

# An Act

HOUSE BILL 17-1375

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also SENATOR(S) Hill and Williams A., Cooke, Crowder, Gardner, Holbert, Jahn, Lambert, Lundberg, Marble, Martinez Humenik, Moreno, Neville T., Priola, Smallwood, Sonnenberg, Tate, Grantham.

CONCERNING MEASURES TO INCREASE TRANSPARENT EQUITY IN EDUCATING STUDENTS IN PUBLIC SCHOOLS, AND, IN CONNECTION THEREWITH, REQUIRING SCHOOL DISTRICTS TO DISTRIBUTE MILL LEVY REVENUE TO MEET THE NEEDS OF STUDENTS, CREATING A FUND TO PROVIDE EQUALIZING MONEY TO INSTITUTE CHARTER SCHOOLS, AND REQUIRING SCHOOL DISTRICTS AND CHARTER SCHOOLS TO POST A LIST OF STATUTORY WAIVERS RECEIVED.

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

**SECTION 1.** In Colorado Revised Statutes, add 22-32-108.5 as follows:

**22-32-108.5. Board of education - distribution of additional mill levy revenue - definitions - legislative declaration.** (1) (a) THE GENERAL

*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

ASSEMBLY RECOGNIZES THAT SECTION 15 OF ARTICLE IX OF THE STATE CONSTITUTION GRANTS TO EACH SCHOOL DISTRICT BOARD OF EDUCATION CONTROL OF INSTRUCTION IN THE SCHOOLS OF THE SCHOOL DISTRICT. THE POWER OF LOCAL CONTROL OF INSTRUCTION APPLIES TO ALL OF THE SCHOOLS OF THE SCHOOL DISTRICT AND THEREFORE IMPOSES ON THE SCHOOL DISTRICT BOARD OF EDUCATION THE RESPONSIBILITY TO ENSURE THE EQUITABLE TREATMENT OF ALL OF THE STUDENTS ENROLLED IN ALL OF THE SCHOOLS OF THE SCHOOL DISTRICT.

(b) THE GENERAL ASSEMBLY FURTHER FINDS THAT SECTION 2 OF ARTICLE IX OF THE STATE CONSTITUTION REQUIRES THE GENERAL ASSEMBLY TO PROVIDE FOR THE MAINTENANCE OF A THOROUGH AND UNIFORM SYSTEM OF FREE PUBLIC SCHOOLS THROUGHOUT THE STATE. REQUIRING EACH SCHOOL DISTRICT BOARD OF EDUCATION TO EQUITABLY USE AND DISTRIBUTE ITS RESOURCES TO MEET THE NEEDS OF ALL STUDENTS ENROLLED IN ALL OF THE SCHOOLS OF THE SCHOOL DISTRICT SUPPORTS GREATER UNIFORMITY IN PROVIDING PUBLIC EDUCATION SERVICES WITHIN EACH SCHOOL DISTRICT AND THROUGHOUT THE STATE.

(c) THE GENERAL ASSEMBLY FINDS, THEREFORE, THAT EACH SCHOOL DISTRICT BOARD OF EDUCATION HAS THE DUTY TO ENSURE THAT THE SCHOOL DISTRICT USES AND ALLOCATES ITS RESOURCES IN A MANNER THAT RESULTS IN THE EQUITABLE TREATMENT OF ALL STUDENTS ENROLLED IN THE SCHOOL DISTRICT, ACCORDING TO THEIR INDIVIDUAL NEEDS, REGARDLESS OF THE TYPE OF SCHOOL OF THE SCHOOL DISTRICT IN WHICH EACH STUDENT IS ENROLLED.

(2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ADDITIONAL MILL LEVY REVENUE" MEANS THE AMOUNT OF PROPERTY TAX REVENUE THAT A SCHOOL DISTRICT COLLECTS FROM MILLS THAT ARE AUTHORIZED BY VOTERS BEFORE, ON, OR AFTER THE EFFECTIVE DATE OF THIS SECTION AND THAT A SCHOOL DISTRICT LEVIES IN ADDITION TO THE SCHOOL DISTRICT'S TOTAL PROGRAM MILL LEVY ESTABLISHED IN SECTION 22-54-106 (2), NOT INCLUDING MILLS THAT A SCHOOL DISTRICT MAY LEVY FOR PURPOSES OF INCURRING OR REPAYING BONDED INDEBTEDNESS OR FOR PAYING AMOUNTS DUE PURSUANT TO INSTALLMENT SALES AGREEMENTS OR LEASE PURCHASE AGREEMENTS ENTERED INTO AS OF THE EFFECTIVE DATE OF THIS SECTION FOR WHICH ADDITIONAL MILL

LEVY REVENUE WAS CONTRACTUALLY COMMITTED AS OF THE EFFECTIVE DATE OF THIS SECTION.

(b) "ALTERNATIVE EDUCATION CAMPUS" MEANS A PUBLIC SCHOOL THAT IS DESIGNATED BY THE STATE BOARD OF EDUCATION AS AN ALTERNATIVE EDUCATION CAMPUS PURSUANT TO SECTION 22-7-604.5.

(c) "CHARTER SCHOOL" MEANS A CHARTER SCHOOL AUTHORIZED BY A SCHOOL DISTRICT AS PROVIDED IN PART 1 OF ARTICLE 30.5 OF THIS TITLE 22.

(d) "INNOVATION SCHOOL" MEANS A SCHOOL IN WHICH A LOCAL SCHOOL BOARD IMPLEMENTS AN INNOVATION PLAN AS PROVIDED IN SECTION 22-32.5-104 OR A SCHOOL THAT IS INCLUDED IN AN INNOVATION SCHOOL ZONE, AS DEFINED IN SECTION 22-32.5-103.

(e) "LOCAL SCHOOL BOARD" MEANS THE SCHOOL DISTRICT BOARD OF EDUCATION OF A PARTICIPATING SCHOOL DISTRICT.

(f) "PARTICIPATING SCHOOL DISTRICT" MEANS A SCHOOL DISTRICT THAT, ON OR AFTER THE EFFECTIVE DATE OF THIS SECTION:

(I) COLLECTS ADDITIONAL MILL LEVY REVENUE; AND

(II) IS DESIGNATED AS A SCHOOL DISTRICT OF INNOVATION AS PROVIDED IN ARTICLE 32.5 OF THIS TITLE 22 OR AUTHORIZES AT LEAST ONE CHARTER SCHOOL AS PROVIDED IN PART 1 OF ARTICLE 30.5 OF THIS TITLE 22.

