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HOUSE BILL 10-1013

BY REPRESENTATIVE(S) Middleton, Massey, Merrifield, Scanlan, Stephens, Apuan, Gardner B., Labuda, Todd, Priola, Summers, Carroll T.; also SENATOR(S) Romer, Steadman, Newell.

CONCERNING THE MODIFICATION OF CERTAIN PROVISIONS RELATED TO THE ADMINISTRATION OF PUBLIC SCHOOLS FROM KINDERGARTEN THROUGH THE TWELFTH GRADE.

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

**SECTION 1.** 22-30.5-112.3 (1) (c), Colorado Revised Statutes, is amended to read:

**22-30.5-112.3. Charter schools - additional aid from district.**

(1) (c) A district shall provide funding to each qualified charter school, as defined in section 22-54-124 (1) (f.6), by making a ~~single lump-sum~~ MONTHLY payment to the qualified charter school as soon as possible after the district receives a ~~lump-sum~~ MONTHLY payment of state education fund moneys pursuant to section 22-54-124 (4).

**SECTION 2.** 22-30.5-515 (3), Colorado Revised Statutes, is amended to read:

**22-30.5-515. Institute charter school - additional aid.** (3) The department shall provide funding to each qualified charter school that is an institute charter school by making a ~~single lump-sum~~ MONTHLY payment to the institute as soon as possible after the department receives a ~~lump-sum~~ MONTHLY payment of state education fund moneys pursuant to section 22-54-124. The institute shall promptly remit the appropriate amount to each eligible institute charter school and shall not withhold any portion of the amount.

**SECTION 3. Repeal.** 22-32-110 (1) (ff) and (1) (gg), Colorado Revised Statutes, are repealed as follows:

**22-32-110. Board of education - specific powers.** (1) In addition to any other power granted to a board of education of a school district by law, each board of education of a school district shall have the following specific powers, to be exercised in its judgment:

(ff) (1) To negotiate for an incentive payment or credit with any taxpayer who establishes a new business facility, as defined in section 39-30-105 (7) (e), C.R.S., in the school district; however, no negotiations may be entered into with any taxpayer establishing a new business facility unless the school district has been notified, pursuant to sections 30-11-123 (5) and 31-15-903 (4), C.R.S., by any county and by any municipality in which the new business facility would be located of agreements negotiated by the local governments with the taxpayer. In no instance shall any negotiation result in an annual incentive payment or credit that exceeds fifty percent of the amount of the taxes levied by the school district upon the taxable personal property located at or within the new business facility and used in connection with the operation of the new business facility for the current property tax year. An agreement negotiated pursuant to this paragraph (ff) prior to July 1, 1994, shall be valid. Any school district that negotiates any agreement pursuant to the provisions of this paragraph (ff) shall inform any county and any municipality in which a new business facility would be located of the negotiations. The terms of any agreement made pursuant to the provisions of this paragraph (ff) shall not exceed four years; except that the term of any agreement made or amended on or after June 3, 2002, may extend to as many as ten years, including the term of any original agreement being renewed, if the county, and if applicable the municipality, in which a new business facility is established have negotiated agreements with the same taxpayer for the same period pursuant to sections

~~30-11-123 (1) (b) and 31-15-903 (1) (b), C.R.S.~~

~~(H) On or after June 3, 2002, a school district board of education shall not enter into an agreement to provide an incentive payment or credit pursuant to subparagraph (I) of this paragraph (ff) unless the Colorado economic development commission has reviewed the agreement.~~

~~(III) Notwithstanding any other provision of law, on or after May 22, 2003, a school district shall not enter into an agreement to provide an incentive payment or credit pursuant to subparagraph (I) of this paragraph (ff).~~

~~(gg) (I) To negotiate for an incentive payment or credit with any taxpayer who expands a facility, as defined in section 39-30-105 (7) (c), C.R.S., the expansion of which constitutes a new business facility, as defined in section 39-30-105 (7) (e), C.R.S., and that is located in the school district, however, no negotiations may be entered into with any taxpayer expanding a facility unless the school district has been notified, pursuant to sections 30-11-123 (5) and 31-15-903 (4), C.R.S., by any county and by any municipality in which the expanded business facility is located of agreements negotiated by the local governments with the taxpayer. In no instance shall any negotiation result in an annual incentive payment or credit that is greater than fifty percent of the amount of the taxes levied by the school district upon the taxable personal property directly attributable to the expansion, located at or within the expanded facility, and used in connection with the operation of the expanded facility for the current property tax year. An agreement negotiated pursuant to this paragraph (gg) prior to July 1, 1994, shall be valid. Any school district which negotiates any agreement pursuant to the provisions of this paragraph (gg) shall inform any county and any municipality in which an expanded business facility is located of the negotiations. The terms of any agreement made pursuant to the provisions of this paragraph (gg) shall not exceed four years, except that the term of any agreement made or amended on or after June 3, 2002, may extend to as many as ten years, including the term of any original agreement being renewed, if the county, and if applicable the municipality, in which an expanded business facility is located have negotiated agreements with the same taxpayer for the same period pursuant to sections 30-11-123 (2) and 31-15-903 (2), C.R.S.~~

~~(II) On or after June 3, 2002, a school district board of education~~

shall not enter into an agreement to provide an incentive payment or credit pursuant to subparagraph (I) of this paragraph (gg) unless the Colorado economic development commission has reviewed the agreement.

(III) Notwithstanding any other provision of law, on or after May 22, 2003, a school district shall not enter into an agreement to provide an incentive payment or credit pursuant to subparagraph (I) of this paragraph (gg).

**SECTION 4.** 22-42-102 (6) (a), Colorado Revised Statutes, is amended to read:

**22-42-102. Bonded indebtedness - elections.** (6) (a) The board of education of any school district, having received approval at an election to issue bonds and having determined that the limitations of the original election question are too restrictive to permit the advantageous sale of the bonds so authorized, may submit at another regular or special election THE QUESTION OF ISSUING THE BONDS, OR ANY PORTION THEREOF, AT A HIGHER PRINCIPAL AMOUNT OR HIGHER REPAYMENT COST THAN APPROVED AT THE ORIGINAL ELECTION.

(I) The question of issuing the bonds, or any portion thereof, at a higher maximum net effective interest rate than the maximum interest rate or maximum net effective interest rate approved at the original election; or

(II) The question of issuing the bonds, or any portion thereof, to mature over a longer period of time than the maximum period of maturity approved at the original election.

**SECTION 5.** 22-42-114, Colorado Revised Statutes, is amended to read:

**22-42-114. Board may issue bonds - exemption from Colorado income tax.** When approved at an election held pursuant to section 22-42-102, the board of education, from time to time, as the proceeds thereof shall be needed for the purposes specified in the notice of said bond election, shall issue bonds of the district in denominations of one thousand dollars or any multiple of one thousand dollars, in its discretion, bearing interest at a rate such that the net effective interest rate of the bond issue does not exceed the maximum net effective interest rate specified in the

notice of said bond election ANNUAL AND TOTAL REPAYMENT COSTS DO NOT EXCEED THE LIMITS SET FORTH IN THE NOTICE OF THE BOND ELECTION and payable at such time determined in the discretion of the board, which bonds shall mature serially, commencing not later than five years and extending not more than twenty-five years after the date thereof. Principal and interest thereon shall be payable at such place as shall be determined by said board and designated in said bonds. Said bonds shall be made callable for redemption, commencing no later than eleven years after their date, in such manner, with or without premium, as may be determined by the board. Interest on bonds issued on or after July 1, 1973, pursuant to this article shall be exempt from Colorado income tax.

