

Second Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO

**REENGROSSED**

*This Version Includes All Amendments  
Adopted in the House of Introduction*

LLS NO. 14-0672.01 Jason Gelender x4330

**HOUSE BILL 14-1190**

---

**HOUSE SPONSORSHIP**

**Ryden,**

**SENATE SPONSORSHIP**

**King,** Guzman

---

**House Committees**  
Education

**Senate Committees**

---

**A BILL FOR AN ACT**

101 **CONCERNING THE FACTORS THAT ARE USED TO DETERMINE THE**  
102 **FINANCIAL CAPACITY TO PROVIDE MATCHING MONEYS OF A**  
103 **SCHOOL DISTRICT OR BOARD OF COOPERATIVE SERVICES THAT**  
104 **HAS APPLIED FOR FINANCIAL ASSISTANCE UNDER THE**  
105 **"BUILDING EXCELLENT SCHOOLS TODAY ACT".**

---

**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>.)*

**Legislative Audit Committee.** When the public school capital

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  
3rd Reading Unamended  
February 17, 2014

HOUSE  
2nd Reading Unamended  
February 14, 2014

construction assistance board (assistance board) preliminarily determines and the state board of education (state board) finally determines how much matching money to require a school district or a board of cooperative services that is applying for financial assistance under the "Building Excellent Schools Today Act" to provide in order to receive financial assistance, they must consider the applicant's financial capacity as determined by several statutory factors. In order to allow the assistance board and the state board to more accurately determine the financial capacity of a school district or a board of cooperative services, the bill adds the following statutory factors:

- ! The school district's current available bond capacity remaining or the average available bond capacity remaining of all members of the board of cooperative services participating in the capital construction project for which financial assistance is sought; and
- ! The school district's unreserved fund balance as a percentage of its annual budget or the average unreserved fund balance as a percentage of the annual budget of all members of the board of cooperative services participating in the capital construction project for which financial assistance is sought.

---

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

2           **SECTION 1.** In Colorado Revised Statutes, 22-43.7-109, **amend**  
3 (9) (a) (IV), (9) (a) (V), (9) (b) (IV), and (9) (b) (V); and **add** (9) (a) (VI),  
4 (9) (a) (VII), (9) (b) (VI), and (9) (b) (VII) as follows:

5           **22-43.7-109. Financial assistance for public school capital**  
6 **construction - application requirements - evaluation criteria - local**  
7 **match requirements.** (9) Except as otherwise provided in subsection  
8 (10) of this section, the board may recommend, and the state board may  
9 approve financial assistance that does not involve a lease-purchase  
10 agreement for or recommend to the capital development committee the  
11 approval of financial assistance that involves a lease-purchase agreement  
12 for a public school facility capital construction project only if the  
13 applicant provides matching moneys in an amount equal to a percentage

1 of the total financing for the project determined by the board after  
2 consideration of the applicant's financial capacity, as determined by the  
3 following factors:

4 (a) With respect to a school district's application for financial  
5 assistance:

6 (IV) The percentage of pupils enrolled in the school district who  
7 are eligible for free or reduced-cost lunch; and

8 (V) ~~The amount of effort put forth by the school district to obtain  
9 voter approval for a ballot question for bonded indebtedness, including  
10 but not limited to a ballot question for entry by the district into a  
11 sublease-purchase agreement of the type that constitutes an indebtedness  
12 of the district pursuant to section 22-32-127, during the ten years  
13 preceding the year in which the district submitted the application, which  
14 factor may be used only to reduce the percentage of matching moneys  
15 required from a district that has put forth such effort and not to increase  
16 the amount of matching moneys required from any district~~ THE SCHOOL  
17 DISTRICT'S CURRENT AVAILABLE BOND CAPACITY REMAINING;