(g) "PER PUPIL MILL LEVY SHARE" MEANS AN AMOUNT EQUAL TO THE TOTAL AMOUNT OF ADDITIONAL MILL LEVY REVENUE THAT A PARTICIPATING SCHOOL DISTRICT COLLECTS FOR A BUDGET YEAR DIVIDED BY THE SCHOOL DISTRICT'S FUNDED PUPIL COUNT, AS DEFINED IN SECTION 22-54-103, FOR THAT BUDGET YEAR.

(h) "PER PUPIL PROGRAM SHARE" MEANS AN AMOUNT EQUAL TO THE AMOUNT OF ADDITIONAL MILL LEVY REVENUE ALLOCATED TO A PROGRAM IN A PARTICIPATING SCHOOL DISTRICT'S PLAN, DIVIDED BY THE TOTAL NUMBER OF STUDENTS ENROLLED IN THE SCHOOLS OF THE PARTICIPATING SCHOOL DISTRICT WHO ARE ELIGIBLE TO PARTICIPATE IN THE PROGRAM, MULTIPLIED BY THE NUMBER OF ELIGIBLE STUDENTS ENROLLED IN A

CHARTER SCHOOL OR SCHOOL OF INNOVATION THAT CHOOSES TO RECEIVE THE PER PUPIL PROGRAM SHARE IN LIEU OF PARTICIPATING IN THE PROGRAM.

(i) "PLAN" MEANS THE PLAN FOR USING AND DISTRIBUTING ADDITIONAL MILL LEVY REVENUE AS DESCRIBED IN THIS SECTION THAT IS ADOPTED BY A LOCAL SCHOOL BOARD.

(j) "TYPE" MEANS THE STATUS OF A SCHOOL OF THE SCHOOL DISTRICT AS A TRADITIONAL, CHARTER, INNOVATION, OR MAGNET SCHOOL OR AS OPERATING UNDER SOME OTHER ORGANIZATIONAL OR GOVERNANCE STRUCTURE. "TYPE" DOES NOT INCLUDE A SCHOOL'S STATUS AS AN ALTERNATIVE EDUCATION CAMPUS OR OTHER ALTERNATIVE HIGH SCHOOL OR STATUS BASED ON THE GRADE LEVELS THE SCHOOL SERVES OR THE TYPE OF PERFORMANCE PLAN THE SCHOOL OPERATES UNDER AS DESCRIBED IN PART 4 OF ARTICLE 11 OF THIS TITLE 22.

(3) FOR THE 2019-20 BUDGET YEAR AND FOR EACH BUDGET YEAR THEREAFTER, THE LOCAL SCHOOL BOARD OF EACH PARTICIPATING SCHOOL DISTRICT SHALL EITHER IMPLEMENT A PLAN FOR USING AND DISTRIBUTING THE ADDITIONAL MILL LEVY REVENUE THAT THE PARTICIPATING SCHOOL DISTRICT COLLECTS FOR EACH BUDGET YEAR, AS DESCRIBED IN SUBSECTION (4) OF THIS SECTION, OR DISTRIBUTE TO EACH CHARTER SCHOOL AND INNOVATION SCHOOL OF THE PARTICIPATING SCHOOL DISTRICT AN AMOUNT EQUAL TO AT LEAST NINETY-FIVE PERCENT OF THE PARTICIPATING SCHOOL DISTRICT'S PER PUPIL MILL LEVY SHARE FOR THE APPLICABLE BUDGET YEAR MULTIPLIED BY THE NUMBER OF STUDENTS ENROLLED IN THE CHARTER SCHOOL OR THE INNOVATION SCHOOL FOR THE APPLICABLE BUDGET YEAR, AS DESCRIBED IN SUBSECTION (5) OF THIS SECTION.

(4) (a) A LOCAL SCHOOL BOARD THAT CHOOSES TO ADOPT A PLAN MUST ADOPT THE PLAN BY JULY 1, 2018. SUBJECT TO STATUTORY LIMITS OR REQUIREMENTS THAT APPLY TO SPECIFIC MILL LEVY AUTHORIZATIONS AND ANY PURPOSES SPECIFICALLY APPROVED BY VOTERS IN APPROVING ADDITIONAL MILL LEVY REVENUE, THE PLAN MUST ENSURE THAT THE ADDITIONAL MILL LEVY REVENUE IS DISTRIBUTED TO, OR OTHERWISE USED FOR PROGRAMS THAT BENEFIT, THE SCHOOLS OF THE PARTICIPATING SCHOOL DISTRICT BASED ON MEETING THE NEEDS OF AND EQUITABLY SUPPORTING THE EDUCATION OF ALL OF THE STUDENTS ENROLLED IN ALL OF THE SCHOOLS OF THE PARTICIPATING SCHOOL DISTRICT, REGARDLESS OF THE TYPE OF SCHOOL IN WHICH EACH STUDENT IS ENROLLED. FOR EACH

PROGRAM INCLUDED IN THE PLAN, A CHARTER SCHOOL OR INNOVATION SCHOOL MAY CHOOSE TO RECEIVE THE PER PUPIL PROGRAM SHARE IN LIEU OF PARTICIPATING IN THE PROGRAM, IN WHICH CASE THE PARTICIPATING SCHOOL DISTRICT SHALL DISTRIBUTE TO THE CHARTER SCHOOL OR INNOVATION SCHOOL THE PER PUPIL PROGRAM SHARE. THE CHARTER SCHOOL OR INNOVATION SCHOOL SHALL USE THE PER PUPIL PROGRAM SHARE TO PROVIDE A PROGRAM OR SERVICES, AS SELECTED BY THE CHARTER SCHOOL OR INNOVATION SCHOOL, TO BENEFIT THE STUDENTS FOR WHOM IT RECEIVED THE PER PUPIL PROGRAM SHARE. THE LOCAL SCHOOL BOARD SHALL ENSURE THAT THE DETERMINATION OF THE AMOUNT OF ADDITIONAL MILL LEVY REVENUE THAT A SCHOOL OF THE PARTICIPATING SCHOOL DISTRICT RECEIVES AS A DISTRIBUTION OR THROUGH PARTICIPATION IN A PROGRAM IS NOT BASED ON AND DOES NOT TAKE INTO ACCOUNT THE SCHOOL'S TYPE. THE LOCAL SCHOOL BOARD SHALL ENSURE THAT EQUITABLE DISTRIBUTION OF THE ADDITIONAL MILL LEVY REVENUE IS FULLY IMPLEMENTED IN THE 2019-20 BUDGET YEAR AND IN EACH BUDGET YEAR THEREAFTER.