**SECTION 6.** 22-42-116, Colorado Revised Statutes, is amended to read:

**22-42-116. Sale at less than par - discount.** If it is found to be in the best interest of the school district, the board of education of the school district may issue such bonds and accept therefor less than their face value. ~~but such bonds shall be sold at a price such that the net effective interest rate for the issue of bonds does not exceed the maximum net effective interest rate approved by the voters in the election authorizing such bonds.~~

**SECTION 7.** The introductory portion to 22-45-103 (1) (c) (I) and 22-45-103 (1) (e), Colorado Revised Statutes, are amended to read:

**22-45-103. Funds.** (1) The following funds are created for each school district for purposes specified in this article:

(c) **Capital reserve fund.** (I) Moneys allocated pursuant to the provisions of section 22-54-105 (2) shall be transferred from the general fund and recorded in the capital reserve fund along with the revenues received pursuant to section 39-5-132, C.R.S. Such revenues may be supplemented by gifts, GRANTS, AND donations. ~~and tuition receipts.~~ Unencumbered moneys in the fund may be transferred to a fund or an account within the general fund established in accordance with generally accepted accounting principles solely for the management of risk-related activities as identified in section 24-10-115, C.R.S., and article 13 of title 29, C.R.S., by resolution of the board of education when such transfer is deemed necessary by the board; EXCEPT THAT A LOCAL BOARD OF EDUCATION MAY, IN ITS DISCRETION, TRANSFER ANY UNRESTRICTED MONEYS

INTO OR OUT OF THE CAPITAL RESERVE FUND IN THE 2009-10 BUDGET YEAR OR ANY BUDGET YEAR THEREAFTER. NOTHING IN THIS SUBPARAGRAPH (I) SHALL BE CONSTRUED TO PROHIBIT A LOCAL BOARD OF EDUCATION FROM TRANSFERRING UNRESTRICTED MONEYS FROM THE GENERAL FUND OR ANY OTHER FUND TO THE CAPITAL RESERVE FUND IN THE 2009-10 BUDGET YEAR OR ANY BUDGET YEAR THEREAFTER. Except as provided in subparagraph (V) of this paragraph (c), expenditures from the fund shall be limited to long-range capital outlay expenditures and shall be made only for the following purposes:

(e) **Risk management reserves.** Moneys allocated pursuant to the provisions of section 22-54-105 (2) shall be recorded in a fund or in an account within the general fund established in accordance with generally accepted accounting principles solely for the management of risk-related activities as identified in section 24-10-115, C.R.S., and article 13 of title 29, C.R.S. Unencumbered moneys in such fund or account may be transferred to the capital reserve fund or to any other fund or account established solely for the management of risk-related activities by resolution of the board of education when such transfer is deemed necessary by the board; EXCEPT THAT A LOCAL BOARD OF EDUCATION MAY, IN ITS DISCRETION, TRANSFER ANY UNRESTRICTED MONEYS INTO OR OUT OF SUCH FUND OR ACCOUNT IN THE 2009-10 BUDGET YEAR OR ANY BUDGET YEAR THEREAFTER. Expenditures from any such fund or account shall be limited to the purposes set forth in section 24-10-115, C.R.S., and article 13 of title 29, C.R.S. NOTHING IN THIS PARAGRAPH (e) SHALL BE CONSTRUED TO PROHIBIT A LOCAL BOARD OF EDUCATION FROM TRANSFERRING UNRESTRICTED MONEYS FROM THE GENERAL FUND OR ANY OTHER FUND TO A FUND OR ACCOUNT FOR THE MANAGEMENT OF RISK-RELATED ACTIVITIES IN THE 2009-10 BUDGET YEAR OR ANY BUDGET YEAR THEREAFTER.

**SECTION 8.** 22-44-105 (1), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

**22-44-105. Budget - contents - mandatory.** (1) The budget shall be presented in the standard budget report format established by the state board of education by rule pursuant to subsection (5) of this section. The standard budget report format established by the state board shall be substantially consistent from year to year and shall adhere to the following guidelines:

(d.5) THE BUDGET SHALL INCLUDE A UNIFORM SUMMARY SHEET FOR EACH FUND ADMINISTERED BY THE DISTRICT THAT DETAILS THE FOLLOWING FOR EACH FUND:

(I) THE BEGINNING FUND BALANCE AND THE ANTICIPATED ENDING FUND BALANCE FOR THE BUDGET YEAR;

(II) THE ANTICIPATED FUND REVENUES FOR THE BUDGET YEAR, DELINEATED BY THE PROGRAM AND SOURCE CODES IDENTIFIED IN THE CHART OF ACCOUNTS CREATED PURSUANT TO SUBSECTION (4) OF THIS SECTION;

(III) THE ANTICIPATED TRANSFERS AND ALLOCATIONS THAT WILL OCCUR TO AND FROM THE FUND DURING THE BUDGET YEAR;

(IV) THE ANTICIPATED EXPENDITURES THAT WILL BE MADE FROM THE FUND DURING THE BUDGET YEAR, DELINEATED BY THE PROGRAM AND OBJECT CODES IDENTIFIED IN THE CHART OF ACCOUNTS CREATED PURSUANT TO SUBSECTION (4) OF THIS SECTION; AND

(V) THE AMOUNT OF RESERVES IN THE FUND.

**SECTION 9.** 22-32-120 (6) and (7) (b) (V), Colorado Revised Statutes, are amended to read:

**22-32-120. Food services - facilities - school food authorities - rules.** (6) (a) On and after May 4, 2009, ~~but before October 1, 2009~~, a district charter school or an institute charter school may submit a written request to the department of education for provisional authorization as a school food authority.

(b) On and after May 4, 2009, ~~but before October 1, 2009~~, the commissioner of education or his or her designee may grant or deny provisional authorization as a school food authority to a district charter school or institute charter school that submits a written request for such authorization to the department of education. ~~A provisional authorization granted pursuant to this subsection (6) shall expire on April 1, 2010.~~

(c) (I) SUBJECT TO THE PROVISIONS OF SUBPARAGRAPH (II) OF THIS PARAGRAPH (c), if the commissioner of education or his or her designee grants provisional authorization to a district charter school or an institute

charter school as a school food authority pursuant to this subsection (6), the department of education shall review the provisional authorization and, using the standards established by rules promulgated by the state board of education pursuant to paragraph (b) of subsection (7) of this section, grant or deny authorization as a school food authority to the district charter school or institute charter school. ~~on or before April 1, 2010.~~

