

First Regular Session
Seventy-third General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 21-0771.01 Brita Darling x2241

SENATE BILL 21-053

SENATE SPONSORSHIP

Moreno and Zenzinger, Hansen, Rankin

HOUSE SPONSORSHIP

McCluskie and McLachlan, Herod

Senate Committees

Appropriations

House Committees

A BILL FOR AN ACT

101 CONCERNING ADJUSTMENTS TO SCHOOL FUNDING FOR THE 2020-21
102 BUDGET YEAR, AND, IN CONNECTION THEREWITH, MAKING
103 APPROPRIATIONS.

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://leg.colorado.gov/>.)

Joint Budget Committee. The general assembly recognizes that the actual funded pupil count and the actual at-risk pupil count for the 2020-21 budget year are lower than anticipated when the appropriation amount was established during the 2020 legislative session, resulting in a decrease in total program funding for the 2020-21 budget year.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

In addition, local property tax revenue and specific ownership tax revenue were less than anticipated, resulting in a decrease in the local share of total program funding.

The bill declares the general assembly's intent to maintain total program funding at the dollar amount of the original appropriation made during the 2020 legislative session, thereby reducing the budget stabilization factor.

The bill appropriates additional funding for the 2020-21 budget year for districts that experienced a percentage decrease in total program funding from that estimated during the 2020 legislative session that was greater than the districts' percentage decrease in funded pupil count from that estimated during the 2020 legislative session. In addition, the bill includes additional funding for districts that have an overall reduction in total program funding that is more than 2% below the districts' estimated total program funding during the 2020 legislative session.

The bill makes an appropriation to increase the state share of total program funding.

Further, the bill makes an appropriation to increase funding to rural schools and rural institute charter schools pursuant to House Bill 20-1427.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds and declares that:

4 (a) The actual funded pupil count and the actual at-risk pupil
5 count for the 2020-21 budget year are lower than anticipated when the
6 appropriation was established in the 2020 legislative session for total
7 program funding for the 2020-21 budget year. As a result, total program
8 funding, before application of the budget stabilization factor, is
9 \$120,850,246 lower than anticipated when appropriations were
10 established in the 2020 legislative session.

11 (b) Based on actual local property tax revenue and specific
12 ownership tax revenue available to school districts for the 2020-21 budget
13 year, the local share of total program funding is \$40,905,287 lower than
14 anticipated when appropriations were established in the 2020 legislative

1 session; and

2 (c) It is the general assembly's intent to maintain total program
3 funding at the dollar amount of the original appropriation for the 2020-21
4 budget year.

5 (2) Therefore, the general assembly finds it necessary to increase
6 the appropriation for the state share of districts' total program funding.

7 **SECTION 2.** In Colorado Revised Statutes, 22-54-104, **amend**
8 (5)(g)(I)(K) as follows:

9 **22-54-104. District total program - definitions.** (5) For
10 purposes of the formulas used in this section:

11 (g) (I) For the 2010-11 budget year and each budget year
12 thereafter, the general assembly determines that stabilization of the state
13 budget requires a reduction in the amount of the annual appropriation to
14 fund the state's share of total program funding for all districts and the
15 funding for institute charter schools. The department of education shall
16 implement the reduction in total program funding through the application
17 of a budget stabilization factor as provided in this subsection (5)(g)(I).
18 For the 2010-11 budget year and each budget year thereafter, the
19 department of education and the staff of the legislative council shall
20 determine, based on budget projections, the amount of such reduction to
21 ensure the following:

22 (K) That, for the 2020-21 budget year, the sum of the total
23 program funding for all districts, including the funding for institute
24 charter schools, after application of the budget stabilization factor, is not
25 less than ~~seven billion two hundred thirty million four hundred forty-eight~~
26 ~~thousand eight hundred ninety-one dollars (\$7,230,448,891)~~ SEVEN
27 BILLION TWO HUNDRED THIRTY-TWO MILLION TWO HUNDRED SEVENTY

