

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

INTRODUCED

LLS NO. 21-0852.01 Brita Darling x2241

HOUSE BILL 21-1325

HOUSE SPONSORSHIP

McCluskie and Herod, Garnett, Esgar, McLachlan

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Zenzinger and Rankin, Lundeen

House Committees
Education

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING CHANGES TO THE METHOD FOR FUNDING PUBLIC**
102 **SCHOOLS, AND, IN CONNECTION THEREWITH, AMENDING THE**
103 **"PUBLIC SCHOOL FINANCE ACT OF 1994" AND ESTABLISHING A**
104 **SCHOOL FINANCE LEGISLATIVE INTERIM COMMITTEE.**

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>.)

The bill makes the following changes to the "Public School Finance Act of 1994" (school finance formula), commencing with the 2021-22 budget year:

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

- Modifies at-risk funding by adding pupils who are eligible for reduced-price lunch under the federal school lunch program, in addition to the free-lunch pupils in the existing definition, and removing from the definition of "at-risk pupils" the subset of English language learners who are currently included in the at-risk pupil count;
- Adds a new English language learner funding factor to the school finance formula for all English language learners included in the prior year's pupil enrollment. The factor is 8% of per pupil funding multiplied by the English language learner enrollment, as defined in the bill.
- Makes corresponding changes to the calculation of district total program funding, minimum per pupil funding, and the minimum per pupil funding base to reflect the school finance formula changes relating to English language learner factor funding; and
- Makes a corresponding change to the statutory district total program amount to reflect the changes to the at-risk funding factor and the addition of the English language learner funding factor.

The bill includes the general assembly's finding that state education fund money may be used for the school finance formula changes in the bill.

Beginning in the 2022-23 budget year, the bill directs the department of education to calculate an override mill match amount for distribution to each school district that is levying 27 mills for total program and that would have to levy more than 30 mills to reach the maximum amount of mill levy override revenue permitted by law. The bill specifies a formula for calculating the amount of the distributions. The bill creates the mill levy override match fund (fund) and the actual mill match amount distributed to school districts is subject to annual appropriations to the fund. A school district must distribute a portion of the override mill match amount that it receives to the charter schools of the school district in the same way it distributes mill levy override revenue.

The bill creates the legislative interim committee on school finance (interim committee). The interim committee will meet during the 2021 and the 2022 legislative interims. The committee consists of 4 senators and 4 representatives with equal representation from each party. The bill specifies the issues the interim committee must consider.

The interim committee will contract with a qualified third-party vendor to study approaches to better measure student economic disadvantage in Colorado in addition to or in lieu of using eligibility for the federal school lunch program as a proxy for at-risk students.

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

2 **SECTION 1.** In Colorado Revised Statutes, 22-54-102, **add** (5)
3 as follows:

4 **22-54-102. Legislative declaration - statewide applicability -**
5 **intergovernmental agreements.** (5) (a) THE GENERAL ASSEMBLY FINDS
6 THAT, DUE TO THE COVID-19 PANDEMIC BEGINNING DURING THE 2019-20
7 SCHOOL YEAR, COLORADO'S PUBLIC EDUCATION SYSTEM HAS FACED
8 SIGNIFICANT DISRUPTIONS TO THE DELIVERY OF CLASSROOM INSTRUCTION,
9 STUDENT LEARNING, AND ACCESS TO CRITICALLY NECESSARY
10 NUTRITIONAL, HEALTH, AND SOCIAL-EMOTIONAL SUPPORT SERVICES.
11 THEREFORE, THE GENERAL ASSEMBLY FINDS THAT:

12 (I) A WORLD-CLASS PUBLIC EDUCATION IS CRITICAL TO MEETING
13 THE WORKFORCE DEMANDS FOR COLORADO'S ECONOMY;

14 (II) THE CHANGING REALITIES OF COLORADO'S POST-PANDEMIC
15 ECONOMY DEMAND THAT STUDENTS BE AGILE LEARNERS ABLE TO
16 CONTINUOUSLY LEARN, ADAPT, AND SHIFT INTO NEW ROLES BY
17 DEVELOPING CRITICAL THINKING, COLLABORATION, AND
18 PROBLEM-SOLVING SKILLS; AND

19 (III) THE NEEDS OF THE STATE REQUIRE THAT ALL STUDENTS,
20 INCLUDING THOSE WHO ARE UNDERSERVED OR FACE SIGNIFICANT
21 CHALLENGES IN MEETING COLORADO'S GRADUATION GUIDELINES,
22 COMPLETE HIGH SCHOOL CAREER AND COLLEGE READY.