18 (VI) THE SCHOOL DISTRICT'S UNRESERVED FUND BALANCE AS A  
19 PERCENTAGE OF ITS ANNUAL BUDGET; AND

20 (VII) THE AMOUNT OF EFFORT PUT FORTH BY THE SCHOOL  
21 DISTRICT TO OBTAIN VOTER APPROVAL FOR A BALLOT QUESTION FOR  
22 BONDED INDEBTEDNESS, INCLUDING BUT NOT LIMITED TO A BALLOT  
23 QUESTION FOR ENTRY BY THE DISTRICT INTO A SUBLEASE-PURCHASE  
24 AGREEMENT OF THE TYPE THAT CONSTITUTES AN INDEBTEDNESS OF THE  
25 DISTRICT PURSUANT TO SECTION 22-32-127, DURING THE TEN YEARS  
26 PRECEDING THE YEAR IN WHICH THE DISTRICT SUBMITTED THE  
27 APPLICATION, WHICH FACTOR MAY BE USED ONLY TO REDUCE THE

1 PERCENTAGE OF MATCHING MONEYS REQUIRED FROM A DISTRICT THAT  
2 HAS PUT FORTH SUCH EFFORT AND NOT TO INCREASE THE AMOUNT OF  
3 MATCHING MONEYS REQUIRED FROM ANY DISTRICT;

4 (b) With respect to a board of cooperative services' application for  
5 financial assistance:

6 (IV) The percentage of pupils enrolled in the member schools  
7 within the board of cooperative services that are participating in the  
8 capital construction project who are eligible for free or reduced-cost  
9 lunch; and

10 ~~(V) The amount of effort put forth by the members of the board~~  
11 ~~of cooperative services to obtain voter approval for a ballot question for~~  
12 ~~bonded indebtedness, including but not limited to a ballot question for~~  
13 ~~entry by any member into a sublease-purchase agreement of the type that~~  
14 ~~constitutes an indebtedness of the member pursuant to section 22-32-127,~~  
15 ~~during the ten years preceding the year in which the board of cooperative~~  
16 ~~services submitted the application, which factor may be used only to~~  
17 ~~reduce the percentage of matching moneys required from a board of~~  
18 ~~cooperative services whose members, or any of them, have put forth such~~  
19 ~~effort and not to increase the amount of matching moneys required from~~  
20 ~~any board of cooperative services~~ THE AVERAGE AVAILABLE BOND  
21 CAPACITY REMAINING OF ALL MEMBERS OF THE BOARD OF COOPERATIVE  
22 SERVICES PARTICIPATING IN THE CAPITAL CONSTRUCTION PROJECT;

23 (VI) THE AVERAGE UNRESERVED FUND BALANCE AS A  
24 PERCENTAGE OF THE ANNUAL BUDGET OF ALL MEMBERS OF THE BOARD OF  
25 COOPERATIVE SERVICES PARTICIPATING IN THE CAPITAL CONSTRUCTION  
26 PROJECT; AND

27 (VII) THE AMOUNT OF EFFORT PUT FORTH BY THE MEMBERS OF THE

1 BOARD OF COOPERATIVE SERVICES TO OBTAIN VOTER APPROVAL FOR A  
2 BALLOT QUESTION FOR BONDED INDEBTEDNESS, INCLUDING BUT NOT  
3 LIMITED TO A BALLOT QUESTION FOR ENTRY BY ANY MEMBER INTO A  
4 SUBLEASE-PURCHASE AGREEMENT OF THE TYPE THAT CONSTITUTES AN  
5 INDEBTEDNESS OF THE MEMBER PURSUANT TO SECTION 22-32-127, DURING  
6 THE TEN YEARS PRECEDING THE YEAR IN WHICH THE BOARD OF  
7 COOPERATIVE SERVICES SUBMITTED THE APPLICATION. THIS FACTOR MAY  
8 BE USED ONLY TO REDUCE THE PERCENTAGE OF MATCHING MONEYS  
9 REQUIRED FROM A BOARD OF COOPERATIVE SERVICES IF ONE OR MORE OF  
10 ITS MEMBERS HAVE PUT FORTH SUCH EFFORT AND MAY NOT BE USED TO  
11 INCREASE THE AMOUNT OF MATCHING MONEYS REQUIRED FROM ANY  
12 BOARD OF COOPERATIVE SERVICES.

13 **SECTION 2. Safety clause.** The general assembly hereby finds,  
14 determines, and declares that this act is necessary for the immediate  
15 preservation of the public peace, health, and safety.