(b) THROUGH THE PLAN, A LOCAL BOARD OF EDUCATION MAY USE THE ADDITIONAL MILL LEVY REVENUE TO PROVIDE ADDITIONAL PER PUPIL FUNDING TO STUDENTS ENROLLED IN ALTERNATIVE EDUCATION CAMPUSES, STUDENTS WHO QUALIFY FOR FREE OR REDUCED-PRICE MEALS UNDER THE FEDERAL "RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ., STUDENTS IDENTIFIED AS ENGLISH LANGUAGE LEARNERS PURSUANT TO SECTION 22-24-105, AND STUDENTS WHO HAVE INDIVIDUALIZED EDUCATION PROGRAMS UNDER PART 1 OF ARTICLE 20 OF THIS TITLE 22, SO LONG AS THE AMOUNT DISTRIBUTED FOR THE BENEFIT OF EACH STUDENT IS THE SAME REGARDLESS OF THE TYPE OF SCHOOL IN WHICH THE STUDENT IS ENROLLED.

(c) EACH PLAN MUST REQUIRE THE LOCAL SCHOOL BOARD TO EQUITABLY DISTRIBUTE ALL OF THE PARTICIPATING SCHOOL DISTRICT'S ADDITIONAL MILL LEVY REVENUE THAT IS NOT DISTRIBUTED FOR SPECIFIC PROGRAMS OR STUDENT POPULATIONS, AS PROVIDED IN SUBSECTIONS (4)(a) AND (4)(b) OF THIS SECTION, TO THE SCHOOLS OF THE PARTICIPATING SCHOOL DISTRICT IN DIRECT PROPORTION TO THE NUMBER OF STUDENTS ENROLLED IN EACH SCHOOL. THE DISTRIBUTION MUST INCLUDE ALL OF THE SCHOOLS OF THE PARTICIPATING SCHOOL DISTRICT WITHOUT REGARD TO TYPE OF SCHOOL.

(d) EACH PLAN MUST:

(I) IDENTIFY THE AMOUNT OF ADDITIONAL MILL LEVY REVENUE THAT THE PARTICIPATING SCHOOL DISTRICT SPENDS ON ADMINISTRATIVE SERVICES OR OTHER DISTRICT-LEVEL USES AS SPECIFICALLY AUTHORIZED IN THIS SUBSECTION (4);

(II) DESCRIBE EACH OF THE ADMINISTRATIVE SERVICES OR OTHER DISTRICT-LEVEL USES; AND

(III) SPECIFY HOW THE ADMINISTRATIVE SERVICES OR OTHER DISTRICT-LEVEL USES BENEFIT ALL OF THE STUDENTS ENROLLED IN THE SCHOOLS OF THE PARTICIPATING SCHOOL DISTRICT.

(e) EACH LOCAL SCHOOL BOARD THAT ADOPTS A PLAN SHALL PERIODICALLY REVIEW THE PLAN AND UPDATE IT AS NECESSARY TO ENSURE THAT THE ADDITIONAL MILL LEVY REVENUE THAT THE PARTICIPATING SCHOOL DISTRICT COLLECTS IS EQUITABLY DISTRIBUTED AS PROVIDED IN SUBSECTIONS (4)(a) TO (4)(c) OF THIS SECTION TO THE SCHOOLS OF THE PARTICIPATING SCHOOL DISTRICT TO BENEFIT ALL OF THE STUDENTS ENROLLED IN ALL OF THE SCHOOLS OF THE PARTICIPATING SCHOOL DISTRICT.

(f) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION (4) TO THE CONTRARY, A LOCAL SCHOOL BOARD MAY, BUT IS NOT REQUIRED TO, DISTRIBUTE A PORTION OF THE ADDITIONAL MILL LEVY REVENUE TO A MULTI-DISTRICT ONLINE SCHOOL OF THE PARTICIPATING SCHOOL DISTRICT.

(5) (a) BEGINNING IN THE 2019-20 BUDGET YEAR AND IN EACH BUDGET YEAR THEREAFTER, THE LOCAL SCHOOL BOARD OF A PARTICIPATING SCHOOL DISTRICT THAT CHOOSES NOT TO ADOPT A PLAN SHALL DISTRIBUTE TO EACH CHARTER SCHOOL AND INNOVATION SCHOOL OF THE PARTICIPATING SCHOOL DISTRICT AN AMOUNT EQUAL TO AT LEAST NINETY-FIVE PERCENT OF THE PARTICIPATING SCHOOL DISTRICT'S PER PUPIL MILL LEVY SHARE FOR THE APPLICABLE BUDGET YEAR MULTIPLIED BY THE NUMBER OF STUDENTS ENROLLED IN THE CHARTER SCHOOL OR THE INNOVATION SCHOOL FOR THE APPLICABLE BUDGET YEAR. IN COUNTING THE NUMBER OF PUPILS ENROLLED IN A CHARTER SCHOOL OR INNOVATION SCHOOL, THE SCHOOL DISTRICT SHALL COUNT A PUPIL ENROLLED IN KINDERGARTEN OR IN A PRESCHOOL PROGRAM AS AT LEAST A HALF-DAY

PUPIL AND MAY, AT THE SCHOOL DISTRICT'S DISCRETION, COUNT A PUPIL WHO IS INCLUDED IN THE SCHOOL DISTRICT'S ONLINE PUPIL ENROLLMENT, AS DEFINED IN SECTION 22-54-103.