1 THOUSAND FOUR HUNDRED EIGHTY-TWO DOLLARS (\$7,232,270,482);
2 except that the department of education and the staff of the legislative
3 council shall make mid-year revisions to replace projections with actual
4 figures, including but not limited to actual pupil enrollment, assessed
5 valuations, and specific ownership tax revenue from the prior year, to
6 determine any necessary changes in the amount of the reduction to
7 maintain a total program funding amount for the applicable budget year
8 that is consistent with this subsection (5)(g)(I)(K). For the 2021-22
9 budget year, the difference between calculated statewide total program
10 funding and actual statewide total program funding must not exceed the
11 difference between calculated statewide total program funding and actual
12 statewide total program funding for the 2020-21 budget year.

13 **SECTION 3.** In Colorado Revised Statutes, **add** 22-54-143 as
14 follows:

15 **22-54-143. Additional funding - 2020-21 budget year -**
16 **definitions - repeal.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT
17 OTHERWISE REQUIRES:

18 (a) "ESTIMATED FUNDED PUPIL COUNT" MEANS THE FUNDED PUPIL
19 COUNT CALCULATED FOR A DISTRICT DURING THE 2020 LEGISLATIVE
20 SESSION FOR THE 2020-21 BUDGET YEAR.

21 (b) "ESTIMATED TOTAL PROGRAM FUNDING" MEANS THE TOTAL
22 PROGRAM FUNDING CALCULATED FOR A DISTRICT DURING THE 2020
23 LEGISLATIVE SESSION FOR THE 2020-21 BUDGET YEAR.

24 (2) THE GENERAL ASSEMBLY SHALL APPROPRIATE TO THE
25 DEPARTMENT OF EDUCATION ADDITIONAL FUNDING FOR THE 2020-21
26 BUDGET YEAR FOR DISTRIBUTION TO DISTRICTS AS PROVIDED IN
27 SUBSECTION (3) OF THIS SECTION.

1 (3) AFTER ADJUSTING TOTAL PROGRAM FUNDING FOR THE 2020-21
2 BUDGET YEAR PURSUANT TO SECTION 22-54-104 (5)(g)(I)(K), AS
3 AMENDED BY SENATE BILL 21-053, ENACTED IN 2021, THE DEPARTMENT
4 OF EDUCATION SHALL ALLOCATE AND DISTRIBUTE AN AMOUNT OF MONEY
5 AS NECESSARY TO EACH DISTRICT TO ENSURE THAT:

6 (a) A DISTRICT'S TOTAL PROGRAM FUNDING FOR THE 2020-21
7 BUDGET YEAR DOES NOT DECREASE BELOW THE DISTRICT'S ESTIMATED
8 TOTAL PROGRAM FUNDING BY A PERCENTAGE THAT IS GREATER THAN THE
9 PERCENTAGE DECREASE IN THE DISTRICT'S ACTUAL FUNDED PUPIL COUNT
10 BELOW THE DISTRICT'S ESTIMATED FUNDED PUPIL COUNT; AND

11 (b) A DISTRICT'S TOTAL PROGRAM FUNDING FOR THE 2020-21
12 BUDGET YEAR DOES NOT DECREASE BELOW THE DISTRICT'S ESTIMATED
13 TOTAL PROGRAM FUNDING BY MORE THAN TWO PERCENT.

14 (4) IF A DISTRICT'S STATE SHARE OF TOTAL PROGRAM FUNDING
15 PURSUANT TO SECTION 22-54-106, BEFORE APPLICATION OF THE BUDGET
16 STABILIZATION FACTOR PURSUANT TO SECTION 22-54-104 (5)(g), WAS
17 ESTIMATED DURING THE 2020 LEGISLATIVE SESSION TO BE LESS THAN
18 ONE-HALF OF ONE PERCENT OF THE DISTRICT'S TOTAL PROGRAM FUNDING
19 FOR THE 2020-21 BUDGET YEAR, THE DEPARTMENT OF EDUCATION, IN
20 DETERMINING THE DISTRICT'S TOTAL PROGRAM FUNDING FOR THE 2020-21
21 BUDGET YEAR FOR PURPOSES OF SUBSECTION (3) OF THIS SECTION, SHALL
22 INCLUDE THE BALANCE, AS OF THE EFFECTIVE DATE OF SENATE BILL
23 21-053, OF THE DISTRICT'S TOTAL PROGRAM RESERVE FUND ESTABLISHED
24 PURSUANT TO SECTION 22-45-103 (1)(k).

