE RECEIVED FROM NONRESIDENT PROFESSIONAL
10 ATHLETES AND NONRESIDENT ENTERTAINERS. FOR FISCAL YEAR 2001, THE
11 ESTIMATE SHALL BE BASED ON THE AMOUNT OF TAX LIABILITY FOR SUCH
12 NONRESIDENT PROFESSIONAL ATHLETES' AND NONRESIDENT ENTERTAINERS'
13 INCOME TAX RETURNS FILED FOR THE 1999 TAX YEAR, AND EACH
14 SUBSEQUENT FISCAL YEAR SHALL BE BASED ON THE SECOND PRECEDING
15 INCOME TAX YEAR, IN THE SAME MANNER. FOR FISCAL YEAR 2001, AND
16 FOR EACH SUBSEQUENT FISCAL YEAR, THE LESSER OF FIFTY PERCENT OF THE
17 ANNUAL ESTIMATE OF TAXES GENERATED FROM THE NONRESIDENT
18 PROFESSIONAL ATHLETES' AND NONRESIDENT ENTERTAINERS' INCOME TAX
19 OR TEN MILLION DOLLARS SHALL BE ALLOCATED ANNUALLY BY JULY 30 OF
20 THE FOLLOWING FISCAL YEAR TO THE EXTRACURRICULAR ENHANCEMENT
21 FUND, CREATED IN SECTION 22-1-124, C.R.S., AND SHALL BE TRANSFERRED
22 FROM THE GENERAL FUND TO THE EXTRACURRICULAR ENHANCEMENT
23 FUND. THE SUM OF THE NET TAX LIABILITY SHOWN ON THE NONRESIDENT
24 OR APPORTIONING INCOME TAX RETURNS FILED BY NONRESIDENT
25 PROFESSIONAL ATHLETES AND NONRESIDENT ENTERTAINERS SHALL BE
26 DEEMED THE REVENUE SUBJECT TO THIS SUBSECTION.

27 **SECTION 3.** The introductory portion to 22-7-605 (5) (a) (I) and

1 22-7-605 (5) (a) (I) (E) and (5) (a) (I) (F), Colorado Revised Statutes, are
2 amended, and the said 22-7-605 (5) (a) (I) is further amended BY THE
3 ADDITION OF A NEW SUB-SUBPARAGRAPH, to read:

4 **22-7-605. School report cards - format. (5) Safety and school**
5 **environment.** The report card shall contain a page clearly marked as the
6 "Safety and School Environment" page containing the following:

7 (a) This page shall contain the subtitle, "Safe and Orderly School
8 Features" and the words "Your School". Immediately underneath the
9 words "Your School" shall be a table with the following three columns:

10 (I) The first column shall contain the following ~~six~~ SEVEN lines:

11 (E) "Has a closed campus"; ~~and~~

12 (F) "Requires parental conferences"; AND

13 (G) "PARTICIPATES IN THE EXTRACURRICULAR ENHANCEMENT
14 PROGRAM".

15 **SECTION 4. Safety clause.** The general assembly hereby finds,
16 determines, and declares that this act is necessary for the immediate
17 preservation of the public peace, health, and safety.