(b) IF A LOCAL SCHOOL BOARD HAS IN PLACE OR ADOPTS A WRITTEN POLICY THAT DIRECTS THE PARTICIPATING SCHOOL DISTRICT TO DISTRIBUTE ANY PORTION OF ITS ADDITIONAL MILL LEVY REVENUE TO SPECIFICALLY BENEFIT STUDENTS ENROLLED IN ALTERNATIVE EDUCATION CAMPUSES, STUDENTS WHO QUALIFY FOR FREE OR REDUCED-PRICE MEALS UNDER THE FEDERAL "RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ., STUDENTS WHO ARE IDENTIFIED AS ENGLISH LANGUAGE LEARNERS UNDER SECTION 22-24-105, OR STUDENTS WHO HAVE INDIVIDUALIZED EDUCATION PROGRAMS UNDER PART 1 OF ARTICLE 20 OF THIS TITLE 22, THE PARTICIPATING SCHOOL DISTRICT MAY CONTINUE DISTRIBUTING THE REVENUE FOR THESE PURPOSES, SO LONG AS:

(I) THE AMOUNT DISTRIBUTED FOR EACH STUDENT IS THE SAME REGARDLESS OF THE TYPE OF SCHOOL IN WHICH THE STUDENT IS ENROLLED; AND

(II) THE PARTICIPATING SCHOOL DISTRICT DISTRIBUTES ANY AMOUNT OF ADDITIONAL MILL LEVY REVENUE THAT REMAINS AFTER DISTRIBUTION FOR THESE PURPOSES IN ACCORDANCE WITH SUBSECTION (5)(a) OF THIS SECTION.

(6) IF A LOCAL SCHOOL BOARD DISTRIBUTES A PORTION OF THE TOTAL ADDITIONAL MILL LEVY REVENUE THAT IT COLLECTS FOR THE 2016-17 BUDGET YEAR TO THE CHARTER SCHOOLS OR INNOVATION SCHOOLS OF THE PARTICIPATING SCHOOL DISTRICT BY PERCENTAGE, BY DISTRIBUTION OF A PER PUPIL AMOUNT, OR BY A COMBINATION OF PERCENTAGE AND PER PUPIL AMOUNT, THE LOCAL SCHOOL BOARD SHALL ENSURE THAT THE PERCENTAGE OF THE TOTAL ADDITIONAL MILL LEVY REVENUE AND THE PER PUPIL AMOUNT THAT IS DISTRIBUTED TO THE CHARTER SCHOOLS AND INNOVATION SCHOOLS OF THE PARTICIPATING SCHOOL DISTRICT IS NOT REDUCED FOR THE 2017-18 AND 2018-19 BUDGET YEARS. AN AUTHORIZING SCHOOL DISTRICT OR THE CHARTER SCHOOL MAY RENEGOTIATE CONTRACT PROVISIONS CONCERNING SERVICES OR FEES FOR SERVICES AS A MATERIAL REVISION TO THE CHARTER CONTRACT, SUBJECT TO THE PROVISIONS OF SECTION 22-30.5-105 (4), WHICH RENEGOTIATION SHALL NOT INCLUDE NEGOTIATIONS REGARDING REAUTHORIZATION OF THE

CHARTER SCHOOL.

(7) THE AMOUNT OF ADDITIONAL MILL LEVY REVENUE THAT A CHARTER SCHOOL RECEIVES PURSUANT TO THIS SECTION IS IN ADDITION TO THE AMOUNT OF MONEY THAT THE CHARTER SCHOOL RECEIVES FROM THE SCHOOL DISTRICT PURSUANT TO PART 1 OF ARTICLE 30.5 OF THIS TITLE 22. THE AMOUNT OF ADDITIONAL MILL LEVY REVENUE THAT AN INNOVATION SCHOOL RECEIVES PURSUANT TO THIS SECTION IS IN ADDITION TO ANY AMOUNT OF MONEY THAT THE INNOVATION SCHOOL RECEIVES THROUGH THE SCHOOL'S INNOVATION PLAN AS PROVIDED IN ARTICLE 32.5 OF THIS TITLE 22.

(8) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE CONTRARY, IF A SCHOOL DISTRICT AUTHORIZES A CHARTER SCHOOL THAT IS PHYSICALLY LOCATED WITHIN THE GEOGRAPHIC BOUNDARIES OF ANOTHER SCHOOL DISTRICT, THE CHARTERING SCHOOL DISTRICT IS NOT REQUIRED TO INCLUDE IN THE PLAN DESCRIBED IN SUBSECTION (4) OF THIS SECTION OR IN THE DISTRIBUTION DESCRIBED IN SUBSECTION (5) OF THIS SECTION ANY AMOUNT OF ADDITIONAL MILL LEVY REVENUE FOR STUDENTS WHO ARE ENROLLED IN THE CHARTER SCHOOL BUT DO NOT RESIDE WITHIN THE BOUNDARIES OF THE SCHOOL DISTRICT.

(9) BEGINNING JULY 1, 2018, EACH PARTICIPATING SCHOOL DISTRICT SHALL:

(a) IF THE LOCAL SCHOOL BOARD CHOOSES TO ADOPT A PLAN, POST A COPY OF THE PLAN ON THE PARTICIPATING SCHOOL DISTRICT'S WEBSITE AS PROVIDED IN SECTION 22-44-304 AND ANNUALLY UPDATE THE PLAN AS NECESSARY; OR

(b) IF THE LOCAL SCHOOL BOARD CHOOSES NOT TO ADOPT A PLAN, FOR THE 2018-19 BUDGET YEAR, POST A STATEMENT OF INTENT TO DISTRIBUTE THE ADDITIONAL MILL LEVY REVENUE AS PROVIDED IN SUBSECTION (5) OF THIS SECTION AND, FOR THE 2019-20 BUDGET YEAR AND ANNUALLY FOR EACH BUDGET YEAR THEREAFTER, POST THE TOTAL AMOUNT OF ADDITIONAL MILL LEVY REVENUE COLLECTED BY THE PARTICIPATING SCHOOL DISTRICT FOR EACH PROPERTY TAX YEAR, THE AMOUNT DISTRIBUTED TO SUPPORT SPECIFIC STUDENT POPULATIONS AS DESCRIBED IN SUBSECTION (5)(b) OF THIS SECTION, AND THE TOTAL AMOUNT DISTRIBUTED TO SUPPORT SAID STUDENT POPULATIONS AND ON A PER-PUPIL



BASIS TO EACH CHARTER SCHOOL AND INNOVATION SCHOOL, AS A PERCENTAGE AND AS A DOLLAR AMOUNT.

(10) A CHARTER SCHOOL THAT RECEIVES ANY AMOUNT OF ADDITIONAL MILL LEVY REVENUE PURSUANT TO THIS SECTION SHALL ENSURE THAT THE CHARTER SCHOOL ADMISSIONS POLICY IS IN COMPLIANCE WITH SECTION 22-30.5-104 (3).