23 (b) TO PROVIDE EACH CHILD IN THIS STATE WITH A HIGH-QUALITY
24 PUBLIC EDUCATION, THE GENERAL ASSEMBLY DECLARES THAT
25 COLORADO'S PUBLIC SCHOOL FINANCE FORMULA MUST BE REDESIGNED
26 AND MODERNIZED TO:

1 (I) PRIORITIZE EQUITY, FOCUSING ON INDIVIDUAL STUDENT NEEDS
2 BY INCREASING THE FUNDING FOR STUDENTS WHO ARE ECONOMICALLY
3 DISADVANTAGED AND STUDENTS WHO ARE ENGLISH LANGUAGE
4 LEARNERS; AND

5 (II) ADDRESS THE INEQUITIES IN SCHOOL DISTRICT FUNDING THAT
6 ARISE FROM THE DRAMATIC DIFFERENCES IN LOCAL PROPERTY WEALTH
7 AND MILL LEVY OVERRIDES.

8 (c) FURTHER, THE GENERAL ASSEMBLY DECLARES THAT, BECAUSE
9 ENGLISH LANGUAGE LEARNER ENROLLMENT FUNDING WILL NOW BE
10 INCLUDED IN THE SCHOOL FINANCE FORMULA, IT IS APPROPRIATE TO FUND
11 THIS INCLUSION BY REDIRECTING TO THE STATE SHARE OF TOTAL PROGRAM
12 THE AMOUNT PREVIOUSLY APPROPRIATED FOR THE PROFESSIONAL
13 DEVELOPMENT AND STUDENT SUPPORT PROGRAM CREATED IN SECTION
14 22-24-108. THE GENERAL ASSEMBLY FURTHER DECLARES THAT THE
15 REMAINING COSTS OF THE SCHOOL FINANCE FORMULA CHANGES ARE
16 OFFSET BY THE SAVINGS TO THE STATE SHARE OF TOTAL PROGRAM THAT
17 OCCUR AS A RESULT OF CORRECTING THE UNAUTHORIZED REDUCTIONS IN
18 DISTRICT PROPERTY TAX MILL LEVIES AS PROVIDED IN SECTION 22-54-106
19 (2.1).

20 **SECTION 2.** In Colorado Revised Statutes, 22-54-103, **amend**
21 (1.5) and (10)(f); and **add** (6.5) as follows:

22 **22-54-103. Definitions.** As used in this article 54, unless the
23 context otherwise requires:

24 (1.5) (a) "At-risk pupils" means:

25 (I) to (IV) Repealed.

26 (V) For the 2005-06 budget year ~~and budget years thereafter~~
27 THROUGH THE 2020-21 BUDGET YEAR, the number of district pupils who

1 are English language learners plus the greater of:

2 (A) The number of district pupils eligible for free lunch; or

3 (B) The number of pupils calculated in accordance with the
4 following formula:

5 District percentage of pupils eligible for free lunch x
6 District pupil enrollment.

7 (VI) FOR THE 2021-22 BUDGET YEAR AND BUDGET YEARS
8 THEREAFTER, THE GREATER OF:

9 (A) THE NUMBER OF DISTRICT PUPILS ELIGIBLE FOR FREE OR
10 REDUCED-PRICE LUNCH; OR

11 (B) THE NUMBER OF PUPILS CALCULATED IN ACCORDANCE WITH
12 THE FOLLOWING FORMULA:

13 DISTRICT PERCENTAGE OF PUPILS ELIGIBLE FOR FREE OR
14 REDUCED-PRICE LUNCH X DISTRICT PUPIL ENROLLMENT.

15 (b) For purposes of ~~this~~ SUBSECTION (1.5)(a)(V) OF THIS SECTION:

16 (I) "District percentage of pupils eligible for free lunch" means the
17 district pupils eligible for free lunch in grades one through eight divided
18 by the district pupil enrollment in grades one through eight.