25 (5) EACH DISTRICT THAT AUTHORIZES A CHARTER SCHOOL SHALL
26 DISTRIBUTE TO THE DISTRICT CHARTER SCHOOL ONE HUNDRED PERCENT
27 OF THE PER PUPIL AMOUNT THAT IS ATTRIBUTABLE TO THE DISTRICT

1 CHARTER SCHOOL FROM THE DISTRIBUTION RECEIVED PURSUANT TO THIS
2 SECTION.

3 (6) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2022.

APPROPRIATION FROM

	ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$
1	SECTION 4. Appropriation to the department of education for the fiscal year beginning July 1, 2020. In Session Laws of Colorado 2020, section 2 of chapter 326, (HB 20-1360),						
2	amend Part III (2)(A), footnote 8, and the affected totals, as footnote 8 is amended by section 53 of chapter 197 (HB 20-1418), Session Laws of Colorado 2020, as follows:						
3	Section 2. Appropriation.						
4	PART III						
5	DEPARTMENT OF EDUCATION						
6							
7	(2) ASSISTANCE TO PUBLIC SCHOOLS						
8	(A) Public School Finance						
9	Administration	1,904,480			87,494 ^a	1,816,986 ^b	
10					(0.9 FTE)	(17.0 FTE)	
11	Financial Transparency						
12	System Maintenance	462,000			462,000 ^c		
13	State Share of Districts'						
14	Total Program Funding ⁸	4,784,907,994	4,349,118,689	84,491,394 ^d	351,297,911 ^e		
15		4,825,813,281	4,390,023,976				

		APPROPRIATION FROM					
	ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$
1	District Per Pupil						
2	Reimbursements for						
3	Juveniles Held in Jail	10,000			10,000 ^f		
4	At-risk Supplemental Aid	5,094,358			5,094,358 ^g		
5	At-risk Per Pupil						
6	Additional Funding	5,000,000			5,000,000 ^g		
7		<u>4,797,378,832</u>					
8		4,838,284,119					
9							

10 ^a This amount shall be from the State Education Fund created in Section 17 (4)(a) of Article IX of the State Constitution. Pursuant to Section 17 (3) of Article IX of the State Constitution,
11 appropriations from the State Education Fund are not subject to the limitation on fiscal year spending set forth in Section 20 of Article X of the State Constitution.

12 ^b This amount shall be transferred from the State Share of Districts' Total Program Funding line item appropriation in the Assistance to Public Schools section of this department.

13 ^c Of this amount, an estimated \$432,000 shall be from the State Education Fund created in Section 17 (4)(a) of Article IX of the State Constitution and an estimated \$30,000 shall be
14 from the Financial Reporting Fund created in Section 24-44-105 (6)(a), C.R.S. Pursuant to Section 17 (3) of Article IX of the State Constitution, appropriations from the State Education
15 Fund are not subject to the limitation on fiscal year spending set forth in Section 20 of Article X of the State Constitution.

