Exhibit 1

# First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

## REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction SENATE BILL 23-287

LLS NO. 23-1004.03 Jacob Baus x2173

### SENATE SPONSORSHIP

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# A BILL FOR AN ACT

101 CONCERNING THE FINANCING OF PUBLIC SCHOOLS, AND, IN

102 CONNECTION THEREWITH, MAKING AN APPROPRIATION.

#### **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 <u>http://leg.colorado.gov</u>.)

The bill:

- Increases the statewide base per pupil funding for the 2023-24 budget year by \$598.25, to account for inflation;
- Sets as the new statewide base per pupil funding amount of \$8,076.41 for the 2023-24 budget year; and
- Sets the target number for the 2023-24 budget year at not





less than \$9,070,933,129.

Current law includes a 5-year averaging provision, which determines a district's pupil count for each budget year by determining the greater of the funded pupil count for the applicable budget year or an average of one to 4 of the prior budget years. The bill provides a similar averaging provision for the institute charter schools on a per-school basis.

For the 2023-24 budget year, the bill distributes \$30 million to large rural districts and small rural districts, including district charter schools and each institute charter school whose accounting district is a large or small rural district. Large rural districts receive 55% of the appropriation, and small rural districts receive 45% of the appropriation. The bill uses the districts' funded pupil count for the 2022-23 budget year.

The bill amends eligibility criteria for the mill levy override match program to exclude an otherwise eligible school district from receiving a state-funded override mill match if the sum of the district's override mills is equal to or greater than the district's override mill capacity, as defined by statute. For the 2023-24 budget year, the bill requires the transfer of \$23,376,536 from the state education fund to the mill levy override match fund and finds that the override mill match is a program for accountable education reform.

The bill requires the general assembly to appropriate \$300,000 from the state education fund to the department of education (department) for the purpose of reimbursing schools for expenses related to replacing an American Indian mascot, and finds that reimbursing schools for these expenses is a program for accountable education reform.

The bill requires the general assembly to appropriate from the state education fund the amount necessary to provide universal screening to identify gifted children through second grade by the 2027-28 budget year and finds that universal screening is a program for accountable education reform.

The bill specifies that for the purpose of any law, with certain exceptions, that applies to or exempts a public entity or a public official, a charter school has the same status as a school district, and certain persons affiliated with the charter school have the same status as a complementary counterpart in a school district. Furthermore, the bill clarifies the application of certain laws to charter schools.

The bill permits the department of education (department), school districts, and institute charter schools to consider life-cycle costs when contracting for technology.

Under current law, every 3 years, the department is required to prepare a report and evaluation on the successes or failures of charter schools, school reform efforts, and suggested changes to laws affecting charter schools. The bill makes this an annual requirement starting in the 2023-24 budget year.

Under current law, a new at-risk measure in the public school

funding formula must be implemented in the 2023-24 budget year. The bill extends the implementation of this requirement to the 2024-25 budget year, and requires the department to conduct pre-implementation modeling and testing of total program funding using the new at-risk factor, and report modeling and testing findings to the education committees and joint budget committee.

The bill creates a public school finance task force for the purpose of examining and making recommendations concerning school finance. The task force is required to submit a report to the education committees of the senate and house of representatives and the joint budget committee by December 15, 2023. Furthermore, the task force is required to set parameters to examine the adequacy of school finance in Colorado, and the department is required to contract with two independent entities to report their findings by January 1, 2025.

The bill extends child nutrition school lunch protection program funding to be used to offset the costs incurred by a facility school in providing lunch to students who are placed in the facility and eligible to participate in the program.

The bill excludes the costs associated with providing for an independent evaluation from the 20% of the money appropriated to the Colorado imagination library program to be used by the contractor for operating costs.

The bill appropriates \$2.5 million to the mill levy equalization fund from the general fund for the 2023-24 budget year.

The bill appropriates \$500,000 to the department of education for the purpose of translating individualized education program documents if House Bill 23-1263 becomes law.

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 annual total program funding of Colorado's schools is a

- 5 collaborative effort between school districts and the state;
- 6

7

(b) In recent years, the stabilization of the state budget has required a reduction in the amount of the annual appropriation to fund the

8 state's share of total program funding for all school districts and institute

9 charter schools. This reduction is commonly referred to as the "budget

10 stabilization factor".

1 (c) The school districts' share of total program funding is 2 primarily derived from nonresidential and residential property tax 3 revenue.

4 (d) Colorado's current economic conditions are mixed. While 5 property values have grown significantly, inflation has grown at its 6 quickest pace in at least forty years. Because the school finance formula 7 grows based upon inflation, there exists increasing state obligations to 8 fund total program due to inflation that do not include a full buy-down of 9 the budget stabilization factor. Furthermore, there is an expectation that 10 inflation will not normalize until 2024, resulting in above normal 11 per-pupil funding growth until the 2025-26 budget year.

(e) Colorado's current economic conditions have also limited the amount of state education funds available to the state for the 2023-24 budget year. Colorado's wage growth is currently slowing, and the latest office of state planning and budgeting forecast predicts job losses in the 2023-24 budget year. Consequently, there is an expectation that income revenue will decline for the 2023-24 budget year, which impacts the money available for diversion from the state education fund.

19 (f) There is, however, a great deal of uncertainty concerning the 20 continuity and longevity of these current economic conditions. Most 21 economists consider the risk of recession to be elevated. A recession 22 would further limit money available for diversion in the state education 23 fund and reduce available general fund resources. Furthermore, a 24 recession would negatively impact the revenue available for total program 25 from local share, due to potential declining property valuations, which 26 consequently would increase the amount of money required of the state to fully fund total program, despite a decrease in state revenue. 27

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(2) Therefore, the general assembly declares that it is committed
 to continuing the efforts to reduce the budget stabilization factor in
 subsequent budget years to the degree possible, subject to the economic
 landscape. By embracing a more measured approach, the state can avoid
 reinstituting a budget stabilization factor if the economic environment
 takes a more negative turn than what is currently forecasted.
 SECTION 2. In Colorado Revised Statutes, 22-54-104, amend

8 (5)(g)(I) introductory portion, (5)(g)(II) introductory portion, (5)(g)(III)
9 introductory portion, (5)(g)(IV), and (5)(g)(V); and add (5)(a)(XXX),

10 (5)(g)(I)(N), (5)(g)(II.7), and (5)(g)(VIII) as follows:

11 22-54-104. District total program <u>- definitions - repeal.</u> (5) For
 12 purposes of the formulas used in this section:

(a) (XXX) FOR THE 2023-24 BUDGET YEAR, THE STATEWIDE BASE
PER PUPIL FUNDING IS \$8,076.41, WHICH IS AN AMOUNT EQUAL TO
\$7,478.16, SUPPLEMENTED BY \$598.25 TO ACCOUNT FOR INFLATION.

(g) (I) For the 2010-11 budget year and each budget year 16 17 thereafter THROUGH THE 2023-24 BUDGET YEAR, the general assembly 18 determines that stabilization of the state budget requires a reduction in the 19 amount of the annual appropriation to fund the state's share of total 20 program funding for all districts and the funding for institute charter 21 schools. The department of education shall implement the reduction in 22 total program funding through the application of a budget stabilization 23 factor as provided in this subsection (5)(g)(I). For the 2010-11 budget year and each budget year thereafter THROUGH THE 2023-24 BUDGET 24 25 YEAR, the department of education and the staff of the legislative council 26 shall determine, based on budget projections, the amount of such 27 reduction to ensure the following:

1 (N) That, for the 2023-24 budget year, the sum of the total 2 PROGRAM FUNDING FOR ALL DISTRICTS, INCLUDING THE FUNDING FOR 3 INSTITUTE CHARTER SCHOOLS, AFTER APPLICATION OF THE BUDGET 4 STABILIZATION FACTOR, IS NOT LESS THAN NINE BILLION ONE HUNDRED 5 ONE MILLION SIX HUNDRED THOUSAND NINE HUNDRED TWENTY-TWO 6 DOLLARS (\$9,101,600,922); EXCEPT THAT THE DEPARTMENT OF 7 EDUCATION AND THE STAFF OF THE LEGISLATIVE COUNCIL SHALL MAKE 8 MID-YEAR REVISIONS TO REPLACE PROJECTIONS WITH ACTUAL FIGURES, 9 INCLUDING BUT NOT LIMITED TO ACTUAL PUPIL ENROLLMENT, ASSESSED 10 VALUATIONS, AND SPECIFIC OWNERSHIP TAX REVENUE FROM THE PRIOR 11 YEAR, TO DETERMINE ANY NECESSARY CHANGES IN THE AMOUNT OF THE 12 REDUCTION TO MAINTAIN A TOTAL PROGRAM FUNDING AMOUNT FOR THE 13 APPLICABLE BUDGET YEAR THAT IS CONSISTENT WITH THIS SUBSECTION 14 (5)(g)(I)(N). For the 2024-25 budget year, the difference between 15 CALCULATED STATEWIDE TOTAL PROGRAM FUNDING AND ACTUAL 16 STATEWIDE TOTAL PROGRAM FUNDING MUST NOT EXCEED THE DIFFERENCE 17 BETWEEN CALCULATED STATEWIDE TOTAL PROGRAM FUNDING AND 18 ACTUAL STATEWIDE TOTAL PROGRAM FUNDING FOR THE 2023-24 BUDGET 19 YEAR. (II) For the 2010-11 budget year and each budget year thereafter 20 21 THROUGH THE 2023-24 BUDGET YEAR, the department of education shall: 22 (II.7) F<u>OR THE 2024-25 BUDGET YEAR AND EACH BUDGET YEAR</u> 23 THEREAFTER, THE DEPARTMENT OF EDUCATION SHALL NOT REDUCE TOTAL 24 PROGRAM FUNDING THROUGH THE APPLICATION OF A BUDGET 25 STABILIZATION FACTOR. 26 (III) For the 2010-11 budget year and each budget year thereafter