(II) BEFORE GRANTING AUTHORIZATION AS A SCHOOL FOOD AUTHORITY TO A DISTRICT CHARTER SCHOOL OR AN INSTITUTE CHARTER SCHOOL THAT WAS GRANTED PROVISIONAL AUTHORIZATION AS A SCHOOL FOOD AUTHORITY PURSUANT TO THIS SUBSECTION (6), THE DEPARTMENT OF EDUCATION SHALL ENSURE THAT THE DISTRICT CHARTER SCHOOL OR INSTITUTE CHARTER SCHOOL HAS COMPLETED ONE FULL FISCAL YEAR OF OPERATION AS A SCHOOL FOOD AUTHORITY UNDER THE PROVISIONAL AUTHORIZATION GRANTED PURSUANT TO THIS SUBSECTION (6), THAT THE DISTRICT CHARTER SCHOOL OR INSTITUTE CHARTER SCHOOL HAS SUBMITTED ITS GOVERNMENTAL AUDIT REQUIRED PURSUANT TO SECTION 22-30.5-112 (7) TO THE DEPARTMENT, AND THAT THE DISTRICT CHARTER SCHOOL OR INSTITUTE CHARTER SCHOOL HAS SUCCESSFULLY COMPLIED WITH THE REQUIREMENTS OF THE "NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ., AS DETERMINED BY THE DEPARTMENT'S COMPLIANCE REVIEW EVALUATION PROCESS AND HAS TAKEN ANY NECESSARY CORRECTIVE ACTIONS IDENTIFIED BY THE DEPARTMENT. THE DEPARTMENT SHALL GRANT OR DENY AUTHORIZATION AS A SCHOOL FOOD AUTHORITY TO A DISTRICT CHARTER SCHOOL OR INSTITUTE CHARTER SCHOOL WITHIN FORTY-FIVE DAYS AFTER THE SCHOOL HAS SATISFIED THE REQUIREMENTS OF THIS SUBPARAGRAPH (II).

(d) Notwithstanding any provision of this subsection (6) to the contrary, the commissioner of education or his or her designee shall not grant provisional authorization as a school food authority to more than ~~four~~ ~~six~~ applicant district charter schools or institute charter schools.

(e) ~~This subsection (6) is repealed, effective July 1, 2010.~~

(7) On or before October 1, 2009, the state board of education shall promulgate rules establishing:

(b) A timeline, standards, and procedures for the department of education to use in granting or denying authorization as a school food

authority to a district charter school or an institute charter school. The standards shall include, at a minimum, the following requirements:

(V) The department shall not grant authorization as a school food authority to more than ~~four~~ SIX applicant district charter schools or institute charter schools until July 1, 2011, including any district charter schools or institute charter schools that have been granted provisional authorization pursuant to subsection (6) of this section.

**SECTION 10.** 22-40-102 (1.7) (b), Colorado Revised Statutes, is amended to read:

**22-40-102. Certification - tax revenues.** (1.7) (b) For the purposes of this subsection (1.7), "excess transportation costs" means the ~~annual~~ CURRENT operating expenditures for pupil transportation, as defined in section 22-51-102 (1), minus the total AMOUNT OF THE MOST RECENT payment actually received by the district under article 51 of this title, and annual expenditures for the purchase or lease of pupil transportation vehicles or other capital outlays related to pupil transportation. The calculation of excess transportation costs shall be based upon amounts expended and amounts received for the twelve-month period ending on June 30 prior to the certification of the mill levy.

**SECTION 11.** 22-54-104.1 (2), Colorado Revised Statutes, is amended to read:

**22-54-104.1. General fund appropriations requirements - maintenance of effort base.** (2) For purposes of this section, "maintenance of effort base" means the aggregate amount of general fund appropriations for total program pursuant to the provisions of this article for the immediately preceding state fiscal year, including ANY INCREASES OR DECREASES MADE TO SAID APPROPRIATIONS THROUGH THE ENACTMENT OF A SUPPLEMENTAL APPROPRIATION BILL OR BILLS FOR THAT STATE FISCAL YEAR.

(a) ~~Any increases or decreases made to said appropriations through the enactment of a supplemental appropriation bill or bills for that state fiscal year; and~~

(b) ~~Any general fund appropriation for the state's share of the~~

~~district's total program as determined pursuant to section 22-54-106 (8).~~

**SECTION 12.** 22-54-106 (1) (b), (4) (d), and (8), Colorado Revised Statutes, are amended to read:

**22-54-106. Local and state shares of district total program.**

(1) (b) Except as provided in ~~subsections (8), (11); SUBSECTIONS (11) and (12) of this section~~, the state's share of a district's total program shall be the difference between the district's total program and the district's share of its total program; except that no district shall receive less in state aid than an amount established by the general assembly in the annual general appropriation act based upon the amount of school lands and mineral lease moneys received pursuant to the provisions of article 41 of this title and section 34-63-102 (2), C.R.S., multiplied by the district's funded pupil count.

(4) (d) ~~For purposes of this subsection (4), "state's share of the total program of all districts" does not include the aggregate amount of additional state aid provided pursuant to subsection (8) of this section to all districts that have entered into agreements with taxpayers pursuant to section 22-32-110 (1) (ff) or (1) (gg).~~

(8) (a) (I) ~~Subject to the limitations in subparagraph (II) of this paragraph (a), for any school district that has entered into an agreement with a taxpayer pursuant to section 22-32-110 (1) (ff) or (1) (gg) before May 22, 2003, the state's share of the district's total program shall be the amount by which the district's total program exceeds the amount of specific ownership tax revenue paid to the district and the amount of property tax revenue that the district would have been entitled to receive if the valuation for assessment of the district did not include the portion of the valuation for assessment of the personal property of such taxpayer that, when levied upon by the district, would result in property tax revenue equal to the amount of incentive payment or credit to such taxpayer pursuant to such agreement.~~

(II) ~~For the 1995-96 budget year and budget years thereafter until the earlier of the 2012-13 budget year or ten years after the creation of an agreement entered into pursuant to section 22-32-110 (1) (ff) or (1) (gg) before May 22, 2003, the department of education shall ensure that the amount of the state's share of the district's total program, as calculated pursuant to subparagraph (I) of this paragraph (a), does not exceed the~~

amount of the state's share of the district's total program that would otherwise have resulted if the taxpayer had not established the new business facility or expanded the existing facility. The state board shall prescribe, by rule and regulation, guidelines for the department to use in making the determination concerning the state's share pursuant to this subparagraph (H).

(b) The calculation required by paragraph (a) of this subsection (8) is solely for the purpose of determining the state's share of a district's total program if the district has entered into an agreement pursuant to section 22-32-110 (1) (ff) or (1) (gg), and nothing in this subsection (8) shall be construed to decrease the valuation for assessment of personal property in the district or to affect the number of mills required by subsection (2) of this section or section 22-54-107 to be levied on the valuation for assessment of real and personal property in the district.

(c) Nothing in this subsection (8) shall be construed to increase a district's total program as determined in accordance with section 22-54-104.

(d) The state's share of a district's total program shall only be calculated under the provisions of this subsection (8) for a period of ten years as a result of an agreement or series of agreements between the district and a taxpayer with respect to the establishment of the same new business facility or the same specific expansion of an existing facility.

