

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

REVISED

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

LLS NO. 14-0672.01 Jason Gelender x4330

HOUSE BILL 14-1190

HOUSE SPONSORSHIP

Ryden,

SENATE SPONSORSHIP

King, Guzman

House Committees
Education

Senate Committees
Education

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/bills summaries>.)

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.

SENATE
2nd Reading Unamended
March 3, 2014

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.