27 THROUGH THE 2023-24 BUDGET YEAR, except as otherwise provided in

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1	subparagraphs (IV) and (V) of this paragraph (g) SUBSECTIONS (5)(g)(IV)
2	AND (5)(g)(V) OF THIS SECTION, a district's total program shall be IS the
3	greater of:
4	(IV) For the 2010-11 budget year and each budget year thereafter
5	THROUGH THE 2023-24 BUDGET YEAR, the total program funding for a
6	district that levies the number of mills calculated pursuant to section
7	22-54-106 (2)(a)(II), (2.1)(b)(I)(C), or (2.1)(c)(I), whichever is
8	applicable, is the amount calculated pursuant to subsection (2) of this
9	section for the applicable budget year. Any such district shall use the
10	revenues generated by the number of mills that the district levies pursuant
11	to section 22-54-106 (2)(a)(II), (2.1)(b)(I)(C), or (2.1)(c)(I), whichever is
12	applicable, to replace any categorical program support funds that the
13	district would otherwise be eligible to receive from the state; except that
14	the amount of categorical program support funds that the district is
15	required to replace must not exceed an amount equal to the district's
16	reduction amount. The department shall use the amount of categorical
17	program support funds replaced by property tax revenue pursuant to this
18	subsection (5)(g)(IV) to make payments of categorical program support
19	funds to eligible districts as specified in section 22-54-107 (4).
20	(V) For the 2010-11 budget year and each budget year thereafter
21	THROUGH THE 2023-24 BUDGET YEAR, if a district levies the number of
22	mills calculated pursuant to section 22-54-106 (2)(a)(I), (2.1)(b)(I)(A),
23	(2.1)(b)(I)(B), or (2.1)(b)(II), or (2.1)(c)(II), (2.1)(c)(III), or (2.1)(c)(IV),
24	whichever is applicable, and the district's reduction amount exceeds the
25	district's state share of total program funding, such district's total program
26	funding is the amount calculated pursuant to subsection (2) of this section
27	for the applicable budget year, minus the district's state aid. Any such

1	district shall use the revenues generated by the number of mills that the
2	district levies pursuant to section 22-54-106 (2)(a)(I), (2.1)(b)(I)(A),
3	(2.1)(b)(I)(B), or (2.1)(b)(II), or (2.1)(c)(II), (2.1)(c)(III), or (2.1)(c)(IV),
4	whichever is applicable, to replace any categorical program support funds
5	that the district would otherwise be eligible to receive from the state;
6	except that the amount of categorical program support funds that the
7	district is required to replace must not exceed an amount equal to the
8	remainder of the district's reduction amount after the reduction to the
9	district's total program has been applied pursuant to this subsection
10	(5)(g)(V). The department of education shall use the amount of
11	categorical program support funds replaced by property tax revenue
12	pursuant to this subsection (5)(g)(V) to make payments of categorical
13	program support funds to eligible districts as specified in section
14	<u>22-54-107 (4).</u>
15	(VIII) This subsection (5)(g) is repealed, effective July 1,
16	<u>2024.</u>
17	SECTION 3. In Colorado Revised Statutes, 22-54-103, amend
18	(7)(f)(II) and (7)(f)(III); and <b>add</b> (7)(f)(II.5) and (7)(f)(II.6) as follows:
19	22-54-103. Definitions. As used in this article 54, unless the
20	context otherwise requires:
21	(7) "Funded pupil count" means:
22	(f) (II) Notwithstanding any provision of law to the contrary, for
23	purposes of subsection (7)(f)(I) of this section, a district's funded pupil
24	count includes the certified pupil enrollment and online pupil enrollment
25	of each operating institute charter school for which the district is the
26	accounting district, AS PROVIDED PURSUANT TO SUBSECTIONS $(7)(f)(II.5)$
27	AND $(7)(f)(II.6)$ OF THIS SECTION. The department of education shall add

the institute charter school's certified pupil enrollment and online pupil
 enrollment to the funded pupil count of the district prior to calculating the
 district's total program pursuant to section 22-54-104.

4 (II.5) FOR PURPOSES OF SUBSECTION (7)(f)(II) OF THIS SECTION,
5 EACH OPERATING INSTITUTE CHARTER SCHOOL'S CERTIFIED PUPIL
6 ENROLLMENT IS THE GREATER OF:

7 (A) THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL
8 ENROLLMENT FOR THE APPLICABLE BUDGET YEAR;

9 (B) THE AVERAGE OF THE OPERATING INSTITUTE CHARTER 10 SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND 11 THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR 12 THE IMMEDIATELY PRECEDING BUDGET YEAR;

13 (C) THE AVERAGE OF THE OPERATING INSTITUTE CHARTER
14 SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND
15 THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR
16 THE TWO IMMEDIATELY PRECEDING BUDGET YEARS;

17 (D) THE AVERAGE OF THE OPERATING INSTITUTE CHARTER
18 SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND
19 THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR
20 THE THREE IMMEDIATELY PRECEDING BUDGET YEARS; OR

(E) THE AVERAGE OF THE OPERATING INSTITUTE CHARTER
SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND
THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR
THE FOUR IMMEDIATELY PRECEDING BUDGET YEARS.

(II.6) NOTWITHSTANDING ANY PROVISION OF LAW TO THE
CONTRARY, FOR PURPOSES OF SUBSECTION (7)(f)(II.5) OF THIS SECTION,
AN OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT

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INCLUDES ITS ONLINE PUPIL ENROLLMENT, EXCEPT FOR MULTI-DISTRICT
 ONLINE SCHOOL PUPIL ENROLLMENT.

3 (III) The general assembly finds and declares that for the purposes 4 of section 17 of article IX of the state constitution, averaging a district's 5 pupil enrollment for the applicable budget year and the district's pupil 6 enrollment for the four immediately preceding budget years pursuant to 7 subsection (7)(f)(I)(E) of this section, AND THE AVERAGING OF AND 8 OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT AND 9 ONLINE PUPIL ENROLLMENT PURSUANT TO SUBSECTIONS (7)(f)(II.5) AND 10 (7)(f)(II.6), is a program for accountable education reform and may 11 therefore receive funding from the state education fund created in section 12 17 (4) of article IX of the state constitution.

SECTION 4. In Colorado Revised Statutes, add 22-54-145 as
follows:

15 22-54-145. Additional funding for rural schools - 2023-24
16 budget year - definitions - repeal. (1) AS USED IN THIS SECTION, UNLESS
17 THE CONTEXT OTHERWISE REQUIRES:

18 (a) "ELIGIBLE INSTITUTE CHARTER SCHOOL" MEANS AN INSTITUTE
19 CHARTER SCHOOL THAT HAS A SMALL RURAL DISTRICT OR A LARGE RURAL
20 DISTRICT AS ITS ACCOUNTING DISTRICT.

(b) "LARGE RURAL DISTRICT" MEANS A DISTRICT THAT THE
DEPARTMENT OF EDUCATION DETERMINES IS A RURAL DISTRICT, BASED ON
THE GEOGRAPHIC SIZE OF THE DISTRICT AND THE DISTANCE OF THE
DISTRICT FROM THE NEAREST LARGE, URBANIZED AREA, AND THAT HAD A
FUNDED PUPIL COUNT FOR THE 2022-23 BUDGET YEAR OF AT LEAST ONE
THOUSAND BUT FEWER THAN SIX THOUSAND FIVE HUNDRED PUPILS IN
KINDERGARTEN THROUGH TWELFTH GRADE.

1

(c) "PER PUPIL DISTRIBUTION AMOUNT" MEANS:

2 (I) FOR A LARGE RURAL DISTRICT, AN AMOUNT EQUAL TO THIRTY 3 MILLION DOLLARS MULTIPLIED BY THE PERCENTAGE SPECIFIED IN 4 SUBSECTION (2)(a)(I) OF THIS SECTION DIVIDED BY THE SUM OF THE TOTAL 5 FUNDED PUPIL COUNT FOR THE 2022-23 BUDGET YEAR OF ALL LARGE 6 RURAL DISTRICTS AND THE TOTAL STUDENT ENROLLMENT FOR THE 7 2022-23 BUDGET YEAR OF ALL ELIGIBLE INSTITUTE CHARTER SCHOOLS 8 THAT HAVE A LARGE RURAL DISTRICT AS THE ACCOUNTING DISTRICT; OR 9 (II) FOR A SMALL RURAL DISTRICT, AN AMOUNT EQUAL TO THIRTY 10 MILLION DOLLARS MULTIPLIED BY THE PERCENTAGE SPECIFIED IN 11 SUBSECTION (2)(a)(II) OF THIS SECTION DIVIDED BY THE SUM OF THE 12 TOTAL FUNDED PUPIL COUNT FOR THE 2022-23 BUDGET YEAR OF ALL 13 SMALL RURAL DISTRICTS AND THE TOTAL STUDENT ENROLLMENT FOR THE 14 2022-23 BUDGET YEAR OF ALL ELIGIBLE INSTITUTE CHARTER SCHOOLS 15 THAT HAVE A SMALL RURAL DISTRICT AS THE ACCOUNTING DISTRICT.

(d) "SMALL RURAL DISTRICT" MEANS A DISTRICT THAT THE
DEPARTMENT OF EDUCATION DETERMINES IS A RURAL DISTRICT, BASED ON
THE GEOGRAPHIC SIZE OF THE DISTRICT AND THE DISTANCE OF THE
DISTRICT FROM THE NEAREST LARGE, URBANIZED AREA, AND THAT HAD A
FUNDED PUPIL COUNT FOR THE 2022-23 BUDGET YEAR OF FEWER THAN
ONE THOUSAND PUPILS IN KINDERGARTEN THROUGH TWELFTH GRADE.

(2) (a) FOR THE 2023-24 BUDGET YEAR, THE GENERAL ASSEMBLY
SHALL APPROPRIATE THIRTY MILLION DOLLARS TO THE DEPARTMENT OF
EDUCATION TO PROVIDE ADDITIONAL FUNDING FOR LARGE RURAL
DISTRICTS, SMALL RURAL DISTRICTS, AND INSTITUTE CHARTER SCHOOLS.
THE DEPARTMENT OF EDUCATION SHALL DISTRIBUTE:

27 (I) FIFTY-FIVE PERCENT OF THE MONEY APPROPRIATED TO LARGE

RURAL DISTRICTS AND TO ELIGIBLE INSTITUTE CHARTER SCHOOLS THAT
 HAVE A LARGE RURAL DISTRICT AS THEIR ACCOUNTING DISTRICT AS
 PROVIDED IN THIS SECTION; AND

4 (II) FORTY-FIVE PERCENT OF THE MONEY APPROPRIATED TO SMALL
5 RURAL DISTRICTS AND TO ELIGIBLE INSTITUTE CHARTER SCHOOLS THAT
6 HAVE A SMALL RURAL DISTRICT AS THEIR ACCOUNTING DISTRICT AS
7 PROVIDED IN THIS SECTION.