(e) (1) For the 2005-06 budget year and each budget year thereafter, if the general assembly does not appropriate an amount sufficient to fully fund the amount of additional state aid available pursuant to paragraph (a) of this subsection (8) to all districts that have entered into an agreement with a taxpayer pursuant to section 22-32-110 (1) (ff) or (1) (gg), or if a supplemental appropriation is made to reduce or eliminate the additional state aid that such districts would otherwise receive pursuant to paragraph (a) of this subsection (8), the additional state aid that each such district would otherwise receive pursuant to paragraph (a) of this subsection (8) shall be reduced by a percentage determined by dividing the deficit in such appropriation or the reduction in the appropriation, whichever is applicable, by the total amount of additional state aid that such districts would have received pursuant to paragraph (a) of this subsection (8) absent the deficit or reduction in the appropriation. The department of education shall ensure that the reduction in state aid required by this paragraph (e) is accomplished

prior to the end of the budget year.

(H) For purposes of this section, "additional state aid" means the difference between:

(A) The amount of the state's share of a district's total program calculated in accordance with paragraph (a) of this subsection (8); and

(B) The amount of what the state's share of such district's total program would have been if the valuation for assessment of the district that entered into an agreement with a taxpayer pursuant to section 22-32-110(1) (ff) or (1)(gg) included the portion of the valuation for assessment of the personal property of the taxpayer which, when levied upon by the district, would result in property tax revenue equal to the amount of incentive payment or credit to such taxpayer pursuant to such agreement.

**SECTION 13.** 22-54-108 (3) (b) (III) and (4), Colorado Revised Statutes, are amended to read:

**22-54-108. Authorization of additional local revenues.**

(3) (b) (III) On and after May 21, 2009, for any district that meets the requirements of subsection (4) of this section, the total additional local property tax revenues that may be received pursuant to an election held pursuant to this section shall not exceed under any circumstances twenty-five percent of the district's total program, as determined pursuant to section 22-54-104 (2), or two hundred thousand dollars, whichever is greater, plus an amount equal to the maximum dollar amount of property tax revenue that the district could have generated for the 2001-02 budget year if, in accordance with the provisions of section 22-54-107.5, the district submitted a question to and received approval of the eligible electors of the district at an election held in November 2001.

(4) (a) On and after May 21, 2009, any district that intends to seek voter approval to retain and spend additional property tax revenues pursuant to subparagraph (H) of paragraph (b) of subsection (3) of this section shall notify the state board, in a manner to be determined by the state board, prior to holding an election pursuant to this section.

(b) Any district that submits notice to the state board pursuant to paragraph (a) of this subsection (4) shall also submit to the state board a

proposal regarding the district's proposed use of the additional property tax revenues, which may include capital construction projects.

**SECTION 14.** 22-54-115, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

**22-54-115. Distribution from state public school fund - repeal.**

(6) (a) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE CONTRARY, FOR THE 2010-11 BUDGET YEAR, THE DEPARTMENT OF EDUCATION SHALL PAY IN INSTALLMENTS TO EACH DISTRICT THE AMOUNT OF THE STATE'S SHARE OF THE DISTRICT'S TOTAL PROGRAM FOR THE BUDGET YEAR AS ADJUSTED PURSUANT TO PARAGRAPH (a) OF SUBSECTION (1) OF THIS SECTION AND SHALL PAY IN INSTALLMENTS TO THE STATE CHARTER SCHOOL INSTITUTE THE TOTAL AMOUNT WITHHELD FROM ANY ACCOUNTING DISTRICT PURSUANT TO PARAGRAPH (a) OF SUBSECTION (1.3) OF THIS SECTION FOR THE BUDGET YEAR; EXCEPT THAT THE TIMING AND AMOUNT OF EACH INSTALLMENT PAYMENT TO EACH DISTRICT AND THE STATE CHARTER SCHOOL INSTITUTE SHALL BE DETERMINED BY THE DEPARTMENT.

(b) (I) THIS SUBSECTION (6) IS REPEALED IF AMENDMENT 61 DOES NOT RECEIVE A MAJORITY OF THE VOTES CAST THEREON BY THE ELECTORS OF THE STATE AT THE GENERAL ELECTION HELD ON NOVEMBER 2, 2010. SUCH REPEAL SHALL BE EFFECTIVE UPON THE SECRETARY OF STATE'S CERTIFICATION OF THE OFFICIAL STATEWIDE ABSTRACT OF VOTES CAST FOR ALL CANDIDATES, BALLOT ISSUES, AND BALLOT QUESTIONS THAT THE SECRETARY OF STATE CERTIFIED FOR THE BALLOT OR DECEMBER 15, 2010, WHICHEVER IS LATER.

(II) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE FEBRUARY 1, 2011.

**SECTION 15.** 22-54-123 (1), Colorado Revised Statutes, is amended to read:

**22-54-123. National school lunch act - appropriation of state matching funds.** (1) For the 2001-02 budget year and budget years thereafter, the general assembly shall appropriate by separate line item an amount to comply with the requirements for state matching funds under the federal "National School Lunch Act", 42 U.S.C. sec. 1751 et seq. The department of education shall develop procedures to allocate and disburse

the funds among participating school food authorities each year in an equitable manner so as to comply with the requirements of said act. In any participating school food authority that, prior to the enactment of this section, subsidized school lunch service with moneys from the school food authority's general fund, moneys received by such school food authority pursuant to this section shall be applied in addition to, and not in lieu of, the amount of the school food authority's subsidy. Any moneys received pursuant to this section shall be used only for the provision of the school food authority's school lunch program.

**SECTION 16.** The introductory portion to 22-54-128 (2) and 22-54-128 (4), (6), and (8), Colorado Revised Statutes, are amended, and the said 22-54-128 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

**22-54-128. Military dependent supplemental pupil enrollment aid - definitions.** (2) For the 2007-08 through 2010-11 budget years 2009-10 BUDGET YEARS, any school district may apply for military dependent supplemental pupil enrollment aid pursuant to this section. A district shall be eligible for such aid only if:

(4) On or before January 15, 2008, and on or before January 15 each year thereafter through January 15, 2011 JANUARY 15, 2010, any school district may apply for military dependent supplemental pupil enrollment aid pursuant to this section by submitting to the department of education an estimate of the district's military dependent supplemental pupil enrollment for the applicable budget year.

(6) Notwithstanding the provisions of section 24-37-304 (1) (b.5), C.R.S., on or before March 1, 2008, and on or before March 1 each year thereafter through March 1, 2011 MARCH 1, 2010, the department of education shall submit a request to the general assembly for a supplemental appropriation in an amount that will fully fund the aggregate amount of the military dependent supplemental pupil enrollment aid allowed for the budget year pursuant to subsection (3) of this section. The department shall calculate the amount of the request by applying the total military dependent supplemental pupil enrollment submitted to the department by all eligible districts pursuant to subsection (5) of this section to the formula specified in subsection (3) of this section. The department shall make the request to the general assembly during the fiscal year in which the school districts

apply for the military dependent supplemental pupil enrollment aid.