19 (II) "District pupil enrollment" means the pupil enrollment of the
20 district, as determined in accordance with subsection (10) of this section,
21 minus the number of pupils enrolled in the Colorado preschool program
22 pursuant to article 28 of this ~~title~~ TITLE 22 and the number of
23 three-year-old or four-year-old pupils with disabilities receiving
24 educational programs pursuant to article 20 of this ~~title~~ TITLE 22.

25 (III) "District pupils eligible for free lunch" means the number of
26 pupils included in the district pupil enrollment who are eligible for free
27 lunch pursuant to the provisions of the federal "Richard B. Russell

1 National School Lunch Act", 42 U.S.C. sec. 1751 et seq.

2 (IV) "District pupils who are English language learners" means
3 the number of pupils included in the district pupil enrollment for the
4 preceding budget year who were not eligible for free lunch pursuant to the
5 provisions of the federal "Richard B. Russell National School Lunch
6 Act", 42 U.S.C. sec. 1751 et seq., and who are English language learners,
7 as defined in section 22-24-103 (4), and:

8 (A) Whose scores were not included in calculating school
9 academic performance grades as provided in section 22-7-1006.3; or

10 (B) Who took an assessment administered pursuant to section
11 22-7-1006.3 in a language other than English.

12 (c) FOR PURPOSES OF SUBSECTION (1.5)(a)(VI) OF THIS SECTION:

13 (I) "DISTRICT PERCENTAGE OF PUPILS ELIGIBLE FOR FREE OR
14 REDUCED-PRICE LUNCH" MEANS THE DISTRICT PUPILS ELIGIBLE FOR FREE
15 OR REDUCED-PRICE LUNCH IN GRADES ONE THROUGH EIGHT DIVIDED BY
16 THE DISTRICT PUPIL ENROLLMENT IN GRADES ONE THROUGH EIGHT.

17 (II) "DISTRICT PUPIL ENROLLMENT" MEANS THE PUPIL
18 ENROLLMENT OF THE DISTRICT, AS DETERMINED IN ACCORDANCE WITH
19 SUBSECTION (10) OF THIS SECTION, MINUS THE NUMBER OF PUPILS
20 ENROLLED IN THE COLORADO PRESCHOOL PROGRAM PURSUANT TO
21 ARTICLE 28 OF THIS TITLE 22 AND THE NUMBER OF THREE-YEAR-OLD OR
22 FOUR-YEAR-OLD PUPILS WITH DISABILITIES RECEIVING EDUCATIONAL
23 PROGRAMS PURSUANT TO ARTICLE 20 OF THIS TITLE 22.

24 (III) "DISTRICT PUPILS ELIGIBLE FOR FREE OR REDUCED-PRICE
25 LUNCH" MEANS THE NUMBER OF PUPILS INCLUDED IN THE DISTRICT PUPIL
26 ENROLLMENT WHO ARE ELIGIBLE FOR FREE OR REDUCED-PRICE LUNCH
27 PURSUANT TO THE PROVISIONS OF THE FEDERAL "RICHARD B. RUSSELL

1 NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ.

2 ~~(e)~~(d) For purposes of this subsection (1.5), at-risk pupils shall be
3 ARE counted in the same manner as pupils are counted pursuant to
4 subsection (10) of this section.

5 (6.5) "ENGLISH LANGUAGE LEARNER ENROLLMENT" MEANS THE
6 NUMBER OF PUPILS ENROLLED IN THE DISTRICT FOR THE PRECEDING
7 BUDGET YEAR WHO WERE ENGLISH LANGUAGE LEARNERS, AS DEFINED IN
8 SECTION 22-24-103 (4), AND FOR WHOM THE DISTRICT RECEIVED FUNDING
9 PURSUANT TO SECTION 22-24-104 (3)(b).