8 (b) LARGE RURAL DISTRICTS, SMALL RURAL DISTRICTS, DISTRICT 9 CHARTER SCHOOLS, AND ELIGIBLE INSTITUTE CHARTER SCHOOLS THAT 10 RECEIVE MONEY PURSUANT TO THIS SECTION MAY USE THE MONEY ONLY 11 FOR NONRECURRING EXPENSES FOR THE PURPOSE OF IMPROVING STUDENT 12 LEARNING AND THE EDUCATIONAL ENVIRONMENT, INCLUDING, BUT NOT 13 LIMITED TO, INITIATIVES THAT HELP ATTRACT EDUCATOR EMPLOYEES, 14 INITIATIVES TO IMPROVE EDUCATOR TRAINING, INITIATIVES TO RETAIN 15 EDUCATORS, LOAN FORGIVENESS FOR EDUCATORS AND STAFF, AND 16 TECHNOLOGY.

17 (3) (a) THE DEPARTMENT OF EDUCATION SHALL DISTRIBUTE TO
18 EACH LARGE RURAL DISTRICT AND EACH SMALL RURAL DISTRICT AN
19 AMOUNT EQUAL TO THE APPLICABLE PER PUPIL DISTRIBUTION AMOUNT
20 MULTIPLIED BY THE LARGE RURAL DISTRICT'S OR SMALL RURAL DISTRICT'S
21 FUNDED PUPIL COUNT FOR THE 2022-23 BUDGET YEAR.

(b) EACH LARGE RURAL DISTRICT AND EACH SMALL RURAL
DISTRICT THAT IS THE AUTHORIZER FOR A CHARTER SCHOOL SHALL
DISTRIBUTE TO THE CHARTER SCHOOL ONE HUNDRED PERCENT OF AN
AMOUNT EQUAL TO THE AMOUNT RECEIVED PURSUANT TO SUBSECTION
(3)(a) OF THIS SECTION DIVIDED BY THE FUNDED PUPIL COUNT OF THE
LARGE RURAL DISTRICT OR SMALL RURAL DISTRICT FOR THE 2022-23

BUDGET YEAR MULTIPLIED BY THE NUMBER OF STUDENTS ENROLLED IN
 THE CHARTER SCHOOL FOR THE 2022-23 BUDGET YEAR.

3 (4) THE DEPARTMENT OF EDUCATION SHALL CALCULATE FOR EACH 4 ELIGIBLE INSTITUTE CHARTER SCHOOL AND DISTRIBUTE TO THE STATE 5 CHARTER SCHOOL INSTITUTE AN AMOUNT EQUAL TO THE APPLICABLE PER 6 PUPIL DISTRIBUTION AMOUNT MULTIPLIED BY THE NUMBER OF STUDENTS 7 ENROLLED IN THE ELIGIBLE INSTITUTE CHARTER SCHOOL FOR THE 2022-23 8 BUDGET YEAR. THE STATE CHARTER SCHOOL INSTITUTE SHALL DISTRIBUTE 9 TO EACH ELIGIBLE INSTITUTE CHARTER SCHOOL ONE HUNDRED PERCENT 10 OF THE AMOUNT RECEIVED FOR THE ELIGIBLE INSTITUTE CHARTER SCHOOL 11 PURSUANT TO THIS SUBSECTION (4). 12 (5) This section is repealed, effective July 1, 2025. 13 SECTION 5. In Colorado Revised Statutes, add 22-54-146 as 14 follows: 15 22-54-146. Hold-harmless at-risk funding - 2023-24 budget 16 **year - repeal.** (1) FOR THE 2023-24 BUDGET YEAR, A DISTRICT'S AT-RISK 17 FUNDING, AS DETERMINED PURSUANT TO SECTION 22-54-104 (4), IS THE 18 GREATER OF THE DISTRICT'S AT-RISK FUNDING AMOUNT FOR THE 2022-23 19 BUDGET YEAR OR THE DISTRICT'S AT-RISK FUNDING AMOUNT FOR THE 20 2023-24 BUDGET YEAR. 21 (2) IF, PURSUANT TO SUBSECTION (1) OF THIS SECTION, A 22 DISTRICT'S AT-RISK FUNDING AMOUNT FOR THE 2022-23 BUDGET YEAR 23 WAS GREATER THAN THE DISTRICT'S AT-RISK FUNDING AMOUNT FOR THE 24 2023-24 BUDGET YEAR, ANY ADDITIONAL AMOUNT OWED TO THAT 25 DISTRICT FOR AT-RISK FUNDING FOR THE 2023-24 BUDGET YEAR MUST BE 26 PAID AFTER MID-YEAR REVISIONS ARE MADE TO REPLACE PROJECTIONS

27 <u>WITH ACTUAL FIGURES.</u>

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#### (3) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2025.

2 SECTION <u>6.</u> In Colorado Revised Statutes, 22-54-107.9, add (7)
3 and (8) as follows:

4 22-54-107.9. Override mill levy match - calculation distribution - fund created - legislative declaration - definitions. (7)
(a) ON JULY 1, 2023, THE STATE TREASURER SHALL TRANSFER
TWENTY-THREE MILLION THREE HUNDRED SEVENTY-SIX THOUSAND FIVE
HUNDRED THIRTY-SIX DOLLARS FROM THE STATE EDUCATION FUND TO THE
MILL LEVY OVERRIDE MATCH FUND.

(b) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT FOR THE
PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION,
PROVIDING ELIGIBLE SCHOOL DISTRICTS AND ELIGIBLE INSTITUTE CHARTER
SCHOOLS AN OVERRIDE MILL MATCH PURSUANT TO THIS SECTION IS A
PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND MAY THEREFORE
RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION
16 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

17 (8) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE
18 CONTRARY, FOR THE 2022-23 BUDGET YEAR AND BUDGET YEARS
19 THEREAFTER, THE DEPARTMENT OF EDUCATION SHALL NOT CALCULATE
20 AND DISTRIBUTE TO AN ELIGIBLE DISTRICT OR AN ELIGIBLE INSTITUTE
21 CHARTER SCHOOL AN OVERRIDE MILL MATCH AMOUNT AS PROVIDED IN
22 THIS SECTION IF THE SUM OF THE DISTRICT'S OVERRIDE MILLS IS EQUAL TO
23 OR GREATER THAN THE DISTRICT'S OVERRIDE MILL CAPACITY.

SECTION <u>7.</u> In Colorado Revised Statutes, 22-1-133, add (7) as
follows:

26 22-1-133. Prohibition on use of American Indian mascots 27 exemptions - definitions. (7) (a) A PUBLIC SCHOOL THAT IS IDENTIFIED

TO BE IN VIOLATION OF SUBSECTION (2) OF THIS SECTION FOR USING AN
 AMERICAN INDIAN MASCOT MAY APPLY TO THE DEPARTMENT OF
 EDUCATION FOR REIMBURSEMENT OF EXPENSES INCURRED FOR THE
 2021-22 BUDGET YEAR THROUGH THE 2023-24 BUDGET YEAR THAT WERE
 NECESSARY TO COMPLY WITH THIS SECTION.

6 (b) (I) ON OR AFTER JULY 1, 2023, THE DEPARTMENT OF 7 EDUCATION SHALL DISTRIBUTE FUNDS FOR REIMBURSEMENT OF EXPENSES 8 INCURRED FOR THE 2021-22 BUDGET YEAR AND THE 2022-23 BUDGET 9 YEAR THAT WERE NECESSARY TO COMPLY WITH THIS SECTION. THE 10 DEPARTMENT OF EDUCATION SHALL FULLY FUND ALL REOUESTS FOR 11 REIMBURSEMENT; EXCEPT THAT IF INSUFFICIENT FUNDS EXIST PURSUANT 12 TO THE APPROPRIATION MADE PURSUANT TO THIS SUBSECTION (7), THE 13 DEPARTMENT SHALL REIMBURSE EXPENSES PROPORTIONATELY.

14 (II) ON OR AFTER JULY 1, 2024, THE DEPARTMENT OF EDUCATION 15 SHALL DISTRIBUTE FUNDS FOR REIMBURSEMENT OF EXPENSES INCURRED 16 FOR THE 2023-24 BUDGET YEAR THAT WERE NECESSARY TO COMPLY WITH 17 THIS SECTION. THE DEPARTMENT OF EDUCATION SHALL FULLY FUND ALL 18 REQUESTS FOR REIMBURSEMENT; EXCEPT THAT IF INSUFFICIENT FUNDS 19 EXIST PURSUANT TO THE APPROPRIATION MADE PURSUANT TO THIS 20 SUBSECTION (7), THE DEPARTMENT SHALL REIMBURSE EXPENSES 21 PROPORTIONATELY.

(III) THE DEPARTMENT OF EDUCATION SHALL ESTABLISH A
PROCESS AND DEADLINES FOR RECEIVING REQUESTS FOR REIMBURSEMENT
PURSUANT TO THIS SUBSECTION (7), THE TIMING FOR DISBURSEMENTS, AND
ANY PARAMETERS NECESSARY TO DETERMINE PROPORTIONATE
REIMBURSEMENT.

27 (c) The department of education shall not reimburse

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EXPENSES INCURRED BY A PUBLIC SCHOOL FOR PAYING THE FINE
 PURSUANT TO SUBSECTION (3) OF THIS SECTION.