(8) ~~This section is repealed, effective July 1, 2011.~~

(9) NOTWITHSTANDING THE PROVISIONS OF THIS SECTION TO THE CONTRARY, IN ANY BUDGET YEAR IN WHICH THE DEPARTMENT OF EDUCATION REQUESTS IN ITS ANNUAL BUDGET REQUEST AN APPROPRIATION FOR THE PURPOSE OF FUNDING MILITARY DEPENDENT SUPPLEMENTAL PUPIL ENROLLMENT AID AND THE GENERAL ASSEMBLY MAKES AN APPROPRIATION FOR SUCH PURPOSE, THE APPLICABLE PROVISIONS OF THIS SECTION SHALL BE IN EFFECT FOR THE APPLICABLE BUDGET YEAR.

**SECTION 17. Repeal.** 22-54-133, Colorado Revised Statutes, is repealed as follows:

**22-54-133. Charter school for the deaf and the blind - supplementary funding - definitions.** ~~(1) As used in this section, unless the context otherwise requires, "charter school for the deaf or the blind" means a charter school, as defined in section 22-54-124 (1)(b), in which no less than ninety percent of the funded pupils have an individualized education program pursuant to section 22-20-108 and are eligible to attend the Colorado school for the deaf and the blind pursuant to section 22-80-109.~~

~~(2) For the 2008-09 budget year, of the moneys appropriated for the purposes of section 22-54-124 (3), one hundred thirty-five thousand dollars of such amount shall be used for the purposes of this section. This section shall not affect the ability of a charter school for the deaf or the blind to apply for and to be eligible to receive additional moneys pursuant to section 22-54-124 (3).~~

~~(3) The department of education shall distribute moneys under this section to the authorizer of a charter school for the deaf or the blind, and the authorizer shall distribute all moneys received under this section to the charter schools for the deaf or the blind and may not retain any of such moneys to defray administrative expenses or for any other purpose. A charter school for the deaf or the blind shall use moneys it receives pursuant to this section solely for operating costs that are not defrayed by other funding sources. Moneys received pursuant to this section and section 22-54-124 shall not be considered in the calculation of excess costs~~

pursuant to section 22-20-109.

~~(4) No later than February 1, 2009, the department of education shall report to the education committees of the senate and the house of representatives, or any successor committees, and the joint budget committee of the expected change, if any, in need for funding under this section.~~

**SECTION 18.** 22-55-105 (2), Colorado Revised Statutes, is amended to read:

**22-55-105. General fund appropriations requirements - maintenance of effort base.** (2) For purposes of this section, "maintenance of effort base" means the aggregate amount of general fund appropriations for total program pursuant to the "Public School Finance Act of 1994", article 54 of this title, for the immediately preceding state fiscal year, including ANY INCREASES OR DECREASES MADE TO SAID APPROPRIATIONS THROUGH THE ENACTMENT OF A SUPPLEMENTAL APPROPRIATION BILL OR BILLS FOR THAT STATE FISCAL YEAR.

~~(a) Any increases or decreases made to said appropriations through the enactment of a supplemental appropriation bill or bills for that state fiscal year; and~~

~~(b) Any general fund appropriation for the state's share of the district's total program as determined pursuant to section 22-54-106 (8).~~

**SECTION 19.** 22-54-124 (3) (a) (III) (A), Colorado Revised Statutes, is amended to read:

**22-54-124. State aid for charter schools - use of state education fund moneys - definitions.** (3) (a) (III) (A) The total amount of state education fund moneys to be appropriated for all eligible districts and for all eligible institute charter schools for the 2003-04, 2004-05, 2005-06, and 2007-08 budget years and each budget year thereafter shall be an amount equal to five million dollars. For the 2006-07 budget year, seven million eight hundred thousand dollars shall be appropriated for all eligible districts and for all eligible institute charter schools from the state education fund. For the 2008-09 budget year, an additional one hundred thirty-five thousand dollars shall be appropriated from the state education fund and shall be

distributed pursuant to section 22-54-133, AS SAID SECTION EXISTED PRIOR TO ITS REPEAL IN 2010.

**SECTION 20.** The introductory portion to 22-2-106 (1) (a.5), Colorado Revised Statutes, is amended to read:

**22-2-106. State board - duties.** (1) It is the duty of the state board:

(a.5) To adopt, on or before ~~December 15, 2009~~ DECEMBER 15, 2011, a comprehensive set of guidelines for the establishment of high school graduation requirements to be used by each school district board of education in developing local high school graduation requirements. Each school district board of education shall retain the authority to develop its own unique high school graduation requirements, so long as those local high school graduation requirements meet or exceed any minimum standards or basic core competencies or skills identified in the comprehensive set of guidelines for high school graduation developed by the state board pursuant to this paragraph (a.5). In developing the guidelines for high school graduation, the state board shall utilize the recommendations of the state graduation guidelines development council established in section 22-7-414, as it existed prior to July 1, 2008, and shall:

**SECTION 21.** 22-2-306 (3) (b) and (4) (b), Colorado Revised Statutes, are amended to read:

**22-2-306. Advance notice - legislative declaration - data collection - data submission changes - web site update - submission windows.** (3) (b) Notwithstanding any provision of paragraph (a) of this subsection (3) to the contrary, if federally required OR STATE-REQUIRED timelines for implementing ~~federal~~ data reporting requirements conflict with the provisions of paragraph (a) of this subsection (3), the department, the school districts, and the public schools shall comply with the federally required timelines.

(4) (b) Notwithstanding any provision of paragraph (a) of this subsection (4) to the contrary, if federally required OR STATE-REQUIRED timelines for implementing ~~federal~~ data reporting requirements conflict with the provisions of paragraph (a) of this subsection (4), the state board, the school districts, and the public schools shall comply with the federally required timelines.

**SECTION 22.** 22-5.5-106 (4), Colorado Revised Statutes, is amended to read:

**22-5.5-106. Funding.** (4) Funding for a regional service area after the first grant pursuant to this section is contingent upon the successful implementation of the regional service area's plan, as evaluated by the state board and the department. The state board shall annually notify each regional service council on or before ~~August 1~~ SEPTEMBER 1 regarding whether the regional service area will receive moneys pursuant to subsections (2) and (3) of this section in the coming year and the amounts.

**SECTION 23.** 22-7-1004 (3) (a), Colorado Revised Statutes, is amended to read:

**22-7-1004. School readiness description - school readiness assessment - adoption - revisions.** (3) (a) On or before ~~July 1, 2015~~ JULY 1, 2017, and on or before July 1 every six years thereafter, the state board shall review the school readiness description ~~and the school readiness assessments~~ and shall adopt any appropriate revisions to either the description ~~or the assessments~~ THE STATE BOARD SHALL REVIEW THE SCHOOL READINESS ASSESSMENTS AND ADOPT ANY APPROPRIATE REVISIONS TO THE SCHOOL READINESS ASSESSMENTS WHEN THE BOARD REVIEWS THE ASSESSMENTS AS SPECIFIED IN SECTION 22-7-1006 (5).

**SECTION 24.** 22-7-1005 (6), Colorado Revised Statutes, is amended to read:

**22-7-1005. Preschool through elementary and secondary education - aligned standards - adoption - revisions.** (6) On or before ~~July 1, 2015~~ JULY 1, 2018, and on or before July 1 every six years thereafter, the state board shall review and adopt any appropriate revisions to the preschool through elementary and secondary education standards specified in this section. In adopting revisions, the state board may add or delete one or more of the specific instructional areas based on the needs of the state and changes in national and international academic expectations. In adopting revisions to the standards pursuant to this subsection (6), the state board shall ensure that the standards continue to meet the requirements specified in subsection (3) of this section.