10 (10) (f) In certifying the district's pupil enrollment to the state
11 board pursuant to the provisions of section 22-54-112, the district shall
12 specify the number of pupils enrolled in kindergarten through twelfth
13 grade, specifying those who are enrolled as full-time pupils and those
14 who are enrolled as less than full-time pupils; the number of expelled
15 pupils receiving educational services pursuant to section 22-33-203; the
16 number of pupils enrolled in the district's preschool program; the number
17 of pupils receiving educational programs under the "Exceptional
18 Children's Educational Act", article 20 of this title 22; ~~and~~ the number of
19 at-risk pupils; AND THE NUMBER OF PUPILS INCLUDED IN THE DISTRICT'S
20 ENGLISH LANGUAGE LEARNER ENROLLMENT.

21 **SECTION 3.** In Colorado Revised Statutes, 22-54-104, **amend**
22 (2)(a)(IX) introductory portion, (2)(b) introductory portion, (2)(b)(II),
23 (3.5) introductory portion, and (3.5)(d)(III); and **add** (2)(a)(X),
24 (3.5)(d)(IV), and (4.3) as follows:

25 **22-54-104. District total program - definitions.**
26 (2) (a) (IX) Except as otherwise provided in this subsection (2),
27 ~~paragraph (g) of subsection (5) or subsection (6)~~ SUBSECTION (5)(g) of

1 this section, or section 22-54-104.3, a district's total program for the
2 2009-10 budget year ~~and budget years thereafter shall be~~ THROUGH THE
3 2020-21 BUDGET YEAR IS the greater of the following:

4 (X) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION (2),
5 SUBSECTION (5)(g) OF THIS SECTION, OR SECTION 22-54-104.3, A
6 DISTRICT'S TOTAL PROGRAM FOR THE 2021-22 BUDGET YEAR AND BUDGET
7 YEARS THEREAFTER IS THE GREATER OF THE FOLLOWING:

8 (A) (DISTRICT PER PUPIL FUNDING X (DISTRICT FUNDED PUPIL
9 COUNT - DISTRICT ONLINE PUPIL ENROLLMENT - DISTRICT EXTENDED HIGH
10 SCHOOL PUPIL ENROLLMENT)) + DISTRICT AT-RISK FUNDING + DISTRICT
11 ENGLISH LANGUAGE LEARNER FUNDING + DISTRICT ONLINE FUNDING +
12 DISTRICT EXTENDED HIGH SCHOOL FUNDING; OR

13 (B) (MINIMUM PER PUPIL FUNDING X (DISTRICT FUNDED PUPIL
14 COUNT - DISTRICT ONLINE PUPIL ENROLLMENT - DISTRICT EXTENDED HIGH
15 SCHOOL PUPIL ENROLLMENT)) + DISTRICT ONLINE FUNDING + DISTRICT
16 EXTENDED HIGH SCHOOL FUNDING.

17 (b) If the district percentage of at-risk pupils is greater than the
18 statewide average percentage of at-risk pupils and the district's funded
19 pupil count is greater than four hundred fifty-nine, the district's total
20 program ~~shall be~~ IS the lesser of:

21 (II) (A) FOR THE 2009-10 BUDGET YEAR THROUGH THE 2020-21
22 BUDGET YEAR, the district's total program as calculated by: Adding the
23 amount determined by multiplying the district's per pupil funding by four
24 hundred fifty-nine to the amount determined by multiplying 12% of the
25 district's per pupil funding by the district's at-risk pupils; then dividing the
26 sum of those two amounts by four hundred fifty-nine; then multiplying
27 the resulting amount by the district's funded pupil count minus the

1 district's online pupil enrollment; and then adding the district's online
2 funding.