3 (d) FOR THE 2023-24 BUDGET YEAR, THE GENERAL ASSEMBLY 4 SHALL APPROPRIATE THREE HUNDRED THOUSAND DOLLARS FROM THE 5 STATE EDUCATION FUND FOR THE PURPOSE OF THIS SUBSECTION (7). ANY 6 UNEXPENDED MONEY REMAINING AT THE END OF THE 2023-24 BUDGET 7 YEAR MAY BE USED BY THE DEPARTMENT OF EDUCATION THROUGH THE 8 2024-25 BUDGET YEAR WITHOUT FURTHER APPROPRIATION AND MUST NOT 9 BE USED FOR ANY OTHER PURPOSE OTHER THAN THE PURPOSES SET FORTH 10 IN THIS SUBSECTION (7).

(e) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT FOR THE
PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION,
PROVIDING REIMBURSEMENT OF EXPENSES PURSUANT TO THIS SUBSECTION
(7) THAT WERE INCURRED IN ORDER TO COMPLY WITH THIS SECTION IS A
PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND MAY THEREFORE
RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION
17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

18 SECTION <u>8.</u> In Colorado Revised Statutes, 22-1-135, add (3) as
19 follows:

20 22-1-135. Terms and conditions in public school contracts 21 definitions. (3) (a) FOR CONTRACTS EXECUTED ON OR AFTER JULY 1,
22 2023, WHEN REVIEWING PROPOSALS RECEIVED AND FOR SELECTING THE
23 ENTITY TO PROVIDE TECHNOLOGY, IN ACCORDANCE WITH THE
24 PROCUREMENT LAWS APPLICABLE TO THE DEPARTMENT, SCHOOL DISTRICT,
25 OR INSTITUTE CHARTER SCHOOL, THE DEPARTMENT, SCHOOL DISTRICT, OR
26 INSTITUTE CHARTER SCHOOL MAY CONSIDER LIFE-CYCLE COST.

27 (b) FOR THE PURPOSE OF THIS SUBSECTION (3), UNLESS THE

1 CONTEXT OTHERWISE REQUIRES:

2	(I) "Life-cycle cost" means the purchase cost of
3	TECHNOLOGY MINUS THE RESALE VALUE AT THE END OF THE
4	TECHNOLOGY'S EXPECTED USEFUL LIFE, IN ADDITION TO THE
5	MAINTENANCE INCURRED DURING THE TECHNOLOGY'S EXPECTED USEFUL
6	LIFE.
7	(II) "TECHNOLOGY" MEANS ANY DEVICE, COMPUTER, HARDWARE,
8	SOFTWARE, OR RELATED ACCESSORY.
9	SECTION 9. In Colorado Revised Statutes, 22-20-114, add (8)
10	<u>as follows:</u>
11	<u> 22-20-114. Funding of programs - legislative declaration -</u>
12	repeal. (8) (a) For the 2023-24 BUDGET YEAR, THE GENERAL ASSEMBLY
13	SHALL APPROPRIATE TEN MILLION DOLLARS TO THE DEPARTMENT FROM
14	THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX
15	OF THE STATE CONSTITUTION TO BE DISTRIBUTED PURSUANT TO THE
16	REQUIREMENTS SET FORTH IN SUBSECTION (8)(b) OF THIS SECTION TO
17	PRESCHOOL PROVIDERS THAT ARE A SCHOOL OF A SCHOOL DISTRICT,
18	DISTRICT CHARTER SCHOOL, OR AN INSTITUTE CHARTER SCHOOL.
19	(b) A PRESCHOOL PROVIDER THAT IS A SCHOOL OF A SCHOOL
20	DISTRICT, DISTRICT CHARTER SCHOOL, OR AN INSTITUTE CHARTER SCHOOL
21	MUST ONLY RECEIVE FUNDING PURSUANT TO THIS SUBSECTION (8) IF THE
22	DEPARTMENT DETERMINES THAT, EVEN WITH THE FUNDING RECEIVED
23	PURSUANT TO SECTION 26.5-4-208, THE ELIGIBLE PRESCHOOL PROVIDER
24	IS PROJECTED, BASED ON ELIGIBLE CHILDREN ENROLLED IN THE UNIVERSAL
25	PRESCHOOL PROGRAM CREATED IN SECTION 26.5-4-204, TO RECEIVE LESS
26	THAN THE PRESCHOOL PROVIDER'S TOTAL PRESCHOOL FUNDING FOR ALL
27	PRESCHOOL POSITIONS IN THE 2022-23 FISCAL YEAR. THIS FUNDING IS

1 INTENDED TO ENSURE THAT ADMINISTRATIVE UNITS CAN MEET THE 2 FEDERAL MAINTENANCE OF EFFORT REQUIREMENTS PURSUANT TO THE 3 IDEA. IF THE TOTAL AMOUNT OF FUNDING DISTRIBUTED TO ELIGIBLE 4 PRESCHOOL PROVIDERS IS LESS THAN TEN MILLION DOLLARS, THE 5 DEPARTMENT SHALL TRANSFER THE DIFFERENCE BETWEEN THE 6 DISTRIBUTED AMOUNT AND THE TEN MILLION DOLLARS TO THE STATE 7 TREASURER WHO SHALL CREDIT THE MONEY RECEIVED TO THE STATE 8 EDUCATION FUND. 9 (c) THIS SUBSECTION (8) IS REPEALED, EFFECTIVE JULY 1, 2024.".

SECTION <u>10.</u> In Colorado Revised Statutes, 22-20-205, add (5)
 as follows:

12 22-20-205. Gifted education - funding - legislative declaration. 13 (5) (a) BEGINNING IN THE 2023-24 BUDGET YEAR, THE GENERAL 14 ASSEMBLY SHALL APPROPRIATE FROM THE STATE EDUCATION FUND THE 15 AMOUNT NECESSARY EACH BUDGET YEAR TO PROVIDE BY THE 2027-28 16 BUDGET YEAR FULL UNIVERSAL SCREENING OF ENROLLED STUDENTS NO 17 LATER THAN SECOND GRADE TO IDENTIFY GIFTED CHILDREN AND A 18 SECOND SCREENING OF GIFTED CHILDREN IN CONJUNCTION WITH THE 19 CREATION OF EACH CHILD'S INDIVIDUAL CAREER AND ACADEMIC PLAN, 20 AND QUALIFIED PERSONNEL NECESSARY TO PROVIDE THE SCREENINGS.

(b) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT FOR THE
PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION,
PROVIDING FUNDS FOR UNIVERSAL SCREENING FOR THE PURPOSE OF
PROVIDING UNIVERSAL SCREENING OF ENROLLED STUDENTS NO LATER
THAN SECOND GRADE TO IDENTIFY GIFTED CHILDREN AND A SECOND
SCREENING OF GIFTED CHILDREN IN CONJUNCTION WITH THE CREATION OF
EACH CHILD'S INDIVIDUAL CAREER AND ACADEMIC PLAN, AND QUALIFIED

<u>PERSONNEL NECESSARY TO PROVIDE THE SCREENINGS</u>, PURSUANT TO THIS
 SECTION IS A PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND MAY
 THEREFORE RECEIVE FUNDING FROM THE STATE EDUCATION FUND
 CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.
 SECTION <u>11</u>. In Colorado Revised Statutes, add 22-30.5-104.9
 as follows:

7 22-30.5-104.9. Charter schools - status as public entities 8 requirements - charter school boards of directors and school leaders
9 - duties - conflicts - applicable law - definitions. (1) AS USED IN THIS
10 SECTION:

11 (a) "CHARTER SCHOOL" MEANS A CHARTER SCHOOL CREATED AND 12 OPERATING PURSUANT TO THIS PART 1, AN INSTITUTE CHARTER SCHOOL 13 CREATED AND OPERATING PURSUANT TO PART 5 OF THIS ARTICLE 30.5, A 14 CHARTER SCHOOL NETWORK CREATED AND OPERATING PURSUANT TO 15 SECTION 22-30.5-104.7, A CHARTER SCHOOL COLLABORATIVE CREATED AND OPERATING PURSUANT TO PART 6 OF THIS ARTICLE 30.5, OR A 16 17 CHARTER SCHOOL CREATED AND OPERATED BY THE COLORADO SCHOOL 18 FOR THE DEAF AND BLIND PURSUANT TO SECTION 22-80-102 (4)(b).

(b) "PUBLIC ENTITY" MEANS A PUBLIC BODY, LOCAL PUBLIC BODY,
PUBLIC CORPORATION, BODY POLITIC AND CORPORATE, POLITICAL
SUBDIVISION, PUBLIC UNIT, OR ANY OTHER DEFINED TERM IN LAW IN
WHICH SCHOOL DISTRICTS, INCLUDING CHARTER SCHOOLS, ARE EXPRESSLY
INCLUDED IN OR EXEMPT FROM THE PUBLIC SECTOR IN THE DEFINITION OR
APPLICATION OF THE DEFINED TERM.

25

26 (2) FOR THE PURPOSE OF ANY LAW, EXCLUDING TITLE 1, TITLE 7,
27 AND THIS TITLE 22, THAT APPLIES TO OR EXEMPTS A PUBLIC ENTITY OR

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1 THAT APPLIES TO OR EXEMPTS A PUBLIC OFFICIAL:

2 (a) A CHARTER SCHOOL HAS THE SAME PUBLIC STATUS AS A PUBLIC
3 SCHOOL THAT IS GEOGRAPHICALLY LOCATED IN THE SAME SCHOOL
4 DISTRICT;

5 (b) BOARD DIRECTORS AND SCHOOL LEADERS, BY VIRTUE OF THEIR
6 ROLES WITHIN A PUBLIC CHARTER SCHOOL, ARE DEEMED PUBLIC
7 SERVANTS; AND

8 (c) A SCHOOL LEADER OF A CHARTER SCHOOL HAS THE SAME OR
9 SIMILAR AUTHORITY AS A SCHOOL DISTRICT SUPERINTENDENT.

10 (3) A CHARTER SCHOOL THAT IS OPERATING ON THE EFFECTIVE 11 DATE OF THIS SECTION SHALL PROVIDE THE INFORMATION REQUIRED FOR 12 AN INVENTORY OF LOCAL GOVERNMENT PURSUANT TO SECTION 24-32-116 13 TO THE DEPARTMENT OF LOCAL AFFAIRS WITHIN NINETY DAYS AFTER THE 14 EFFECTIVE DATE OF THIS SECTION. A CHARTER SCHOOL THAT BEGINS 15 OPERATING AFTER THE EFFECTIVE DATE OF THIS SECTION SHALL PROVIDE 16 SUCH INFORMATION TO THE DEPARTMENT OF LOCAL AFFAIRS WITHIN 17 NINETY DAYS AFTER BECOMING A CHARTER SCHOOL AS DETERMINED 18 PURSUANT TO SUBSECTION (7) OF THIS SECTION.