**SECTION 25.** The introductory portion to 22-7-1006 (1) (a) and

22-7-1006 (5), Colorado Revised Statutes, are amended to read:

**22-7-1006. Preschool through elementary and secondary education - aligned assessments - adoption - revisions.** (1) (a) On or before December 15, 2010, OR AS SOON THEREAFTER AS FISCALLY PRACTICABLE, the state board shall adopt a system of assessments that are aligned with the preschool through elementary and secondary education standards and are designed to measure students' levels of attainment of the standards and to longitudinally measure students' academic progress toward attaining the standards and toward attaining postsecondary and workforce readiness. In adopting the system of assessments, the state board shall ensure, at a minimum, that the system is designed to:

(5) ~~On or before July 1, 2016, and on or before July 1 every six years thereafter~~ EVERY SIX YEARS AFTER THE ADOPTION OF THE SYSTEM OF ASSESSMENTS PURSUANT TO PARAGRAPH (a) OF SUBSECTION (1) OF THIS SECTION, the state board shall review and adopt any appropriate revisions to ~~the~~ SUCH system of assessments. ~~specified in this section~~. The state board may adopt revisions to an assessment or adopt additional assessments, regardless of whether it adopts any revision to the standards with which the assessment is aligned. In adopting revisions to the system of assessments, the state board shall ensure that the system of assessments continues to meet the requirements specified in this section.

**SECTION 26.** 22-7-1008 (2) (a) and (3) (b), Colorado Revised Statutes, are amended to read:

**22-7-1008. Postsecondary and workforce readiness description - postsecondary and workforce planning, preparation, and readiness assessments - adoption - revision.** (2) (a) On or before December 15, 2010, OR AS SOON THEREAFTER AS FISCALLY PRACTICABLE, the state board and the commission shall negotiate a consensus and adopt one or more postsecondary and workforce planning assessments, postsecondary and workforce preparation assessments, and postsecondary and workforce readiness assessments that local education providers shall administer pursuant to section 22-7-1016. The state board and the commission shall base the selection of the postsecondary and workforce planning, preparation, and readiness assessments on the information received through the operation of the pilot program, ensuring that the selected assessments are aligned with the standards for grades nine through twelve and with the

description of postsecondary and workforce readiness.

(3) (b) ~~On or before July 1, 2016, and on or before July 1 every six years thereafter~~ EVERY SIX YEARS AFTER THE ADOPTION OF THE POSTSECONDARY AND WORKFORCE PLANNING, PREPARATION, AND READINESS ASSESSMENTS PURSUANT TO PARAGRAPH (a) OF SUBSECTION (2) OF THIS SECTION, the state board and the commission shall review, negotiate a consensus, and adopt any appropriate revisions to ~~the postsecondary and workforce planning, preparation, and readiness~~ SUCH assessments. The state board and the commission may adopt revisions to the postsecondary and workforce planning, preparation, and readiness assessments, regardless of whether they adopt any revisions to the postsecondary and workforce readiness description. In adopting revisions to the assessments, the state board and the commission shall ensure that the assessments continue to meet the requirements specified in subsection (2) of this section. The state board and the commission shall also review and adopt any appropriate revisions to the scoring criteria.

**SECTION 27.** 22-7-1009 (1) and (6), Colorado Revised Statutes, are amended to read:

**22-7-1009. Diploma endorsements - adoption - revisions.** (1) On or before July 1, 2011, OR AS SOON THEREAFTER AS FISCALLY PRACTICABLE, the state board shall adopt criteria that a local school board, BOCES, or institute charter high school may apply if the local school board, BOCES, or institute charter high school chooses to endorse high school diplomas to indicate that students have achieved postsecondary and workforce readiness. The criteria shall include, but need not be limited to, the required minimum level of postsecondary and workforce readiness that a student must achieve to receive a readiness endorsement on his or her diploma from the local school board, BOCES, or institute charter high school. In identifying the required minimum level of postsecondary and workforce readiness, the state board shall ensure that the minimum level of postsecondary and workforce readiness reflects the expectations for postsecondary and workforce readiness that are applied nationally and internationally.

(6) ~~On or before July 1, 2017, and on or before July 1 every six years thereafter~~ EVERY SIX YEARS AFTER THE ADOPTION OF CRITERIA FOR ENDORSEMENTS PURSUANT TO SUBSECTION (1) OF THIS SECTION, the state

board shall revise and adopt any appropriate revisions to the SUCH criteria for endorsements. specified in this section.

**SECTION 28.** 22-7-1014 (1) (a), Colorado Revised Statutes, is amended to read:

**22-7-1014. Preschool individualized readiness plans - school readiness - assessments.** (1) (a) Beginning in the fall semester of 2012 2013, each local education provider that provides a preschool or kindergarten program shall ensure that each student enrolled in a preschool or kindergarten program operated by the local education provider receives an individualized readiness plan that addresses the preschool standards or kindergarten standards, as appropriate, knowledge and skill areas in which a student needs assistance to make progress toward school readiness.

**SECTION 29.** 22-7-1015 (3) (a), Colorado Revised Statutes, is amended to read:

**22-7-1015. Postsecondary and workforce readiness program - technical assistance.** (3) (a) It is the intent of the general assembly that, on or before ~~December 15, 2012~~ DECEMBER 15, 2013, each student who enrolls in a public high school operated by a local education provider shall enroll in and successfully complete a postsecondary and workforce readiness program. Each local education provider shall require each high school student, beginning in ninth grade and continuing through twelfth grade, to enroll in the local education provider's postsecondary and workforce readiness program.

**SECTION 30.** 22-7-1016 (1) and (5) (a), Colorado Revised Statutes, are amended to read:

**22-7-1016. Postsecondary and workforce planning, preparation, and readiness assessments - transcripts.** (1) ~~On or before December 15, 2012~~, Each local education provider shall administer the postsecondary and workforce planning, preparation, and readiness assessments adopted by the state board and the commission pursuant to section 22-7-1008 WITHIN TWO YEARS OF THE ADOPTION OF SUCH ASSESSMENTS. Upon receiving the results following administration of the postsecondary and workforce planning, preparation, and readiness assessments, the local education provider shall provide to each student a printed copy of the student's assessment results,

and a teacher or counselor shall review each student's results with the student and, to the extent practicable, with the student's parent or legal guardian and determine the areas in which the student continues to need instruction in order to demonstrate postsecondary and workforce readiness prior to or upon attaining a high school diploma.

(5) (a) Beginning in the 2011-12 2012-13 academic year, if a student whose dominant language is not English, as defined in section 22-24-103 (4), is enrolled in eleventh or twelfth grade and the student has not demonstrated attainment of the standard for English language competency and has not demonstrated postsecondary and workforce readiness, the local education provider with which the student is enrolled shall provide to the student additional services and supports as necessary to assist the student in attaining the standard.