3 (A.5) FOR THE 2021-22 BUDGET YEAR AND BUDGET YEARS
4 THEREAFTER, THE DISTRICT'S TOTAL PROGRAM AS CALCULATED BY:
5 ADDING THE AMOUNT DETERMINED BY MULTIPLYING THE DISTRICT'S PER
6 PUPIL FUNDING BY FOUR HUNDRED FIFTY-NINE TO THE AMOUNT
7 DETERMINED BY MULTIPLYING 12% OF THE DISTRICT'S PER PUPIL FUNDING
8 BY THE DISTRICT'S AT-RISK PUPILS AND THE AMOUNT DETERMINED BY
9 MULTIPLYING 8% OF THE DISTRICT'S PER PUPIL FUNDING BY THE DISTRICT'S
10 ENGLISH LANGUAGE LEARNER ENROLLMENT; THEN DIVIDING THE SUM OF
11 THOSE THREE AMOUNTS BY FOUR HUNDRED FIFTY-NINE; THEN
12 MULTIPLYING THE RESULTING AMOUNT BY THE DISTRICT'S FUNDED PUPIL
13 COUNT MINUS THE DISTRICT'S ONLINE PUPIL ENROLLMENT AND MINUS THE
14 DISTRICT'S EXTENDED HIGH SCHOOL PUPIL ENROLLMENT; AND THEN
15 ADDING THE DISTRICT'S ONLINE FUNDING AND ADDING THE DISTRICT'S
16 EXTENDED HIGH SCHOOL FUNDING.

17 (B) For purposes of ~~sub-subparagraph (A) of this subparagraph~~
18 ~~(H)~~ SUBSECTIONS (2)(b)(II)(A) AND (2)(b)(II)(A.5) OF THIS SECTION only,
19 a district's per pupil funding ~~shall be~~ IS calculated by establishing the
20 district's per pupil funding in accordance with subsection (3) of this
21 section except using the size factor for a district with a funded pupil count
22 of four hundred fifty-nine and not the district's actual size factor.

23 (3.5) Minimum per pupil funding ~~shall be~~ IS:

24 (d) (III) (A) As used in this subsection (3.5), for the 2009-10
25 budget year ~~and budget years thereafter~~ THROUGH THE 2020-21 BUDGET
26 YEAR, "minimum per pupil funding base" means the total of the
27 calculation specified in ~~sub-subparagraph (B) of this subparagraph (H)~~

1 SUBSECTION (3.5)(d)(III)(B) OF THIS SECTION for all districts for the
2 budget year divided by the statewide funded pupil count minus the
3 statewide online pupil enrollment and minus the statewide extended high
4 school pupil enrollment, for said budget year.

5 (B) The following calculation ~~shall be~~ IS used for the purpose of
6 determining the minimum per pupil funding base pursuant to this
7 ~~subparagraph (H)~~ SUBSECTION (3.5)(d)(III):

8 (District per pupil funding x (District funded pupil count -
9 District online pupil enrollment - District extended high
10 school pupil enrollment)) + District at-risk funding.

11 (IV) (A) AS USED IN THIS SUBSECTION (3.5), FOR THE 2021-22
12 BUDGET YEAR AND BUDGET YEARS THEREAFTER, "MINIMUM PER PUPIL
13 FUNDING BASE" MEANS THE TOTAL OF THE CALCULATION SPECIFIED IN
14 SUBSECTION (3.5)(d)(IV)(B) OF THIS SECTION FOR ALL DISTRICTS FOR THE
15 BUDGET YEAR DIVIDED BY THE STATEWIDE FUNDED PUPIL COUNT MINUS
16 THE STATEWIDE ONLINE PUPIL ENROLLMENT AND MINUS THE STATEWIDE
17 EXTENDED HIGH SCHOOL PUPIL ENROLLMENT, FOR THE APPLICABLE
18 BUDGET YEAR.

19 (B) THE FOLLOWING CALCULATION IS USED TO DETERMINE THE
20 MINIMUM PER PUPIL FUNDING BASE PURSUANT TO THIS SUBSECTION
21 (3.5)(d)(IV):

22 (DISTRICT PER PUPIL FUNDING X (DISTRICT FUNDED PUPIL
23 COUNT - DISTRICT ONLINE PUPIL ENROLLMENT - DISTRICT
24 EXTENDED HIGH SCHOOL PUPIL ENROLLMENT)) + DISTRICT
25 AT-RISK FUNDING + DISTRICT ENGLISH LANGUAGE LEARNER
26 FUNDING.