19 (4) A PERSON WHO IS A DIRECTOR ON A CHARTER SCHOOL BOARD 20 OF DIRECTORS ON THE EFFECTIVE DATE OF THIS SECTION SHALL TAKE, 21 SIGN. AND FILE AN OATH OF OFFICE PURSUANT TO SECTION 24-12-101 22 WITHIN EIGHTY DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION. A 23 PERSON WHO BECOMES A DIRECTOR ON A CHARTER SCHOOL BOARD OF 24 DIRECTORS AFTER THE EFFECTIVE DATE OF THIS SECTION SHALL TAKE, 25 SIGN, AND FILE AN OATH OF OFFICE PURSUANT TO SECTION 24-12-101 NO 26 LATER THAN EIGHTY DAYS AFTER BECOMING A DIRECTOR ON THE CHARTER 27 SCHOOL BOARD OF DIRECTORS.

(5) NOTWITHSTANDING ANY OTHER PROVISION OF LAW AND
 UNLESS OTHERWISE STATED IN TITLE 7, IF THERE IS A CONFLICT BETWEEN
 A LAW THAT IS SPECIFICALLY APPLICABLE TO CHARTER SCHOOLS AND ANY
 <u>PROVISION IN ARTICLES 30 OR 121 THROUGH 137 OF TITLE 7, AND ANY</u>
 <u>STATUTE INCORPORATED BY REFERENCE THEREIN, THE LAW THAT IS</u>
 <u>SPECIFICALLY APPLICABLE TO CHARTER SCHOOLS CONTROLS.</u>

7 (6) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (2) OF
8 THIS SECTION, EACH CHARTER SCHOOL IS SUBJECT TO THE PROVISIONS OF
9 SECTION 1-45-117 AS A POLITICAL SUBDIVISION OF THE STATE.

10 (7) FOR PURPOSES OF ANY LAW THAT IS MADE APPLICABLE TO
11 CHARTER SCHOOLS PURSUANT TO THIS SECTION, A CHARTER SCHOOL
12 APPLICANT IS DEEMED TO HAVE BECOME A CHARTER SCHOOL ON JULY 1
13 FOLLOWING THE EXECUTION OF A CONTRACT BY THE APPLICANT.

SECTION <u>12.</u> In Colorado Revised Statutes, 22-30.5-113,
amend (1) and (2) as follows:

16 22-30.5-113. State board - department of education - duties -17 charter schools - evaluation - report. (1) Notwithstanding section 18 24-1-136 (11)(a)(I), beginning in the 2004-05 budget year, and at least 19 every three years thereafter THROUGH THE 2021-22 BUDGET YEAR, the 20 department shall prepare a report and evaluation for the governor and the 21 house and senate committees on education on the success or failure of 22 charter schools and of institute charter schools authorized pursuant to part 23 5 of this article 30.5, their relationship to other school reform efforts, and 24 suggested changes in state law necessary to strengthen or change the 25 charter school program described in this article 30.5. THE DEPARTMENT 26 IS AUTHORIZED TO COLLECT INFORMATION AS NECESSARY TO PREPARE THE 27 REPORT. BEGINNING IN THE 2023-24 BUDGET YEAR, THE DEPARTMENT

SHALL ANNUALLY PREPARE A REPORT AND EVALUATION DESCRIBED IN
 THIS SUBSECTION (1).

3 (2) The state board shall compile evaluations of charter schools 4 received from local boards of education and evaluations of institute 5 charter schools prepared by the state charter school institute created in 6 section 22-30.5-503. The state board shall review AND REPORT ON 7 information regarding the statutes, regulations, and policies GOVERNING 8 CHARTER SCHOOL OVERSIGHT AND SUPPORT AND STATUTES, 9 REGULATIONS, AND POLICIES from which charter schools were released 10 pursuant to section 22-30.5-105 and from which institute charter schools 11 were released pursuant to section 22-30.5-508 to determine if the releases 12 assisted or impeded the charter schools or the institute charter schools in 13 meeting their stated goals and objectives.

SECTION <u>13.</u> In Colorado Revised Statutes, 22-54-104.6,
 amend (3) introductory portion, (4), (10)(b), and (12); and add <u>(11.3)</u>,
 (11.5), and (11.7) as follows:

17 22-54-104.6. Implementation of at-risk measure - working 18 group - creation - department duties - reports - legislative declaration 19 - definitions - repeal. (3) Beginning in the <del>2023-24</del> 2024-25 budget 20 year, there is created a new at-risk measure in the public school funding 21 formula for identifying students who are at risk of below-average 22 academic outcomes because of socioeconomic disadvantage or poverty. 23 The new at-risk measure replaces the at-risk measure in effect for the 24 <del>2022-23</del> 2023-24 budget year. The new at-risk measure is designed to 25 allocate financial resources to public schools to serve the needs of at-risk 26 students. The new at-risk measure includes:

27

(4) On or before August 15, 2022, the commissioner shall

convene a working group to prepare for the implementation in the
 2023-24 2024-25 budget year of the new at-risk measure created in
 subsection (3) of this section.

4 (10) Not later than January 31, 2023, the commissioner shall 5 submit a report to the legislative interim committee on school finance, the 6 joint budget committee, and the education committees of the house of 7 representatives and the senate, or any successor committees, including:

8 (b) Findings and recommendations of the working group for 9 implementation of the new at-risk measure, for the 2023-24 budget year 10 including recommendations for any legislation necessary to implement 11 the new at-risk measure, as well as financial resources needed to 12 administer the new at-risk measure;

13 (11.3) THE DEPARTMENT OF EDUCATION SHALL COLLECT DATA 14 NECESSARY TO IDENTIFY INDIVIDUAL STUDENT CENSUS BLOCK GROUPS. 15 (11.5) (a) IN ORDER TO PREPARE FOR THE IMPLEMENTATION OF THE 16 NEW AT-RISK MEASURE FOR THE 2024-25 BUDGET YEAR, THE DEPARTMENT 17 OF EDUCATION SHALL CONDUCT PRE-IMPLEMENTATION MODELING AND 18 TESTING OF THE NEW AT-RISK MEASURE. AT A MINIMUM, THE DEPARTMENT 19 SHALL SIMULATE 2024-25 BUDGET YEAR TOTAL PROGRAM CALCULATIONS, 20 INCLUDING THE NEW AT-RISK MEASURE RECOMMENDED BY THE WORKING 21 GROUP INSTEAD OF THE AT-RISK MEASURE IN EFFECT FOR THE 2023-24 22 BUDGET YEAR.

(b) NOT LATER THAN JANUARY 5, 2024, THE COMMISSIONER OF
EDUCATION SHALL SUBMIT A REPORT TO THE EDUCATION COMMITTEES OF
THE SENATE AND HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR
COMMITTEES, AND THE JOINT BUDGET COMMITTEE, INCLUDING:

27 (I) A SUMMARY OF THE OUTCOMES OF THE MODELING AND TESTING

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USING THE NEW AT-RISK MEASURE, AND THE ANTICIPATED EFFECTS ON THE
 COST OF TOTAL PROGRAM FUNDING;

3 AN IDENTIFICATION OF ISSUES ENCOUNTERED IN THE (II)4 MODELING AND TESTING USING THE NEW AT-RISK MEASURE; AND 5 (III) RECOMMENDATIONS FOR ANY LEGISLATION NECESSARY TO IMPLEMENT THE NEW AT-RISK MEASURE FOR THE 2024-25 BUDGET YEAR, 6 7 AS WELL AS FINANCIAL RESOURCES NEEDED TO ADMINISTER THE NEW 8 AT-RISK MEASURE. 9 (11.7) PURSUANT TO HOUSE BILL 22-1202, FOR THE 2022-23 10 BUDGET YEAR, THE GENERAL ASSEMBLY APPROPRIATED ONE HUNDRED 11 SIXTY-THREE THOUSAND THREE HUNDRED THIRTY-EIGHT DOLLARS FROM 12 THE GENERAL FUND FOR THE PURPOSES OF THIS SECTION. ANY 13 UNEXPENDED MONEY REMAINING AT THE END OF THE END OF THE 2022-23 14 BUDGET YEAR FROM THIS APPROPRIATION MAY BE USED BY THE 15 DEPARTMENT IN THE 2023-24 BUDGET YEAR WITHOUT FURTHER 16 APPROPRIATION FOR THE PURPOSES OF THIS SECTION. 17 (12) This section is SUBSECTIONS (4) TO (11) OF THIS SECTION ARE 18 repealed, effective July 1, 2025. 19 SECTION 14. In Colorado Revised Statutes, add 22-54-104.7 as 20 follows: 21 22-54-104.7. Public school finance - task force - creation -22 

23 CREATE AND CONVENE THE PUBLIC SCHOOL FINANCE TASK FORCE. <u>THE</u>
24 <u>PURPOSE OF THE TASK FORCE IS TO EXAMINE AND MAKE</u>
25 <u>RECOMMENDATIONS CONCERNING MAKING THE SCHOOL FINANCE</u>
26 <u>FORMULA SIMPLER, LESS REGRESSIVE, AND MORE ADEQUATE,</u>

27 <u>UNDERSTANDABLE, TRANSPARENT, EQUITABLE, AND STUDENT-CENTERED.</u>

(a) THE TASK FORCE MEMBERSHIP CONSISTS OF THE FOLLOWING
 VOTING MEMBERS:

4 (A) ONE MEMBER WHO IS A SUPERINTENDENT OF A SCHOOL
5 DISTRICT WHOSE DISTRICT PERCENTAGE OF AT-RISK PUPILS IS GREATER
6 THAN THE STATEWIDE AVERAGE PERCENTAGE OF AT-RISK PUPILS;