**SECTION 31.** 22-7-1018 (2) (b) and (2) (c), Colorado Revised Statutes, are amended to read:

**22-7-1018. Cost study.** (2) The entity selected to conduct the cost study shall submit reports to the department of education and the department of higher education in accordance with the following time line:

(b) On or before ~~October 1, 2010~~ OCTOBER 1, 2011, a report of the costs pertaining to implementation of the school readiness assessments, the system of assessments that is aligned with the preschool through elementary and secondary education standards, and the postsecondary and workforce planning, preparation, and readiness assessments; and

(c) On or before ~~October 1, 2011~~ OCTOBER 1, 2012, a report of the costs pertaining to implementation of the diploma endorsements.

**SECTION 32.** 22-7-1019 (2), Colorado Revised Statutes, is amended to read:

**22-7-1019. Preschool to postsecondary and workforce readiness - progress reports - effectiveness reports.** (2) On or before ~~February 15, 2013~~ FEBRUARY 15, 2014, and on or before February 15 each year thereafter, the department of education shall submit to the education committees of the senate and the house of representatives, or any successor committees, a report concerning the results achieved through

implementation of school readiness, the preschool through elementary and secondary education standards, and postsecondary and workforce readiness.

**SECTION 33.** 22-30.7-103 (3) (h), Colorado Revised Statutes, is amended to read:

**22-30.7-103. Division of on-line learning - created - duties.**

(3) **Duties.** The on-line division shall have the following duties:

(h) To compile the reports submitted by authorizers and school districts pursuant to section 22-30.7-109 and prepare a summary report to be submitted on or before February 1, 2009, and on or before ~~February 1~~ JUNE 1 each year thereafter, to the state board and the education committees of the house of representatives and the senate, or any successor committees;

**SECTION 34.** 22-32-109 (1) (kk) (I), Colorado Revised Statutes, is amended to read:

**22-32-109. Board of education - specific duties.** (1) In addition to any other duty required to be performed by law, each board of education shall have and perform the following specific duties:

(kk) (I) To undertake a community-based process to develop a blueprint for the education system in the community and to determine the skills students will need to be successful after graduation. Each board of education shall seek input from the community at large, which may include, but need not be limited to, students, parents, business persons, neighboring school districts, and regional boards of cooperative services. Each board of education shall use this blueprint, together with the guidelines for high school graduation requirements developed by the state board pursuant to section 22-2-106 (1) (a.5), to establish local high school graduation requirements applicable to students enrolling in ninth grade beginning ~~July 1, 2010~~ IN THE 2012-13 SCHOOL YEAR. To assist the state board of education in fulfilling its duties under part 10 of article 7 of this title, each board of education shall provide to the state board of education information concerning the blueprint and the input received in developing the blueprint. A board of education that has undertaken a comprehensive community-based process and has revised its high school graduation requirements within the previous two years shall not be required to develop a new blueprint for the education system in its community or make any

revisions to its high school graduation requirements.

**SECTION 35.** 23-1-113 (6) (b), Colorado Revised Statutes, is amended to read:

**23-1-113. Commission directive - admission standards for baccalaureate and graduate institutions of higher education.** (6) (b) ~~On or before July 1, 2016, and on or before July 1 every six years thereafter~~ EVERY SIX YEARS AFTER THE ADOPTION OF THE POSTSECONDARY AND WORKFORCE PLANNING, PREPARATION, AND READINESS ASSESSMENTS PURSUANT TO SECTION 22-7-1008, the commission and the state board of education may negotiate a consensus and adopt revisions to ~~the postsecondary and workforce planning, preparation, and readiness~~ SUCH assessments. The commission and the state board of education may also revise the scoring criteria for the postsecondary and workforce planning, preparation, and readiness assessments, as necessary.

**SECTION 36.** 22-20-109 (2), Colorado Revised Statutes, is amended to read:

**22-20-109. Tuition.** (2) The state board shall promulgate rules to define the contract approval process to define the types and amounts of costs in excess of the state average per pupil ~~operating~~ revenues, as defined in section 22-54-103 (12), and to define other applicable revenues that a school district of residence of a child with a disability shall pay as tuition to educate that child elsewhere at a community centered board or an eligible facility. These rules shall include, but need not be limited to, the limitations on the number of staff members per number of students, the amount of equipment necessary for classroom instruction of the child, the number of days of school, and any other expenses involved in the provision of educational services as determined by the child's IEP. However, these rules shall not require that, in calculating the amount of the tuition charge for educating a child with a disability in any community centered board or eligible facility, the costs incurred by a community centered board or eligible facility in providing such special education program be reduced by the amount of revenues, if any, received by the community centered board or eligible facility as donations or special education grants. The school district of residence shall be responsible for paying as tuition any excess costs above the state average per pupil ~~operating~~ revenues to provide these services.

**SECTION 37.** 22-24-104 (4) (c) (I) and (4) (c) (II), Colorado Revised Statutes, are amended to read:

**22-24-104. English language proficiency program established - funding.** (4) (c) (I) An amount equal to seventy-five percent of the appropriation made to the department for the 1998-99 fiscal year plus any increase in the annual appropriation made to the department over the appropriation made for the 1998-99 fiscal year or the amount needed to fully fund the program pursuant to this subparagraph (I), whichever is less, shall be used by the districts, the state charter school institute, and the facility schools for students certified to be within section 22-24-103 (4) (a) or (4) (b). No such student shall be funded for more than an amount equal to four hundred dollars per year or an amount equal to twenty percent of the state average per pupil ~~operating~~ revenues, as defined in section 22-54-103 (12) for the preceding year as annually determined by the department, whichever is greater.

(II) The remainder of the annual appropriation shall be used by the districts, the state charter school institute, and the facility schools for students certified to be within section 22-24-103 (4) (c). No such student shall be funded for an amount greater than two hundred dollars per year or an amount equal to ten percent of the state average per pupil ~~operating~~ revenues, as defined in section 22-54-103 (12), for the preceding year as annually determined by the department, whichever is greater.

**SECTION 38.** 22-30.5-112 (2) (a) (II), (2) (a.5) (III), and (2) (c) (I), Colorado Revised Statutes, are amended to read:

**22-30.5-112. Charter schools - financing - definitions - guidelines.** (2) (a) (II) For the 1999-2000 budget year, the charter school and the school district shall begin discussions on the contract using eighty percent of the district per pupil ~~operating~~ revenues.

(a.5) As used in this subsection (2):

(III) ~~"Per pupil operating revenues"~~ shall have the same meaning as provided in section 22-54-103 (9).

(c) (I) ~~For the 1999-2000 budget year, in no event shall the amount of funding negotiated pursuant to this subsection (2) be less than eighty~~

percent of the district per pupil operating revenues multiplied by the number of pupils enrolled in the charter school.

**SECTION 39.** 22-33-204 (3), Colorado Revised Statutes, is amended to read:

**22-33-204. Services for at-risk students - agreements with state agencies and community organizations.** (3) Each school district shall use a portion of its per pupil ~~operating revenue~~ REVENUES to provide services under agreements entered into pursuant to this section for each student who is at risk of suspension or expulsion or who is suspended or expelled. In addition, the school district may use federal moneys, moneys received from any other state appropriation, and moneys received from any other public or private grant to provide said services.