APPROPRIATION FROM

ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
\$	\$	\$	\$	\$	\$	\$
<p>^d This amount shall be from the General Fund Exempt Account created in Section 24-77-103.6 (2), C.R.S.</p> <p>^e Of this amount, \$290,279,953 shall be from the State Education Fund created in Section 17 (4)(a) of Article IX of the State Constitution and \$61,017,958 shall be from the State Public School Fund created in Section 22-54-114 (1), C.R.S. Pursuant to Section 17 (3) of Article IX of the State Constitution, appropriations from the State Education Fund are not subject to the limitation on fiscal year spending set forth in Section 20 of Article X of the State Constitution. Of the amount appropriated from the State Public School Fund, \$32,390,907 is estimated to be from federal mineral leasing revenues transferred to the State Public School Fund pursuant to Sections 22-54-114 (1) and 34-63-102, C.R.S., \$20,229,533 is estimated to be from State Public School Fund reserves, and \$8,397,518 is estimated to be from interest and income earned on the investment of money in the Public School Fund that is credited to the State Public School Fund pursuant to Section 22-41-102 (3)(f), C.R.S.</p> <p>^f These amounts shall be from the State Education Fund created in Section 17 (4)(a) of Article IX of the State Constitution. Pursuant to Section 17 (3) of Article IX of the State Constitution, appropriations from the State Education Fund are not subject to the limitation on fiscal year spending set forth in Section 20 of Article X of the State Constitution.</p> <p>^g These amounts shall be from the State Public School Fund created in Section 22-54-114 (1), C.R.S., from interest and income earned on the investment of money in the Public School Fund that is credited to the State Public School Fund pursuant to Section 22-41-102 (3)(g), C.R.S.</p>						
TOTALS PART III						
(EDUCATION)	\$6,328,385,349	\$4,568,167,664	\$84,491,394 ^a	\$1,015,987,081 ^b	\$40,151,896 ^c	\$619,587,314 ^d

	ITEM & SUBTOTAL	TOTAL	APPROPRIATION FROM				
			GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$
1		\$6,369,290,636	\$4,609,072,951				
2							

3 ^a This amount shall be from the General Fund Exempt Account created in Section 24-77-103.6 (2), C.R.S.

4 ^b Of this amount, \$6,921,362 contains an (I) notation.

5 ^c Of this amount, \$20,100,000 contains an (I) notation.

6 ^d This amount contains an (I) notation.

8 **FOOTNOTES** -- The following statements are referenced to the numbered footnotes throughout section 2.

10 8 Department of Education, Assistance to Public Schools, Public School Finance, State Share of Districts' Total Program Funding -- Pursuant to section
 11 22-35-108 (2)(a), C.R.S., the purpose of this footnote is to specify what portion of this appropriation is intended to be available for the Accelerating Students
 12 Through Concurrent Enrollment (ASCENT) Program for FY 2020-21. It is the General Assembly's intent that the Department of Education be authorized to
 13 utilize up to ~~\$3,655,000~~ \$3,725,000 of this appropriation to fund qualified students designated as ASCENT Program participants. This amount is calculated
 14 based on an estimated 500 FTE participants funded at a rate of ~~\$7,330~~ \$7,450 per FTE pursuant to section 22-54-204 (4.7), C.R.S.

1 **SECTION 5. Appropriation.** For the 2020-21state fiscal year,
2 \$14,710,558 is appropriated to the department of education. This
3 appropriation is from the general fund. To implement this act, the
4 department may use this appropriation for additional funding provided
5 pursuant to section 22-54-143 (3)(a), C.R.S.

6 **SECTION 6. Appropriation.** For the 2020-21state fiscal year,
7 \$4,578,464 is appropriated to the department of education. This
8 appropriation is from the general fund. To implement this act, the
9 department may use this appropriation for additional funding provided
10 pursuant to section 22-54-143 (3)(b), C.R.S.

11 **SECTION 7. Appropriation.** For the 2020-21 state fiscal year,
12 \$25,000,000 is appropriated to the department of education. This
13 appropriation is from the rural schools cash fund created in section
14 22-54-142 (5), C.R.S. To implement this act, the department may use this
15 appropriation for rural school funding authorized in section 22-54-142,
16 C.R.S.

17 **SECTION 8. Safety clause.** The general assembly hereby finds,
18 determines, and declares that this act is necessary for the immediate
19 preservation of the public peace, health, or safety.