(I) APPOINTED BY THE PRESIDENT OF THE SENATE:

7 (B) ONE MEMBER WHO IS A CHIEF FINANCIAL OFFICER OF A SCHOOL
8 DISTRICT WHOSE DISTRICT PERCENTAGE OF ENGLISH LANGUAGE LEARNER
9 PUPILS IS GREATER THAN THE STATEWIDE AVERAGE PERCENTAGE OF
10 ENGLISH LANGUAGE LEARNER PUPILS;

11 (C) ONE MEMBER WHO REPRESENTS AN ORGANIZATION THAT
12 REPRESENTS TEACHERS;

13 (D) ONE MEMBER WHO REPRESENTS AN ORGANIZATION WITH
14 EXPERTISE IN SCHOOL FINANCE; AND

15 (E) ONE MEMBER WHO IS A PRINCIPAL;

3

16 (II) APPOINTED BY THE MINORITY LEADER OF THE SENATE:

17 (A) ONE MEMBER WHO IS A SUPERINTENDENT OF A SCHOOL
 18 DISTRICT WHOSE AVERAGE ASSESSED PROPERTY VALUE IS LESS THAN THE

19 STATEWIDE AVERAGE OF ASSESSED PROPERTY VALUE;

20 (B) ONE MEMBER WHO IS A SCHOOL LEADER OF A CHARTER
 21 SCHOOL WHOSE PERCENTAGE OF AT-RISK PUPILS IS GREATER THAN THE
 22 STATEWIDE AVERAGE PERCENTAGE OF AT-RISK PUPILS;

23 (C) ONE MEMBER WHO REPRESENTS AN ORGANIZATION WITH
24 EXPERTISE IN SCHOOL FINANCE; AND

(D) ONE MEMBER WHO REPRESENTS AN ORGANIZATION THAT
 REPRESENTS CHILDREN AND FAMILIES;

27 (III) APPOINTED BY THE SPEAKER OF THE HOUSE OF

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1 REPRESENTATIVES:

2 (A) ONE MEMBER WHO IS A SUPERINTENDENT OF A RURAL SCHOOL
3 DISTRICT OR SMALL RURAL SCHOOL DISTRICT;

4 (B) ONE MEMBER WHO IS A SCHOOL LEADER OF A CHARTER
5 SCHOOL WITH A PERCENTAGE OF ENGLISH LANGUAGE LEARNER PUPILS
6 THAT IS GREATER THAN THE STATEWIDE AVERAGE PERCENTAGE OF
7 ENGLISH LANGUAGE LEARNER PUPILS IN CHARTER SCHOOLS;

8 (C) Two members who represent organizations with
9 EXPERTISE IN SCHOOL FINANCE; AND

10

(D) ONE MEMBER WHO IS A TEACHER;

(IV) APPOINTED BY THE MINORITY LEADER OF THE HOUSE OF
 REPRESENTATIVES:

13 (A) ONE MEMBER WHO IS A CHIEF FINANCIAL OFFICER OF A SMALL
14 RURAL SCHOOL DISTRICT;

15 (B) ONE MEMBER WHO REPRESENTS THE CHARTER SCHOOL
16 INSTITUTE; AND

17 (C) ONE MEMBER WHO REPRESENTS AN ORGANIZATION WITH
18 EXPERTISE IN BUSINESS AND KINDERGARTEN THROUGH TWELFTH GRADE
19 EDUCATION.

20 (b) THE TASK FORCE MEMBERSHIP CONSISTS OF THE FOLLOWING
21 NON-VOTING MEMBERS:

22 (I) THE DIRECTOR OF THE LEGISLATIVE COUNCIL STAFF, OR THE
23 DIRECTOR'S DESIGNEE;

24 (II) THE DIRECTOR OF THE JOINT BUDGET COMMITTEE STAFF, OR
25 THE DIRECTOR'S DESIGNEE; AND

26 (III) THE COMMISSIONER'S DESIGNEE FROM THE DEPARTMENT OF
 27 EDUCATION WHO HAS TECHNICAL EXPERTISE IN SCHOOL FINANCE.

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1 (3) THE TASK FORCE SHALL MEET AT THE CALL OF THE CHAIR NOT 2 MORE THAN EIGHT TIMES FOLLOWING THE FIRST MEETING FROM JULY 2023 3 THROUGH DECEMBER 2023. MEETINGS MAY BE HELD IN PERSON, THROUGH 4 THE USE OF AUDIO-VISUAL COMMUNICATION TECHNOLOGY, OR BOTH. THE 5 TASK FORCE IS A STATE PUBLIC BODY FOR PURPOSES OF SECTION 24-6-402, 6 AND MEETINGS OF THE TASK FORCE ARE SUBJECT TO SECTION 24-6-402. 7 THE TASK FORCE IS SUBJECT TO THE PROVISIONS OF THE "COLORADO OPEN 8 RECORDS ACT", PART 2 OF ARTICLE 72 OF TITLE 24.

9 (4) (a) THE TASK FORCE MEMBERS SERVE WITHOUT COMPENSATION
10 BUT MAY BE REIMBURSED FOR EXPENSES DIRECTLY RELATING TO THEIR
11 SERVICE ON THE TASK FORCE.

12 (b) IF A VACANCY OCCURS, THE ORIGINAL APPOINTING AUTHORITY
13 SHALL PROMPTLY APPOINT A NEW MEMBER WHO MEETS THE SAME
14 REQUIREMENTS AS THE MEMBER WHO VACATED THE TASK FORCE.

15 (5) (a) THE DEPARTMENT OF EDUCATION SHALL PROVIDE TO THE 16 TASK FORCE STAFF SUPPORT, MEETING SPACE, AND AUDIO-VISUAL 17 COMMUNICATION TECHNOLOGY RESOURCES, UPON REQUEST OF THE CHAIR. 18 (b) THE DEPARTMENT SHALL CONTRACT WITH A THIRD-PARTY 19 ENTITY WITH EXPERTISE IN TASK FORCE FACILITATION AND STAKEHOLDER 20 INPUT TO ASSIST WITH THE ADMINISTRATION OF THE TASK FORCE AND 21 DRAFTING THE REPORT PURSUANT TO SUBSECTION (7) OF THIS SECTION. 22 (6) THE TASK FORCE SHALL MAKE FINDINGS AND 23 RECOMMENDATIONS REGARDING THE FOLLOWING CHANGES TO THE 24 <u>SCHOOL FINANCE FORMULA TO OCCUR FOR THE 2024-25 BUDGET YEAR:</u> 25 (a) <u>ELIMINATING</u> THE USE OF MULTIPLICATIVE INDEXES FOR COST 26 OF LIVING, PERSONNEL AND NON-PERSONNEL COSTS, AND DISTRICT SIZE;

27 (b) <u>Recalibrating</u> the cost of living factor, capping the

COST OF LIVING FACTOR, OR ALTERNATIVE METHODS TO ACCOUNT FOR THE
 COST OF LIVING, INCLUDING THROUGH CATEGORICAL FUNDING. A
 RECOMMENDATION CONCERNING A REVISED COST OF LIVING FACTOR MUST
 BE ABLE TO REGULARLY CHANGE AS A RESULT OF THE BIENNIAL COST OF
 LIVING STUDY.

6 (c) PRIORITIZING STUDENT NEEDS IN THE FORMULA, INCLUDING
7 MEASURES, TO THE EXTENT POSSIBLE, THAT ALIGN THE AT-RISK FACTOR,
8 ENGLISH LANGUAGE LEARNER FACTOR, AND SPECIAL EDUCATION
9 CATEGORICAL FUNDING BASED UPON AVAILABLE EVIDENCE-BASED
10 RESEARCH ON STUDENT-CENTERED FUNDING THAT HAS A DIRECT IMPACT
11 ON STUDENT OUTCOMES;

12 (d) REVISING THE SIZE FACTOR TO INCORPORATE CONSIDERATIONS
13 OTHER THAN OR IN ADDITION TO STUDENT ENROLLMENT, INCLUDING THE
14 REMOTENESS OF A SCHOOL DISTRICT; AND

(e) SECURING EQUALIZATION IN MILL LEVY OVERRIDES FOR
INSTITUTE CHARTER SCHOOLS BASED UPON THE SCHOOL DISTRICT WHERE
THE INSTITUTE CHARTER SCHOOL IS GEOGRAPHICALLY LOCATED,
INCLUDING CONSIDERATIONS FOR STUDENTS WHO DO NOT RESIDE IN THE
SCHOOL DISTRICT WHERE THE INSTITUTE CHARTER SCHOOL IS
GEOGRAPHICALLY LOCATED, MULTI-DISTRICT ONLINE PROGRAMS, AND
TOTAL PROGRAM FUNDING.

(7) (a) NOT LATER THAN <u>JANUARY 31, 2024</u>, THE TASK FORCE
SHALL SUBMIT A REPORT OF ITS FINDINGS AND RECOMMENDATIONS TO THE
EDUCATION COMMITTEES OF THE SENATE AND HOUSE OF
REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES, AND THE JOINT
BUDGET COMMITTEE.

27 (b) THE TASK FORCE'S REPORT MUST INCLUDE FINDINGS OF ACTUAL

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OUTCOMES ON SCHOOL DISTRICTS AND INSTITUTE CHARTER SCHOOLS IF
 THE RECOMMENDATIONS WERE ADOPTED.

3 (8) (a) <u>The</u> TASK FORCE SHALL DEVELOP THE PARAMETERS FOR A
4 STUDY TO EXAMINE AND MAKE RECOMMENDATIONS CONCERNING THE
5 COMPONENTS AND COSTS NECESSARY TO ADEQUATELY PROVIDE
6 COLORADO STUDENTS A FREE AND UNIFORM PUBLIC EDUCATION.

7 (b) <u>THE</u> DEPARTMENT OF EDUCATION SHALL CONTRACT WITH TWO
8 INDEPENDENT ENTITIES, EACH OF WHOM SHALL CONDUCT A STUDY AND
9 PUBLISH A REPORT CONCERNING THE PARAMETERS DEVELOPED BY THE
10 TASK FORCE PURSUANT TO SUBSECTION (8)(a) OF THIS SECTION.