**SECTION 2.** In Colorado Revised Statutes, 22-30.5-105, **amend** (5) as follows:

**22-30.5-105. Charter schools - contract contents - regulations.**  
(5) ~~Any~~ A term included in a charter contract that would require a charter school to waive or otherwise forgo receipt of any amount of ADDITIONAL MILL LEVY REVENUE DUE TO THE CHARTER SCHOOL AS PROVIDED IN SECTION 22-32-108.5 OR ANY AMOUNT OF operational or capital construction ~~funds~~ MONEY provided to the charter school pursuant to the provisions of this ~~article~~ ARTICLE 30.5 or pursuant to any other provision of law is hereby declared null and void as against public policy and is unenforceable. In no event shall this subsection (5) be construed to prohibit ~~any~~ A charter school from contracting with its chartering local board of education for the purchase of services, including but not limited to the purchase of educational services.

**SECTION 3.** In Colorado Revised Statutes, **amend** 22-44-303 as follows:

**22-44-303. Definitions.** As used in this part 3, unless the context otherwise requires:

(1) "BOARD OF COOPERATIVE SERVICES" OR "BOCES" MEANS A BOARD OF COOPERATIVE SERVICES CREATED PURSUANT TO ARTICLE 5 OF THIS TITLE 22.

(2) "CHARTER SCHOOL" MEANS A DISTRICT CHARTER SCHOOL AUTHORIZED PURSUANT TO PART 1 OF ARTICLE 30.5 OF THIS TITLE 22 OR AN INSTITUTE CHARTER SCHOOL AUTHORIZED PURSUANT TO PART 5 OF ARTICLE 30.5 OF THIS TITLE 22.

(~~†~~) (3) "Department" means the department of education created

and operating pursuant to section 24-1-115. C.R.S.

~~(2) "Local education provider" means:~~

~~(a) A school district, other than a junior college district, organized and existing pursuant to law;~~

~~(b) A board of cooperative services created pursuant to article 5 of this title;~~

~~(c) The state charter school institute established pursuant to section 22-30.5-503;~~

~~(d) A district charter school authorized pursuant to part 1 of article 30.5 of this title; or~~

~~(e) An institute charter school authorized pursuant to part 5 of article 30.5 of this title.~~

(4) "INSTITUTE" MEANS THE STATE CHARTER SCHOOL INSTITUTE ESTABLISHED PURSUANT TO SECTION 22-30.5-503.

(5) "SCHOOL DISTRICT" MEANS A SCHOOL DISTRICT, OTHER THAN A LOCAL COLLEGE DISTRICT, ORGANIZED AND EXISTING AS PROVIDED BY LAW.

**SECTION 4.** In Colorado Revised Statutes, amend 22-44-304 as follows:

**22-44-304. Financial reporting - online access to information - repeal.** (1) (a) Commencing July 1, 2010, and on a continuing basis thereafter, THE INSTITUTE AND each ~~local education provider~~ SCHOOL DISTRICT, BOARD OF COOPERATIVE SERVICES, AND CHARTER SCHOOL shall post the following information online, in a downloadable format, for free public access:

(1) The ~~local education provider's~~ INSTITUTE'S, SCHOOL DISTRICT'S, BOCES'S, OR CHARTER SCHOOL'S annual budget, adopted pursuant to section 22-44-110 (4), commencing with the budget for the 2009-10 budget year;

(II) The ~~local education provider's~~ INSTITUTE'S, SCHOOL DISTRICT'S, BOCES'S, OR CHARTER SCHOOL'S annual audited financial statements, prepared pursuant to section 22-32-109 (1)(k), commencing with the audits prepared for the 2009-10 budget year;

(III) (A) The ~~local education provider's~~ INSTITUTE'S, SCHOOL DISTRICT'S, BOCES'S, OR CHARTER SCHOOL'S quarterly financial statements, at a minimum, prepared pursuant to section 22-45-102, commencing with the statements for the 2010-11 budget year.

(B) This ~~subparagraph~~ (HH) SUBSECTION (1)(a)(III) is repealed, effective July 1, 2017.

(IV) The ~~local education provider's~~ INSTITUTE'S, SCHOOL DISTRICT'S, BOCES'S, OR CHARTER SCHOOL'S salary schedules or policies, adopted pursuant to sections 22-32-109.4 and 22-63-401, commencing with those applicable to the 2010-11 budget year.

(b) (I) Additionally, commencing July 1, 2011, THE INSTITUTE AND each ~~local education provider~~ SCHOOL DISTRICT, BOARD OF COOPERATIVE SERVICES, AND CHARTER SCHOOL shall post accounts payable check registers and credit, debit, and purchase card statements online, in a downloadable format, for free public access.

(II) This ~~paragraph~~ (b) SUBSECTION (1)(b) is repealed, effective July 1, 2017.

(c) (I) Additionally, commencing July 1, 2012, THE INSTITUTE AND each ~~local education provider~~ SCHOOL DISTRICT, BOARD OF COOPERATIVE SERVICES, AND CHARTER SCHOOL shall post investment performance reports or statements online, in a downloadable format, for free public access.

(II) This ~~paragraph~~ (c) SUBSECTION (1)(c) is repealed, effective July 1, 2017.

(d) (I) Additionally, commencing July 1, 2015, THE INSTITUTE AND each ~~local education provider~~ SCHOOL DISTRICT, BOARD OF COOPERATIVE SERVICES, AND CHARTER SCHOOL shall post in a format that can be downloaded and sorted, for free public access, the ~~local education provider's~~ INSTITUTE'S, SCHOOL DISTRICT'S, BOCES'S, OR CHARTER

SCHOOL'S actual expenditures, including but not limited to actual salary expenditures and actual benefit expenditures reported by job category specified in the standard chart of accounts, at the ~~local education provider~~ INSTITUTE, SCHOOL DISTRICT, AND BOCES level and at the school-site level.

(II) Notwithstanding any provision of ~~subparagraph (f) of this paragraph (d)~~ SUBSECTION (1)(d)(I) OF THIS SECTION to the contrary, a school district that the department determines is rural, based on the geographic size of the school district and the distance of the school district from the nearest large, urbanized area, and that enrolls fewer than one thousand students in kindergarten through twelfth grade is not required to report expenditures at the school-site level except for those school-site level expenditures that the school district charges any portion of to a district charter school.

