

**First Regular Session
Seventy-first General Assembly
STATE OF COLORADO**

ENGROSSED

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

LLS NO. 17-0919.01 Brita Darling x2241

SENATE BILL 17-173

SENATE SPONSORSHIP

Lambert, Lundberg, Moreno

HOUSE SPONSORSHIP

Hamner, Young, Rankin

Senate Committees
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING ADJUSTMENTS IN THE AMOUNT OF TOTAL PROGRAM**
102 **FUNDING FOR PUBLIC SCHOOLS FOR THE 2016-17 BUDGET YEAR,**
103 **AND, IN 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 <http://leg.colorado.gov/>.)

Joint Budget Committee. The general assembly recognizes that the actual funded pupil count and the actual at-risk pupil count were less than anticipated during the 2016 legislative session. In addition, local property tax and specific ownership tax receipts were less than anticipated, reducing the local share of total program funding. The bill

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

SENATE
2nd Reading Unamended
February 9, 2017

reflects the general assembly's intent to maintain the state share of school districts' total program funding at the level of the original appropriation during the 2016 legislative session, and to adjust total program funding, after application of the negative factor, to reflect a reduction in the negative factor.

The bill appropriates \$3,950 cash funds from the state education fund to align the hold-harmless full-day kindergarten funding with the change in total program funding.

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

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

4 (a) The actual funded pupil count and the actual at-risk pupil
5 count were less than anticipated when the appropriation was established
6 during the 2016 regular legislative session for total program funding for
7 the 2016-17 budget year. As a result, total program funding is
8 \$25,499,673 less than the appropriation made during the 2016 legislative
9 session.

10 (b) In addition, based on the actual local property tax and specific
11 ownership taxes available to school districts for the 2016-17 budget year,
12 the local share of total program funding is \$23,077,754 less than
13 anticipated when appropriations were established during the 2016 regular
14 legislative session; and

15 (c) Although the reduction in total program funding due to a lower
16 than anticipated funded pupil count and at-risk pupil count more than
17 offsets the decrease in the local share of total program funding, the
18 general assembly's intent is to maintain the state share of school districts'
19 total program funding at the level of the original appropriation during the
20 2016 legislative session, and to adjust total program funding, after
21 application of the negative factor, to reflect a reduction in the negative

1 factor.

2 (2) Now, therefore, the general assembly finds it necessary to
3 revise total program funding for the 2016-17 budget year.

4 **SECTION 2.** In Colorado Revised Statutes, 22-54-104, **amend**
5 (5)(g)(I) introductory portion and (5)(g)(I)(G) as follows:

6 **22-54-104. District total program - definitions.** (5) For
7 purposes of the formulas used in this section:

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

19 (G) That, for the 2016-17 budget year, the sum of the total
20 program funding for all districts, including the funding for institute
21 charter schools, after application of the negative factor, is not less than ~~six~~
22 ~~billion three hundred ninety-four million five hundred twenty-eight~~
23 ~~thousand nine hundred thirty-one dollars (\$6,394,528,931)~~ SIX BILLION
24 THREE HUNDRED SEVENTY-TWO MILLION TWO HUNDRED EIGHTY-FOUR
25 THOUSAND ONE HUNDRED NINETY-FOUR DOLLARS (\$6,372,284,194);
26 except that the department of education and the staff of the legislative
27 council shall make mid-year revisions to replace projections with actual

1 figures, including but not limited to actual pupil enrollment, assessed
2 valuations, and specific ownership tax revenue from the prior year, to
3 determine any necessary changes in the amount of the reduction to
4 maintain a total program funding amount for the applicable budget year
5 that is consistent with this ~~sub-subparagraph (G)~~ SUBSECTION
6 (5)(g)(I)(G). For the 2017-18 budget year, the difference between
7 calculated statewide total program funding and actual statewide total
8 program funding must not exceed the difference between calculated
9 statewide total program funding and actual statewide total program
10 funding for the 2016-17 budget year.

APPROPRIATION FROM

	ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$
1	SECTION 3. Appropriation to the department of education for the fiscal year beginning July 1, 2016. In Session Laws of Colorado 2016, section 2 of chapter 385, (HB						
2	16-1405), amend Part III (2)(A) as follows:						
3	Section 2. Appropriation.						
4	PART III						
5	DEPARTMENT OF EDUCATION						
6							
7	(2) ASSISTANCE TO PUBLIC SCHOOLS						
8	(A) Public School Finance						
9	Administration	1,776,557			155,354 ^a	1,621,203 ^b	
10					(0.9 FTE)	(17.0 FTE)	
11	State Share of Districts'						
12	Total Program Funding ⁵	4,115,002,841	2,717,820,995	873,835,000 ^c	523,346,846 ^d		
13	Hold-harmless Full-day						
14	Kindergarten Funding	7,922,486			7,922,486^e		
15		7,926,436			7,926,436 ^e		

APPROPRIATION FROM

	ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$
1	District Per Pupil						
2	Reimbursements for						
3	Juveniles Held in Jail	10,000			10,000 ^e		
4	At-risk Supplemental Aid	5,094,358			5,094,358 ^f		
5	At-risk Per Pupil						
6	Additional Funding	5,000,000			5,000,000 ^f		
7		<u>4,134,806,242</u>					
8		4,134,810,192					
9							

10 ^a Of this amount, \$83,329 shall be from the State Education Fund created in Section 17 (4) (a) of Article IX of the State Constitution and \$72,025 shall be from the Public Education
11 Fund created in Section 39-22-4203 (1), C.R.S. Pursuant to Section 17 (3) of Article IX of the State Constitution, appropriations from the State Education Fund are not subject to the
12 limitation on fiscal year spending set forth in Section 20 of Article X of the State Constitution.

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

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

APPROPRIATION FROM

	ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$

^d Of this amount, \$467,093,497 shall be from the State Education Fund created in Section 17 (4) (a) of Article IX of the State Constitution and \$56,253,349 shall be from the State Public School Fund created in Section 22-54-114 (1), C.R.S. Pursuant to Section 17 (3) of Article IX of the State Constitution, appropriations from the State Education Fund are not subject to the limitation on fiscal year spending set forth in Section 20 of Article X of the State Constitution. Of the amount appropriated from the State Public School Fund, \$47,855,831 is estimated to be from federal mineral leasing revenues transferred to the State Public School Fund pursuant to Sections 22-54-114 (1) and 34-63-102, C.R.S., and \$8,397,518 is estimated to be from interest and income earned on the investment of money in the Public School Fund that is credited to the State Public School Fund pursuant to Section 22-41-102 (3) (d), C.R.S.

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

^f These amounts shall be from the State Public School Fund created in Section 22-54-114 (1), C.R.S., from interest and income earned on the investment of money in the Public School Fund that is credited to the State Public School Fund pursuant to Section 22-41-102 (3) (d), C.R.S.

TOTALS PART III

(EDUCATION)	\$5,452,310,190	\$2,891,189,305	\$873,835,000 ^a	\$1,005,881,952 ^b	\$33,075,421 ^c	\$648,328,512 ^d
	<u>5,452,314,140</u>			<u>\$1,005,885,902^b</u>		

APPROPRIATION FROM

ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
\$	\$	\$	\$	\$	\$	\$

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

2 ^b Of this amount, \$3,403,844 contains an (I) notation.

3 ^c Of this amount, \$16,931,760 contains an (I) notation.

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

5

1 **SECTION 4. Safety clause.** The general assembly hereby finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, and safety.