(c) IN SELECTING THE TWO INDEPENDENT ENTITIES, THE
DEPARTMENT OF EDUCATION SHALL SELECT ENTITIES THAT REPRESENT
DIFFERENT PERSPECTIVES CONCERNING SCHOOL FINANCE FOR THE
PURPOSE OF GENERATING DIFFERENT EXAMINATIONS AND
RECOMMENDATIONS CONCERNING THE COMPONENTS AND COSTS
NECESSARY TO ADEQUATELY PROVIDE COLORADO STUDENTS A FREE AND
UNIFORM PUBLIC EDUCATION.

(d) NOT LATER THAN <u>JANUARY 3, 2025</u>, THE TWO INDEPENDENT
ENTITIES SHALL SUBMIT THEIR REPORTS OF FINDINGS AND
RECOMMENDATIONS TO THE TASK FORCE. NOT LATER THAN JANUARY 3,
2025, THE COMMISSIONER SHALL SUBMIT THE REPORTS TO THE EDUCATION
COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES, OR ANY
SUCCESSOR COMMITTEES, AND THE JOINT BUDGET COMMITTEE.

24 (9) ANY MONEY APPROPRIATED FOR THE 2023-24 BUDGET YEAR BY
 25 <u>THE GENERAL ASSEMBLY TO THE DEPARTMENT OF EDUCATION FOR THE</u>
 26 <u>PURPOSES OF THIS SECTION THAT REMAINS UNSPENT AT THE END OF THE</u>
 27 2023-24 BUDGET YEAR MAY BE USED BY THE DEPARTMENT OF EDUCATION

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1 THROUGH THE 2024-25 BUDGET YEAR WITHOUT FURTHER APPROPRIATION

## 2 AND MUST NOT BE USED FOR ANY OTHER PURPOSE THAN THE PURPOSES SET

3 FORTH IN THIS SECTION.

4 (10) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
5 REQUIRES:

6 (a) "Commissioner" means the commissioner of education
7 APPOINTED PURSUANT TO SECTION 1 OF ARTICLE IX OF THE STATE
8 CONSTITUTION.

9 (b) "RURAL SCHOOL DISTRICT" MEANS A SCHOOL DISTRICT IN
10 COLORADO THAT THE DEPARTMENT OF EDUCATION DETERMINES IS RURAL,
11 BASED ON THE GEOGRAPHIC SIZE OF THE DISTRICT AND THE DISTANCE
12 FROM THE NEAREST LARGE, URBANIZED AREA, AND THAT HAD A FUNDED
13 PUPIL COUNT FOR THE PRIOR BUDGET YEAR OF ONE THOUSAND PUPILS OR
14 MORE BUT LESS THAN SIX THOUSAND FIVE HUNDRED PUPILS.

15 (c) "SMALL RURAL SCHOOL DISTRICT" MEANS A SCHOOL DISTRICT
16 IN COLORADO THAT THE DEPARTMENT OF EDUCATION DETERMINES IS
17 SMALL RURAL, BASED ON THE GEOGRAPHIC SIZE OF THE DISTRICT AND THE
18 DISTANCE FROM THE NEAREST LARGE, URBANIZED AREA, AND THAT HAD
19 A FUNDED PUPIL COUNT FOR THE PRIOR BUDGET YEAR OF LESS THAN ONE
20 THOUSAND PUPILS.

21 (d) "TASK FORCE" MEANS THE PUBLIC SCHOOL FINANCE TASK
22 FORCE CREATED PURSUANT TO THIS SECTION.

23 (11) This section is repealed, effective July 1, 2025.

24 <u>SECTION 15. In Colorado Revised Statutes, 22-43.7-109,</u>
25 amend (9)(c) as follows:

26 <u>22-43.7-109. Financial assistance for public school capital</u>
 27 <u>construction - application requirements - evaluation criteria - local</u>

1	match requirements - technology grants - career and technical
2	<u>education capital construction grants - rules - definitions - repeal.</u>
3	(9) Except as otherwise provided in subsections (10) and (15) of this
4	section, the board may recommend and the state board may approve
5	financial assistance that does not involve a financed purchase of an asset
6	or certificate of participation agreement for or recommend to the capital
7	development committee the approval of financial assistance that involves
8	a financed purchase of an asset or certificate of participation agreement
9	for a public school facility capital construction project only if the
10	applicant provides matching money in an amount equal to a percentage
11	of the total financing for the project determined by the board after
12	consideration of the applicant's financial capacity, as determined by the
13	following factors:
14	(c) (I) With respect to a charter school's application for financial
15	assistance, AND SUBJECT TO ADJUSTMENT PURSUANT TO SUBSECTIONS (II)
16	THROUGH (V) OF THIS SUBSECTION:
17	(I) The weighted average of the match percentages for the school
18	districts of residence for the students enrolled in a district charter school
19	or fifty percent of the average of the match percentages for all school
20	districts in the state for an institute charter school;
21	(A) For a district charter school that is occupying a
22	DISTRICT FACILITY AND PAYING ONLY THE DIRECT COSTS OF OCCUPANCY
23	FOR ITS FACILITY PURSUANT TO SECTION 22-30.5-104 (7)(c), THE MATCH
24	PERCENTAGE OF THE DISTRICT CHARTER SCHOOL'S AUTHORIZING DISTRICT;
25	(B) For district charter schools that are not included in
26	<u>SUBSECTION (9)(c)(I)(A) OF THIS SECTION, SEVENTY-FIVE PERCENT OF THE</u>
27	MATCH PERCENTAGE OF THE DISTRICT CHARTER SCHOOL'S AUTHORIZING

1 <u>SCHOOL DISTRICT; OR</u>

	<u>Somoe District</u> , or
2	(C) FIFTY PERCENT OF THE AVERAGE MATCH PERCENTAGES FOR
3	ALL SCHOOL DISTRICTS IN THE STATE FOR AN INSTITUTE CHARTER SCHOOL;
4	(II) Whether the A DISTRICT charter school's authorizer retains no
5	more than ten percent of its capacity to issue bonds pursuant to article 42
6	of this title;
7	(III) Whether the charter school is operating in a district-owned
8	facility at the time it submits its application;
9	(IV) (III) In the ten years preceding the year in which the charter
10	school submits the application, the number of times the charter school has
11	attempted to obtain or has obtained SOUGHT OR BEEN AFFORDED:
12	(A) Bond proceeds pursuant to section 22-30.5-404 through
13	inclusion in a ballot measure submitted by the charter school's authorizer
14	to the registered electors of the school district;
15	(B) Proceeds from a special mill levy for capital needs pursuant
16	to section 22-30.5-405;
17	(C) (A) Grant funding for capital needs from a source other than
18	the assistance fund; and
19	(D) (B) Funding, INCLUDING FINANCING, for capital construction,
20	OTHER THAN STATE AID PURSUANT TO SECTION 22-54-124 from bonds
21	issued on its behalf by the Colorado educational and cultural facilities
22	authority created and existing pursuant to section 23-15-104 (1)(a),
23	C.R.S., or from some ANY other source of financing;
24	(V) (IV) If the charter school is a district charter school, the
25	student enrollment of the DISTRICT charter school as a percentage of the
26	student enrollment of the charter school's authorizing school district; AND
27	(VI) (V) The percentage of students enrolled in the charter school

1	who are eligible for the federal free and reduced-cost lunch program in
2	relation to the overall percentage of students enrolled in the public
3	schools in the state who are eligible for the federal free and reduced-cost
4	lunch program.
5	(VII) The percentage of the per pupil revenue received by the
6	charter school that the charter school spends on facility costs other than
7	facilities operation and maintenance; and
8	(VIII) The charter school's unreserved fund balance as a
9	percentage of its annual budget.
10	SECTION 16. In Colorado Revised Statutes, 22-82.9-103, add
11	(1.5) as follows:
12	22-82.9-103. Definitions. As used in this part 1, unless the
13	context otherwise requires:
14	(1.5) "FACILITY SCHOOL" MEANS AN EDUCATIONAL PROGRAM
15	THAT IS OPERATED BY A FACILITY TO PROVIDE EDUCATIONAL SERVICES TO
16	STUDENTS PLACED IN THE FACILITY AND THAT, PURSUANT TO SECTION
17	22-2-407(2), has been placed on the list of facility schools that
18	ARE APPROVED TO RECEIVE REIMBURSEMENT FOR PROVIDING
19	EDUCATIONAL SERVICES TO STUDENTS PLACED IN A FACILITY.
20	SECTION 17. In Colorado Revised Statutes, 22-82.9-104,
21	<b>amend</b> (4)(a) as follows:
22	22-82.9-104. Child nutrition school lunch protection program
23	- creation - administration - objectives. (4) The objectives of the
24	program are to:
25	(a) Eliminate the reduced price paid by Colorado students who are
26	enrolled in state-subsidized early childhood education programs
27	administered by public schools or in kindergarten through twelfth grade

and who are participating in the school lunch program, AND TO ELIMINATE
 THE REDUCED PRICE PAID BY COLORADO STUDENTS WHO ARE RECEIVING
 EDUCATIONAL SERVICES FROM A FACILITY SCHOOL AND WHO ARE
 PARTICIPATING IN THE SCHOOL LUNCH PROGRAM;

5 SECTION <u>18.</u> In Colorado Revised Statutes, 22-82.9-105,
6 amend (1) as follows:

7 22-82.9-105. Program funding. (1) For each fiscal year, the 8 general assembly shall make an appropriation by separate line item in the 9 annual general appropriation bill to allow school food authorities to 10 provide lunches at no charge for children in state-subsidized early 11 childhood education programs administered by public schools or in 12 kindergarten through twelfth grade, participating in the school lunch 13 program, who would otherwise be required to pay a reduced price for 14 lunch AND TO OFFSET THE COSTS INCURRED BY A FACILITY SCHOOL IN 15 PROVIDING LUNCH TO STUDENTS WHO ARE PLACED IN THE FACILITY AND 16 ARE ELIGIBLE TO PARTICIPATE IN THE SCHOOL LUNCH PROGRAM. The 17 appropriation to the department for the program must be in addition to 18 any appropriation made by the general assembly pursuant to section 19 22-54-123 or 22-54-123.5 (1). The department may expend not more than 20 two percent of the money annually appropriated for the program to offset 21 the direct and indirect costs incurred by the department in implementing 22 the program pursuant to this part 1.