(e) ADDITIONALLY, COMMENCING JULY 1, 2018, THE INSTITUTE AND EACH SCHOOL DISTRICT, BOARD OF COOPERATIVE SERVICES, AND CHARTER SCHOOL SHALL POST ON ITS WEBSITE FOR FREE PUBLIC ACCESS AN EASILY ACCESSIBLE LINK TO THE FEDERAL FORM 990, 990-EZ, OR 990-PF AND ANY ASSOCIATED SCHEDULES THAT THE INSTITUTE, SCHOOL DISTRICT, BOARD OF COOPERATIVE SERVICES, OR CHARTER SCHOOL FILES, IF ANY.

(f) ADDITIONALLY, COMMENCING JULY 1, 2018, AND ON A CONTINUING BASIS THEREAFTER, EACH SCHOOL DISTRICT, IF REQUIRED IN SECTION 22-32-108.5, SHALL:

(I) POST A COPY OF THE SCHOOL DISTRICT'S PLAN FOR DISTRIBUTING THE ADDITIONAL MILL LEVY REVENUE COLLECTED BY THE SCHOOL DISTRICT; OR

(II) FOR THE 2018-19 BUDGET YEAR, POST A STATEMENT OF INTENT TO DISTRIBUTE THE ADDITIONAL MILL LEVY REVENUE TO THE CHARTER SCHOOLS AND INNOVATION SCHOOLS OF THE SCHOOL DISTRICT ON A PER-PUPIL BASIS AND, FOR THE 2019-20 BUDGET YEAR AND FOR EACH BUDGET YEAR THEREAFTER, A STATEMENT OF THE TOTAL AMOUNT OF ADDITIONAL MILL LEVY REVENUE COLLECTED BY THE SCHOOL DISTRICT FOR EACH PROPERTY TAX YEAR, THE AMOUNT DISTRIBUTED TO SUPPORT SPECIFIC STUDENT POPULATIONS AS DESCRIBED IN SECTION 22-32-108.5 (5)(b), AND THE TOTAL AMOUNT DISTRIBUTED FOR SAID STUDENT

POPULATIONS AND ON A PER-PUPIL BASIS TO EACH CHARTER SCHOOL AND INNOVATION SCHOOL OF THE SCHOOL DISTRICT, AS A PERCENTAGE AND AS A DOLLAR AMOUNT.

(2) ~~Nothing in this section shall direct or require a local education provider~~ THIS SECTION DOES NOT DIRECT OR REQUIRE THE INSTITUTE OR A SCHOOL DISTRICT, BOARD OF COOPERATIVE SERVICES, OR CHARTER SCHOOL to post online, pursuant to subsection (1) of this section, personal information relating to payroll, including but not limited to payroll deductions or contributions, or any other information that is confidential or otherwise protected from public disclosure pursuant to state or federal law.

(3) (a) ~~THE INSTITUTE AND each local education provider~~ SCHOOL DISTRICT, BOARD OF COOPERATIVE SERVICES, AND CHARTER SCHOOL shall update the information specified in ~~paragraphs (a), (b), and (c) of subsection (1)~~ SUBSECTIONS (1)(a) TO (1)(c) AND SUBSECTION (1)(e) of this section within sixty days after the ~~local education provider's~~ INSTITUTE'S, SCHOOL DISTRICT'S, BOCES'S, OR CHARTER SCHOOL'S completion or receipt of the applicable report, statement, or document. ~~THE INSTITUTE AND each local education provider~~ SCHOOL DISTRICT, BOCES, AND CHARTER SCHOOL shall update the information specified in ~~paragraph (d) of subsection (1)~~ SUBSECTION (1)(d) of this section annually by a date specified by the financial policies and procedures advisory committee. EACH SCHOOL DISTRICT SHALL UPDATE THE INFORMATION SPECIFIED IN SUBSECTION (1)(f) OF THIS SECTION WITHIN THIRTY DAYS AFTER THE SCHOOL DISTRICT BOARD OF EDUCATION ADOPTS A NEW OR UPDATED PLAN FOR DISTRIBUTION OF ADDITIONAL MILL LEVY REVENUE OR, IF THE SCHOOL DISTRICT DISTRIBUTES THE ADDITIONAL MILL LEVY REVENUE ON A PER-PUPIL BASIS TO THE CHARTER SCHOOLS AND INNOVATION SCHOOLS OF THE SCHOOL DISTRICT, WITHIN THIRTY DAYS AFTER THE END OF EACH BUDGET YEAR.

(b) ~~A local education provider~~ THE INSTITUTE AND EACH SCHOOL DISTRICT, BOCES, AND CHARTER SCHOOL shall maintain the prior two budget years' financial information online, in a downloadable format, for free public access, until the end of the ~~local education provider's~~ INSTITUTE'S, SCHOOL DISTRICT'S, BOCES'S, OR CHARTER SCHOOL'S current budget year.

(4) No later than July 1, 2015, the financial policies and procedures advisory committee of the department shall create a template that ~~local~~

~~education providers~~ THE INSTITUTE AND SCHOOL DISTRICTS, BOCES, AND CHARTER SCHOOLS must use to post all of the information specified in subsection (1) of this section, including but not limited to the site-level reporting requirements. The template may include both the type of electronic file posted as well as the information to be included in the posting.

(5) In addition to the information required in subsection (1) of this section, ~~a local education provider~~ THE INSTITUTE AND EACH SCHOOL DISTRICT, BOCES, AND CHARTER SCHOOL shall provide a link to the department's website or the location information for the department's website where a member of the public may access information or reports that are submitted directly to the department.

**SECTION 5.** In Colorado Revised Statutes, add 22-44-305 as follows:

**22-44-305. Waivers of state statute - reporting.**

(1) (a) COMMENCING JULY 1, 2017, AND ON A CONTINUING BASIS THEREAFTER, EACH SCHOOL DISTRICT AND CHARTER SCHOOL SHALL POST, IN A LOCATION AND FORMAT THAT CAN BE EASILY ACCESSED AND DOWNLOADED, FOR FREE PUBLIC ACCESS ON ITS WEBSITE MAINTAINED PURSUANT TO THIS PART 3 A LIST OF THE STATUTES FOR WHICH THE SCHOOL DISTRICT OR CHARTER SCHOOL HAS RECEIVED A WAIVER FROM THE STATE BOARD OF EDUCATION AND, FOR EACH WAIVER THAT IS NOT AN AUTOMATIC WAIVER, A COPY OF THE PLAN THAT EXPLAINS THE MANNER IN WHICH THE SCHOOL DISTRICT OR CHARTER SCHOOL WILL MEET THE INTENT OF THE WAIVED STATUTE.