**SECTION 40.** 22-43.7-109 (9) (c) (I), Colorado Revised Statutes, is amended to read:

**22-43.7-109. Financial assistance for public school capital construction - application requirements - evaluation criteria - local match requirements.** (9) Except as otherwise provided in subsection (10) of this section, the board shall recommend and the state board shall approve financial assistance for a public school facility capital construction project only if the applicant provides matching moneys in an amount equal to a percentage of the total financing for the project determined by the board after consideration of the applicant's financial capacity, as determined by the following factors:

(c) With respect to a charter school's application for financial assistance:

(I) The amount of per pupil ~~operating revenue~~ REVENUES that the charter school has budgeted to expend in order to meet its facilities obligations during the fiscal year for which an application is made relative to other charter schools in the state, measured both in terms of total dollars and as a percentage of the charter school's total per pupil ~~operating revenue~~ REVENUES;

**SECTION 41.** 22-52-104 (2) (b) (I) (B), Colorado Revised Statutes, is amended to read:

**22-52-104. Application - payment.** (2) (b) (I) (B) Effective January 1, 1989, pursuant to rules and regulations promulgated by the state board of education, the school district of residence of the student shall transmit monthly eighty-five percent of the district of residence's per pupil ~~operating revenues~~, as defined in ~~section 22-54-103 (9)~~ SECTION 22-54-103 (9.3) to the school district or eligible school enrolling the student or the actual educational cost of the program provided, whichever is less.

**SECTION 42.** 22-54-103 (9) and (12), Colorado Revised Statutes, are amended to read:

**22-54-103. Definitions - repeal.** As used in this article, unless the context otherwise requires:

(9) "Per pupil ~~operating revenues~~" means the district's total program for any budget year divided by the district's funded pupil count for said budget year, minus the minimum amount per pupil required by section 22-54-105 to be transferred for the capital reserve fund or any fund or account within the general fund established solely for the management of risk-related activities.

(12) "State average per pupil ~~operating revenues~~" means the total program of all districts for any budget year divided by the total funded pupil count of all districts for said budget year, minus the minimum amount per pupil required by section 22-54-105 to be budgeted for the capital reserve fund, the insurance reserve fund, or any other fund for the management of risk-related activities.

**SECTION 43.** 22-54-109 (4), Colorado Revised Statutes, is amended to read:

**22-54-109. Attendance in district other than district of residence.**

(4) For a child with disabilities residing in a particular school district but receiving educational services from another school district, the state average per pupil ~~operating revenues~~ shall be the district of residence's total responsibility under this article for the education of that child. The provisions of this subsection (4) shall not apply to children with disabilities enrolled in an interdistrict participating school district pursuant to the provisions of article 36 of this title.

**SECTION 44.** 22-80-113 (4), Colorado Revised Statutes, is amended to read:

**22-80-113. Educational training - expenditures.** (4) Effective for budget years beginning on and after January 1, 1989, each school district which has pupils of residence in the district attending the Colorado school for the deaf and the blind shall count such pupils in the district's pupil enrollment pursuant to section 22-54-103 (10). No later than October 10 OCTOBER 5 each year, the Colorado school for the deaf and the blind shall notify each district of residence in writing THE DEPARTMENT OF EDUCATION of the pupils' placement at the Colorado school for the deaf and the blind. The Colorado school for the deaf and the blind is entitled to receive, from the department of education, an amount equal to the state average per pupil ~~operating~~ revenues, as defined in section 22-54-103 (12), for the current fiscal year for those students in attendance. The Colorado school for the deaf and the blind shall bill the department of education for the applicable portion of such amount at the conclusion of each month during which such pupils continue to be placed at the Colorado school for the deaf and the blind.

**SECTION 45.** 22-81.5-102 (2), Colorado Revised Statutes, is amended to read:

**22-81.5-102. Legislative declaration.** (2) It is the intent of the general assembly that, for purposes of this article, any school that provides educational services to students who are ~~included on the roll of out-of-district placed children~~ PLACED IN AN ELIGIBLE FACILITY OR STATE OPERATED PROGRAM and receives a portion of the STATE AVERAGE per pupil ~~operating~~ revenues of a school district in exchange for providing such services shall be considered eligible under this article.

**SECTION 46.** The introductory portion to 23-8-101.5 (4) and 23-8-101.5 (4) (a) and (4) (c), Colorado Revised Statutes, are amended to read:

**23-8-101.5. Definitions.** As used in this article, unless the context otherwise requires:

(4) "Education provider's per pupil ~~operating~~ revenues" means:

(a) For a school district, the district's per pupil ~~operating~~ revenues, as defined in ~~section 22-54-103 (9), C.R.S.~~ SECTION 22-54-103 (9.3), C.R.S.;

(c) For an institute charter school, the amount received by an institute charter school pursuant to the provisions of section 22-54-115 (1.3), C.R.S., for any budget year, divided by the number of pupils enrolled in the institute charter school for that budget year; ~~minus the minimum amount per pupil required by section 22-30.5-513, C.R.S., to be allocated for capital reserve or risk management purposes;~~ and

**SECTION 47.** 23-8-102 (1) (b), Colorado Revised Statutes, is amended to read:

**23-8-102. School districts, boards of cooperative services, and institute charter schools conducting career and technical education courses - eligibility for state moneys.** (1) An education provider of the state conducting a course of career and technical education approved pursuant to section 23-8-103 by the board is entitled to career and technical education program support from moneys appropriated for that purpose by the general assembly. The amount of career and technical education program support that an education provider is entitled to receive pursuant to the provisions of this article shall be computed as follows:

(b) As career and technical education program support, the state shall provide, to each education provider conducting an approved career and technical education program for each twelve-month period beginning July 1, eighty percent of the first one thousand two hundred fifty dollars, or part thereof, by which the education provider's approved career and technical education program cost per full-time equivalent student exceeds seventy percent of the education provider's per pupil ~~operating~~ revenues, for the school budget year during which the twelve-month period begins. In addition, if the education provider's approved career and technical education cost per full-time equivalent student exceeds seventy percent of its per pupil ~~operating~~ revenues by an additional amount in excess of one thousand two hundred fifty dollars, the state shall provide fifty percent of the additional amount.

**SECTION 48.** 27-10.5-104 (7) (b), Colorado Revised Statutes, is amended to read:

**27-10.5-104. Authorized services and supports - conditions of funding - purchase of services and supports - boards of county commissioners - appropriation.** (7) (b) Each school district shall pay to the community centered board providing programs attended by a student with a developmental disability, who is domiciled in the school district and may be counted in the district's pupil enrollment, an amount at least equal to the district's per pupil ~~operating~~ revenues as determined pursuant to the "Public School Finance Act of 1994", article 54 of title 22, C.R.S. This subsection (7) shall apply to students who are less than twenty-two years of age.

**SECTION 49. Safety clause.** The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

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Terrance D. Carroll  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Brandon C. Shaffer  
PRESIDENT OF  
THE SENATE

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Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

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Karen Goldman  
SECRETARY OF  
THE SENATE

APPROVED

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Bill Ritter, Jr.  
GOVERNOR OF THE STATE OF COLORADO