23 SECTION <u>19.</u> In Colorado Revised Statutes, amend 22-82.9-106
24 as follows:

25 22-82.9-106. Program - procedures. The department shall
 26 develop procedures to allocate and disburse the moneys in the program
 27 among participating school food authorities AND FACILITY SCHOOLS each

year, in an equitable manner and in compliance with the requirements of
 the federal "Richard B. Russell National School Lunch Act", 42 U.S.C.
 sec. 1751 et seq.

4 SECTION <u>20.</u> In Colorado Revised Statutes, 24-32-116, amend
5 (1)(d); and add (3)(c) as follows:

6 24-32-116. Inventory of local governmental entities 7 information required - definitions. (1) As used in this section, unless
8 the context otherwise requires:

9 (d) "Local governmental entity" means a city, county, city and
10 county, special district, school district, <u>INCLUDING A CHARTER SCHOOL</u> AS
11 DEFINED IN SECTION 22-30.5-104.9, or other unit of local government.

12 (3) (c) NOTWITHSTANDING THE DATE SPECIFIED IN SUBSECTION 13 (3)(a) OF THIS SECTION, A LOCAL GOVERNMENTAL ENTITY THAT IS A 14 CHARTER SCHOOL SHALL SUBMIT THE INFORMATION REQUIRED IN 15 SUBSECTIONS (3)(a)(I) to (3)(a)(V) of this section to the department 16 OF LOCAL AFFAIRS NO LATER THAN THE DATE SPECIFIED IN SECTION 17 22-30.5-104.9 OR NO LATER THAN NINETY DAYS AFTER BECOMING A 18 CHARTER SCHOOL PURSUANT TO SECTION 22-30.5-104.9 (7) AND SHALL 19 UPDATE SUCH INFORMATION PURSUANT TO SUBSECTION (3)(b) OF THIS 20 SECTION.

21 SECTION <u>21.</u> In Colorado Revised Statutes, 24-90-120, amend
22 (6)(c) as follows:

23 24-90-120. Colorado imagination library program - creation
 24 - request for proposal - state librarian duties - report - legislative
 25 declaration - definitions. (6) (c) Twenty percent of money appropriated
 26 for the 2021-22 state fiscal year, and each fiscal year thereafter, may be
 27 used for the contractor operating the program for duties set forth in

1	subsections (2)(a) to $\frac{(2)(f)}{(2)(d)}$ (2)(d) AND (2)(f) of this section.
2	SECTION 22. In Colorado Revised Statutes, 22-30.5-513.1,
3	amend (2) as follows:
4	<u>22-30.5-513.1. Mill levy equalization - fund created -</u>
5	legislative declaration - definitions. (2) (a) The mill levy equalization
6	fund, referred to in this section as the "fund", is hereby created in the state
7	treasury. The fund consists of any amount that the general assembly may
8	appropriate APPROPRIATES TO THE FUND PURSUANT TO SUBSECTION
9	(2)(a.5) OF THIS SECTION OR MAY ADDITIONALLY APPROPRIATE or transfer
10	to the fund. The state treasurer shall credit to the fund all interest and
11	income derived from the deposit and investment of money in the fund.
12	(a.5) (I) BEGINNING IN THE 2024-25 BUDGET YEAR AND EACH
13	BUDGET YEAR THEREAFTER, THE GENERAL ASSEMBLY SHALL APPROPRIATE
14	FROM THE GENERAL FUND THE AMOUNT NECESSARY EACH BUDGET YEAR
15	TO FUND FULL MILL LEVY EQUALIZATION FOR ALL INSTITUTE CHARTER
16	SCHOOLS FOR THE APPLICABLE BUDGET YEAR.
17	(II) THE AMOUNT REQUIRED TO FUND MILL LEVY EQUALIZATION
18	FOR ALL INSTITUTE CHARTER SCHOOLS IS DETERMINED IN ACCORDANCE
19	WITH THE FOLLOWING FORMULA:
20	(THE ACCOUNTING DISTRICT'S TOTAL ADDITIONAL MILL LEVY
21	<u>REVENUE / THE ACCOUNTING DISTRICT'S FUNDED PUPIL COUNT) X</u>
22	Each institute charter school's funded pupil count
23	(III) AS USED IN THIS SUBSECTION (2)(a.5), UNLESS THE CONTEXT
24	OTHERWISE REQUIRES:
25	(A) "ACCOUNTING DISTRICT'S FUNDED PUPIL COUNT" HAS THE
26	SAME MEANING SET FORTH IN SECTION 22-30.5-513 (1)(e).
27	(B) "ADDITIONAL MILL LEVY REVENUE" HAS THE SAME MEANING

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#### <u>SET FORTH IN SECTION 22-32-108.5 (2)(a).</u>

2 (b) Subject to annual appropriation by the general assembly The 3 institute shall annually distribute the money appropriated or transferred 4 to the fund to the institute charter schools on an equal per-pupil basis; 5 except that, in any budget year, an institute charter school shall not 6 receive a per pupil amount that is greater than the total amount of 7 additional mill levy revenue, as defined in section 22-32-108.5, that the 8 accounting district for the institute charter school is authorized to collect, 9 divided by the funded pupil count, as defined in section 22-54-103, of the 10 accounting district for the applicable budget year. The money distributed 11 pursuant to this section is in addition to money distributed to institute 12 charter schools pursuant to section 22-30.5-513. THE INSTITUTE HAS 13 CONTINUOUS SPENDING AUTHORITY OF ALL INTEREST AND INCOME IN THE 14 FUND.

15 **SECTION <u>23.</u>** Appropriation. (1) For the 2023-24 state fiscal 16 year, \$2,500,000 is appropriated to the mill levy equalization fund created 17 in section 22-30.5-513.1 (2)(a), C.R.S. This appropriation is from the 18 general fund. The department of education is responsible for accounting 19 related to this appropriation.

(2) For the 2023-24 state fiscal year, \$2,500,000 is appropriated
to the department of education. This appropriation is from reappropriated
funds in the mill levy equalization fund pursuant to subsection (1) of this
section. To implement this act, the department may use the appropriation
for charter school institute mill levy equalization.

25 <u>SECTION 24. Appropriation. For the 2023-24 state fiscal year.</u>
 26 <u>\$10,000,000 is appropriated to the department of education. This</u>
 27 appropriation is from the state education fund created in section 17 (4) of

1	article IX of the state constitution. To implement this act, the department
2	may use this appropriation for state aid for charter school facilities.
3	SECTION 25. Appropriation. For the 2023-24 state fiscal year.
4	\$500,000 is appropriated to the department of education. This
5	appropriation is from the state education fund created in section 17 (4)(a)
6	of article IX of the state constitution. To implement this act, the
7	department may use this appropriation for special education programs for
8	children with disabilities for the implementation of section 22-20-108
9	<u>(4.8), C.R.S.</u>
10	SECTION 26. Appropriation. (1) For the 2023-24 state fiscal
11	year, \$220,256,759 is appropriated to the department of education. This
12	appropriation is from the state education fund created in section 17 (4)(a)
13	of article IX of the state constitution. To implement this act, the
14	department may use this appropriation as follows:
15	(a) \$188,490,019 for the state share of districts' total program
16	<u>funding;</u>
17	(b) \$30,000,000 for additional funding for rural districts and
18	institute charter schools;
19	(c) \$1,058,115 for special education programs for gifted and
20	talented children to support universal screening pursuant to section
21	<u>22-20-205 (5)(a), C.R.S.;</u>
22	(d) \$408,625 for administration related to public school finance
23	for the implementation of section 22-54-104.7, C.R.S., which amount is
24	based on an assumption that the department will require an additional 0.7
25	FTE; and
26	(e) \$300,000 for distributions to eligible schools pursuant to
27	section 22-1-133 (7)(b)(II), C.R.S.

1	(2) Any money appropriated in subsection (1)(d) not expended
2	prior to July 1, 2024, is further appropriated to the department for the
3	2024-25 state fiscal year for the same purpose.
4	SECTION 27. Appropriation. For the 2023-24 state fiscal year,
5	\$23,376,536 is appropriated to the department of education. This
6	appropriation is from the mill levy override match fund created in section
7	22-54-107.9 (6), C.R.S. To implement this act, the department may use
8	this appropriation for mill levy override matching pursuant to section
9	<u>22-54-107.9, C.R.S.</u>
10	<b>SECTION 28. Appropriation to the department of education</b>
11	for the fiscal year beginning July 1, 2023. Section 2 of SB 23-214,
12	amend Part IV (3)(A) Footnote 10, as follows:
13	Section 2. Appropriation.
14	10 Department of Education, School District Operations, Public
15	School Finance, State Share of Districts' Total Program Funding
16	Pursuant to Section 22-35-108.5 (2)(b)(II), C.R.S., the purpose of this
17	footnote is to specify what portion of this appropriation is intended to be
18	available for the Teacher Recruitment Education and Preparation (TREP)
19	Program for FY 2023-24. It is the General Assembly's intent that the
20	Department of Education be authorized to utilize up to \$2,348,000
21	\$2,396,500 of this appropriation to fund qualified students designated as
22	TREP Program participants. This amount is calculated based on an
23	estimated 250 FTE TREP Program participants funded at a rate of \$8,686
24	<u>\$9,586 per FTE pursuant to Section 22-54-104 (4.7), C.R.S.</u>
25	SECTION 29. Appropriation. For the 2023-24 state fiscal year,
26	\$10,000,000 is appropriated to the department of education. This
27	appropriation is from the state education fund created in section 17 (4)(a)

of article IX of the state constitution. To implement this act, the 1 2 department may use this appropriation for distributions to eligible 3 preschool providers pursuant to section 22-20-114 (8)(b), C.R.S. 4 SECTION 30. Effective date. (1) Except as otherwise provided 5 in this section, this act takes effect upon passage. 6 (2) Section 25 of this act takes effect only if House Bill 23-1263 7 becomes law. 8 SECTION 31. Safety clause. The general assembly hereby finds, 9 determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety. 10