(b) COMMENCING JULY 1, 2018, EACH CHARTER SCHOOL SHALL POST, IN A LOCATION AND FORMAT THAT CAN BE EASILY ACCESSED AND DOWNLOADED, FOR FREE PUBLIC ACCESS ON ITS WEBSITE THE STANDARDIZED DESCRIPTION AND RATIONALE CREATED PURSUANT TO SUBSECTION (2) OF THIS SECTION FOR EACH OF THE AUTOMATIC WAIVERS THAT IT INVOKES. EACH CHARTER SCHOOL SHALL POST WITH THE LIST OF AUTOMATIC WAIVERS THE NAME OF AND CONTACT INFORMATION FOR A PERSON EMPLOYED BY THE CHARTER SCHOOL AND AVAILABLE DURING REGULAR SCHOOL HOURS WHO CAN PROVIDE ADDITIONAL INFORMATION CONCERNING THE CHARTER SCHOOL'S AUTOMATIC WAIVERS.

(c) IN LISTING ITS WAIVERS, A SCHOOL DISTRICT SHALL INCLUDE WAIVERS GRANTED TO THE SCHOOL DISTRICT AS A WHOLE AND WAIVERS GRANTED TO ONE OR MORE SCHOOLS OF THE SCHOOL DISTRICT, OTHER THAN A CHARTER SCHOOL. THE SCHOOL DISTRICT SHALL LIST SEPARATELY EACH WAIVER GRANTED TO AN INNOVATION SCHOOL OR TO SCHOOLS IN AN INNOVATION SCHOOL ZONE, AS DEFINED IN SECTION 22-32.5-103.

(2) BY JULY 1, 2018, THE DEPARTMENT AND THE INSTITUTE, WORKING WITH A STATEWIDE ASSOCIATION THAT REPRESENTS CHARTER SCHOOLS, SHALL DEVELOP A STANDARDIZED DESCRIPTION FOR EACH STATUTE THAT THE STATE BOARD OF EDUCATION INCLUDES IN THE LIST OF AUTOMATIC WAIVERS FOR CHARTER SCHOOLS PURSUANT TO SECTION 22-30.5-104 (6) AND THE RATIONALE FOR INCLUDING THE STATUTE ON THE LIST OF AUTOMATIC WAIVERS.

(3) EACH SCHOOL DISTRICT AND CHARTER SCHOOL SHALL UPDATE THE INFORMATION PROVIDED PURSUANT TO SUBSECTION (1) OF THIS SECTION WITHIN THIRTY DAYS AFTER A WAIVER IS REVOKED OR A NEW WAIVER IS GRANTED.

**SECTION 6.** In Colorado Revised Statutes, 22-2-117, **amend** (1)(b)(IV) and (1)(b)(V); and **add** (1)(b)(VI) as follows:

**22-2-117. Additional power - state board - waiver of requirements - rules.** (1) (b) The state board shall not waive any of the requirements specified in any of the following statutory provisions:

(IV) Any provision of this ~~title~~ TITLE 22 that relates to fingerprinting and criminal history record checks of educators and school personnel; ~~or~~

(V) The "Children's Internet Protection Act", article 87 of this ~~title~~ TITLE 22; OR

(VI) THE REQUIREMENT TO POST ON THE INTERNET THE STATUTES FOR WHICH WAIVERS ARE GRANTED AS PROVIDED IN SECTION 22-44-305.

**SECTION 7.** In Colorado Revised Statutes, 22-30.5-104, **amend** (6)(b), (6)(c)(IV), and (6)(c)(V); and **add** (6)(c)(VI) as follows:

**22-30.5-104. Charter school - requirements - authority - rules.**

(6) (b) The state board shall promulgate rules that list the automatic waivers for all charter schools. In promulgating the list of automatic waivers, the state board shall consider the overall impact and complexity of the requirements specified in the statute and the potential consequences that waiving the statute may have on the practices of a charter school. IN ACCORDANCE WITH ITS RULE-MAKING AUTHORITY, THE STATE BOARD MAY REVIEW THE LIST OF AUTOMATIC WAIVERS AT ITS DISCRETION. Notwithstanding any provision of this ~~paragraph (b)~~ SUBSECTION (6)(b) to the contrary, the state board shall not include the following statutes on the list of automatic waivers:

(I) Section 22-9-106, concerning the performance evaluation system for licensed personnel;

(I.5) SECTION 22-32-109 (1)(b), CONCERNING PROCEDURES FOR COMPETITIVE BIDDING IN THE PURCHASE OF GOODS AND SERVICES, EXCEPT PROFESSIONAL SERVICES;

(II) Section 22-32-109 (1)(n), concerning the annual school calendar and teacher-pupil contact hours; and

(II.5) SECTION 22-32-110 (1)(y), CONCERNING THE POWER TO ACCEPT AND EXPEND GIFTS, DONATIONS, OR GRANTS; AND

(III) Part 2 of article 63 of this title TITLE 22, concerning the employment of licensed personnel.

(c) A school district, on behalf of a charter school, may apply to the state board for a waiver of a state statute or state rule that is not an automatic waiver. Notwithstanding any provision of this subsection (6) to the contrary, the state board may not waive any statute or rule relating to:

(IV) The "Public School Finance Act of 1994", article 54 of this ~~title;~~ or TITLE 22;

(V) The "Children's Internet Protection Act", article 87 of this ~~title~~ TITLE 22; OR

(VI) THE REQUIREMENT TO POST ON THE INTERNET THE STATUTES



FOR WHICH WAIVERS ARE GRANTED AS PROVIDED IN SECTION 22-44-305.