27 (4.3) A DISTRICT'S ENGLISH LANGUAGE LEARNER FUNDING FOR

1 THE 2021-22 BUDGET YEAR AND BUDGET YEARS THEREAFTER IS
2 DETERMINED IN ACCORDANCE WITH THE FOLLOWING FORMULA:

3 (DISTRICT PER PUPIL FUNDING X 8%) X ENGLISH LANGUAGE
4 LEARNER ENROLLMENT.

5 **SECTION 4.** In Colorado Revised Statutes, 22-54-112, **add** (2.5)
6 as follows:

7 **22-54-112. Reports to the state board.** (2.5) (a) ON OR BEFORE
8 NOVEMBER 10, 2021, AND ON OR BEFORE NOVEMBER 10 OF EACH YEAR
9 THEREAFTER, THE SECRETARY OF THE BOARD OF EDUCATION OF EACH
10 DISTRICT SHALL CERTIFY TO THE STATE BOARD THE ENGLISH LANGUAGE
11 LEARNER ENROLLMENT OF THE DISTRICT.

12 (b) ON OR BEFORE NOVEMBER 10, 2021, AND ON OR BEFORE
13 NOVEMBER 10 OF EACH YEAR THEREAFTER, THE SECRETARY OF THE STATE
14 CHARTER SCHOOL INSTITUTE BOARD SHALL CERTIFY TO THE STATE BOARD
15 THE ENGLISH LANGUAGE LEARNER ENROLLMENT OF EACH INSTITUTE
16 CHARTER SCHOOL.

17 **SECTION 5.** In Colorado Revised Statutes, 22-54-104.2, **add** (4)
18 as follows:

19 **22-54-104.2. Legislative declaration.** (4) THE GENERAL
20 ASSEMBLY FINDS AND DECLARES THAT, FOR PURPOSES OF SECTION 17 OF
21 ARTICLE IX OF THE STATE CONSTITUTION, THE EXPANSION OF THE
22 DEFINITION OF "AT-RISK PUPILS", AS DEFINED IN SECTION 22-54-103
23 (1.5)(a)(VI), TO INCLUDE DISTRICT PUPILS ELIGIBLE FOR REDUCED-PRICE
24 LUNCH PURSUANT TO THE PROVISIONS OF THE FEDERAL "RICHARD B.
25 RUSSELL NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ.,
26 AND THE ADDITION OF ENGLISH LANGUAGE LEARNER FUNDING PURSUANT
27 TO SECTION 22-54-104(4.3) ARE IMPORTANT ELEMENTS OF ACCOUNTABLE

1 PROGRAMS TO MEET STATE ACADEMIC STANDARDS AND MAY THEREFORE
2 RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION
3 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

4 **SECTION 6.** In Colorado Revised Statutes, 22-54-104, **amend**
5 **as amended by Senate Bill 21-268 (5)(g)(I)(L)** as follows:

6 **22-54-104. District total program - definitions.** (5) For purposes
7 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 budget stabilization factor as provided in this subsection (5)(g)(I).
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 (L) That, for the 2021-22 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 budget stabilization factor, is not
22 less than ~~seven billion eight hundred seventy million twenty-seven~~
23 ~~thousand nine hundred sixty-five dollars (\$7,870,027,965)~~ SEVEN BILLION
24 NINE HUNDRED EIGHTY-EIGHT MILLION FIVE HUNDRED TWENTY-SEVEN
25 THOUSAND SEVEN HUNDRED ELEVEN DOLLARS (\$7,988,527,711); except
26 that the department of education and the staff of the legislative council
27 shall make mid-year revisions to replace projections with actual figures,

1 including but not limited to actual pupil enrollment, assessed valuations,
2 and specific ownership tax revenue from the prior year, to determine any
3 necessary changes in the amount of the reduction to maintain a total
4 program funding amount for the applicable budget year that is consistent
5 with this subsection (5)(g)(I)(L). For the 2022-23 budget year, the
6 difference between calculated statewide total program funding and actual
7 statewide total program funding must not exceed the difference between
8 calculated statewide total program funding and actual statewide total
9 program funding for the 2021-22 budget year.

10 **SECTION 7.** In Colorado Revised Statutes, **add** 22-54-107.9 as
11 follows:

12 **22-54-107.9. Override mill levy match - calculation -**
13 **distribution - fund created - definitions.** (1) AS USED IN THIS SECTION,
14 UNLESS THE CONTEXT OTHERWISE REQUIRES:

15 (a) "DEPARTMENT" MEANS THE DEPARTMENT OF EDUCATION
16 CREATED PURSUANT TO SECTION 24-1-115.

17 (b) "ELIGIBLE DISTRICT" MEANS A DISTRICT THAT LEVIES
18 TWENTY-SEVEN MILLS FOR THE LOCAL SHARE OF TOTAL PROGRAM
19 PURSUANT TO SECTION 22-54-106 (2.1)(c)(IV) AND WHOSE PROJECTED
20 MAXIMUM NUMBER OF OVERRIDE MILLS IS MORE THAN THIRTY MILLS.

21 (c) "FUND" MEANS THE MILL LEVY OVERRIDE MATCH FUND
22 CREATED IN SUBSECTION (3) OF THIS SECTION.

23 (d) "MAXIMUM MATCH AMOUNT" MEANS AN ELIGIBLE DISTRICT'S
24 PROJECTED MAXIMUM NUMBER OF OVERRIDE MILLS FOR THE APPLICABLE
25 PROPERTY TAX YEAR MINUS THIRTY MILLS, MULTIPLIED BY THE ELIGIBLE
26 DISTRICT'S ASSESSED PROPERTY VALUE FOR THE APPLICABLE PROPERTY
27 TAX YEAR, DIVIDED BY ONE THOUSAND.

1 (e) "OVERRIDE MILLS" MEANS PROPERTY TAX MILLS THAT A
2 DISTRICT LEVIES PURSUANT TO SECTION 22-54-108.

3 (f) "PERCENTAGE OF EFFORT" MEANS THE NUMBER OF OVERRIDE
4 MILLS THAT AN ELIGIBLE DISTRICT LEVIES IN THE PRECEDING PROPERTY
5 TAX YEAR, DIVIDED BY THIRTY, ROUNDED TO THE NEAREST HUNDREDTH.

6 (g) "PROJECTED MAXIMUM NUMBER OF OVERRIDE MILLS" MEANS
7 THE NUMBER OF MILLS THAT WOULD GENERATE PROPERTY TAX REVENUE
8 FOR A DISTRICT IN THE APPLICABLE PROPERTY TAX YEAR IN AN AMOUNT
9 EQUAL TO THE LIMIT ON ADDITIONAL LOCAL PROPERTY TAX REVENUE
10 DESCRIBED IN SECTION 22-54-108 (3)(b)(III) OR (3)(b)(IV), WHICHEVER
11 APPLIES TO THE DISTRICT.

12 (2) (a) BEGINNING IN THE 2022-23 BUDGET YEAR AND FOR EACH
13 BUDGET YEAR THEREAFTER, THE DEPARTMENT SHALL ANNUALLY
14 DISTRIBUTE TO EACH ELIGIBLE DISTRICT THE ELIGIBLE DISTRICT'S
15 OVERRIDE MILL MATCH AMOUNT CALCULATED AS THE ELIGIBLE DISTRICT'S
16 PERCENTAGE OF EFFORT MULTIPLIED BY THE ELIGIBLE DISTRICT'S
17 MAXIMUM MATCH AMOUNT. THE DEPARTMENT SHALL DISTRIBUTE THE
18 OVERRIDE MILL MATCH AMOUNTS FROM THE MONEY APPROPRIATED TO
19 THE FUND.

20 (b) IN A BUDGET YEAR IN WHICH THE GENERAL ASSEMBLY DOES
21 NOT APPROPRIATE A SUFFICIENT AMOUNT TO FULLY FUND THE
22 DISTRIBUTIONS CALCULATED PURSUANT TO THIS SUBSECTION (2), THE
23 DEPARTMENT SHALL REDUCE THE AMOUNT OF EACH ELIGIBLE DISTRICT'S
24 DISTRIBUTION BY THE SAME PERCENTAGE THAT THE DEFICIT BEARS TO THE
25 AMOUNT REQUIRED TO FULLY FUND THE DISTRIBUTIONS AUTHORIZED BY
26 THIS SUBSECTION (2).