**SECTION 8.** In Colorado Revised Statutes, 22-30.5-507, amend (7)(a), (7)(b)(IV), and (7)(b)(V); and add (7)(b)(VI) as follows:

**22-30.5-507. Institute charter school - requirements - authority - rules.** (7) (a) Pursuant to the charter contract, an institute charter school may operate free from specified statutes and state board rules. The state board shall promulgate rules that list the automatic waivers for all charter schools, including institute charter schools. In promulgating the list of automatic waivers, the state board shall consider the overall impact and complexity of the requirements specified in the statute and the potential consequences that waiving the statute may have on the practices of a charter school, including an institute charter school. IN ACCORDANCE WITH ITS RULE-MAKING AUTHORITY, THE STATE BOARD MAY REVIEW THE LIST OF AUTOMATIC WAIVERS AT ITS DISCRETION. Notwithstanding any provision of this paragraph (a) SUBSECTION (7)(a) to the contrary, the state board shall not include the following statutes on the list of automatic waivers:

(I) Section 22-9-106, concerning the performance evaluation system for licensed personnel;

(I.5) SECTION 22-32-109 (1)(b), CONCERNING PROCEDURES FOR COMPETITIVE BIDDING IN THE PURCHASE OF GOODS AND SERVICES, EXCEPT PROFESSIONAL SERVICES;

(II) Section 22-32-109 (1)(n)(I) and (1)(n)(II)(B), concerning the annual school calendar; and

(II.5) SECTION 22-32-110 (1)(y), CONCERNING THE POWER TO ACCEPT AND EXPEND GIFTS, DONATIONS, OR GRANTS; AND

(III) Part 2 of article 63 of this ~~title~~ TITLE 22, concerning the employment of licensed personnel.

(b) An institute charter school may apply to the state board, through the institute, for a waiver of state statutes and state rules that are not automatic waivers. The state board may waive state statutory requirements or rules promulgated by the state board; except that the state board may not waive any statute or rule relating to:

(IV) The provisions of the "Public School Finance Act of 1994", article 54 of this title; ~~or~~ TITLE 22;

(V) The "Children's Internet Protection Act", article 87 of this title TITLE 22; OR

(VI) THE REQUIREMENT TO POST ON THE INTERNET THE STATUTES FOR WHICH WAIVERS ARE GRANTED AS PROVIDED IN SECTION 22-44-305.

**SECTION 9.** In Colorado Revised Statutes, add 22-30.5-513.1 as follows:

**22-30.5-513.1. Mill levy equalization - fund created - legislative declaration.** (1) THE GENERAL ASSEMBLY FINDS THAT SCHOOL DISTRICTS RECEIVE SIGNIFICANT OPERATING REVENUE FROM MILL LEVIES THAT ARE IN ADDITION TO THE SCHOOL DISTRICTS' TOTAL PROGRAM MILL LEVY. THIS ADDITIONAL REVENUE HELPS SCHOOL DISTRICTS OFFSET THE EFFECTS OF THE BUDGET ADJUSTMENT IMPOSED BY SECTION 22-54-104 (5)(g). THE GENERAL ASSEMBLY FURTHER FINDS THAT INSTITUTE CHARTER SCHOOLS DO NOT HAVE ACCESS TO ADDITIONAL REVENUE FROM A LOCAL PROPERTY TAX MILL LEVY. THE GENERAL ASSEMBLY FINDS, THEREFORE, THAT IT IS APPROPRIATE TO CONSIDER ADDITIONAL STATE EQUALIZATION FUNDING FOR INSTITUTE CHARTER SCHOOLS.

(2) (a) THE MILL LEVY EQUALIZATION FUND, REFERRED TO IN THIS SECTION AS THE "FUND", IS HEREBY CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF ANY AMOUNT THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND. THE STATE TREASURER SHALL CREDIT TO THE FUND ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND.

(b) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE INSTITUTE SHALL ANNUALLY DISTRIBUTE THE MONEY APPROPRIATED OR TRANSFERRED TO THE FUND TO THE INSTITUTE CHARTER SCHOOLS ON AN EQUAL PER-PUPIL BASIS; EXCEPT THAT, IN ANY BUDGET YEAR, AN INSTITUTE CHARTER SCHOOL SHALL NOT RECEIVE A PER PUPIL AMOUNT THAT IS GREATER THAN THE TOTAL AMOUNT OF ADDITIONAL MILL LEVY REVENUE, AS DEFINED IN SECTION 22-32-108.5, THAT THE ACCOUNTING DISTRICT FOR THE INSTITUTE CHARTER SCHOOL IS AUTHORIZED TO COLLECT, DIVIDED BY THE FUNDED PUPIL COUNT, AS

DEFINED IN SECTION 22-54-103, OF THE ACCOUNTING DISTRICT FOR THE APPLICABLE BUDGET YEAR. THE MONEY DISTRIBUTED PURSUANT TO THIS SECTION IS IN ADDITION TO MONEY DISTRIBUTED TO INSTITUTE CHARTER SCHOOLS PURSUANT TO SECTION 22-30.5-513.

**SECTION 10. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.



Crisanta Duran  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES



Kevin J. Grantham  
PRESIDENT OF  
THE SENATE



Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

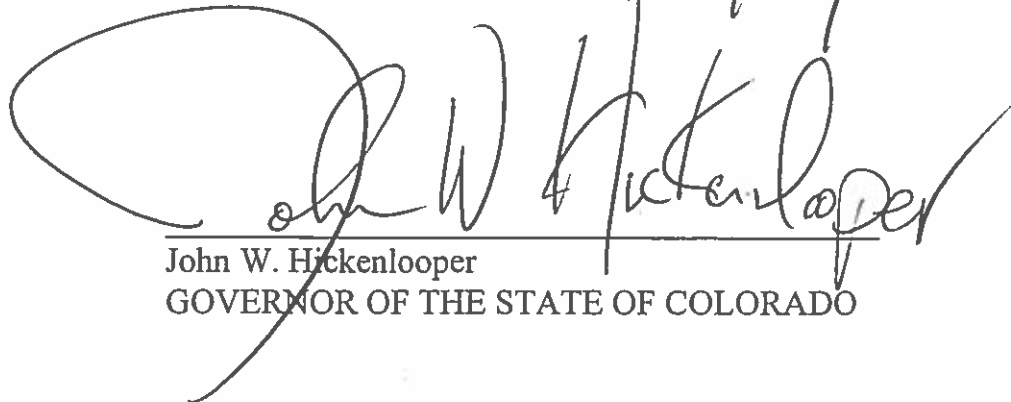


Effie Ameen  
SECRETARY OF  
THE SENATE

APPROVED

9:19 am

6/2/17



John W. Hickenlooper  
GOVERNOR OF THE STATE OF COLORADO