27 (c) THE OVERRIDE MILL MATCH AMOUNT THAT A DISTRICT

1 RECEIVES PURSUANT TO THIS SECTION IS DEEMED TO BE ADDITIONAL MILL
2 LEVY REVENUE THAT IS SUBJECT TO DISTRIBUTION TO THE CHARTER
3 SCHOOLS OF THE DISTRICT IN THE SAME MANNER THAT THE DISTRICT
4 DISTRIBUTES OTHER ADDITIONAL MILL LEVY REVENUE THAT IT COLLECTS
5 TO THE CHARTER SCHOOLS OF THE DISTRICT PURSUANT TO SECTION
6 22-32-108.5.

7 (d) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT DISTRICTS
8 USE A PORTION OF THE OVERRIDE MILL MATCH AMOUNT TO INCREASE THE
9 SALARIES PAID TO EDUCATORS THAT THE DISTRICTS EMPLOY.

10 (3) THE MILL LEVY OVERRIDE MATCH FUND IS CREATED IN THE
11 STATE TREASURY. THE FUND CONSISTS OF MONEY APPROPRIATED OR
12 TRANSFERRED TO THE FUND BY THE GENERAL ASSEMBLY. THE STATE
13 TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE
14 DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE FUND. SUBJECT
15 TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, FOR THE
16 2022-23 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, THE
17 DEPARTMENT SHALL DISTRIBUTE MONEY FROM THE FUND AS DESCRIBED
18 IN SUBSECTION (2) OF THIS SECTION. IN ADDITION, THE DEPARTMENT MAY
19 EXPEND A PORTION OF THE AMOUNT APPROPRIATED FROM THE FUND TO
20 PAY THE DIRECT COSTS THAT THE DEPARTMENT INCURS IN IMPLEMENTING
21 THIS SECTION.

22 **SECTION 8.** In Colorado Revised Statutes, **add** part 20 to article
23 2 of title 2 as follows:

24 PART 20

25 LEGISLATIVE INTERIM COMMITTEE ON SCHOOL FINANCE

26 **2-2-2001. Legislative interim committee on school finance -**
27 **creation.** (1) NOTWITHSTANDING SECTION 2-3-303.3, THERE IS CREATED

1 THE LEGISLATIVE INTERIM COMMITTEE ON SCHOOL FINANCE, REFERRED TO
2 IN THIS PART 20 AS THE "INTERIM COMMITTEE", TO STUDY THE ISSUES
3 DESCRIBED IN SECTION 2-2-2002 AND CONSIDER CHANGES TO THE "PUBLIC
4 SCHOOL FINANCE ACT OF 1994", ARTICLE 54 OF TITLE 22. IN ADDITION TO
5 MEETING DURING THE 2021 AND 2022 LEGISLATIVE INTERIMS, THE
6 INTERIM COMMITTEE MAY MEET DURING THE 2022 AND 2023 LEGISLATIVE
7 SESSIONS TO APPROVE LEGISLATION. THE INTERIM COMMITTEE CONSISTS
8 OF:

9 (a) FOUR MEMBERS OF THE SENATE, WITH TWO MEMBERS
10 APPOINTED BY THE PRESIDENT OF THE SENATE AND TWO MEMBERS
11 APPOINTED BY THE MINORITY LEADER OF THE SENATE; AND

12 (b) FOUR MEMBERS OF THE HOUSE OF REPRESENTATIVES, WITH
13 TWO MEMBERS APPOINTED BY THE SPEAKER OF THE HOUSE OF
14 REPRESENTATIVES AND TWO MEMBERS APPOINTED BY THE MINORITY
15 LEADER OF THE HOUSE OF REPRESENTATIVES.

16 (2) (a) THE APPOINTING AUTHORITIES SHALL APPOINT THE
17 MEMBERS OF THE INTERIM COMMITTEE AS SOON AS POSSIBLE AFTER THE
18 EFFECTIVE DATE OF THIS PART 20 BUT NOT LATER THAN THIRTY DAYS
19 AFTER THE EFFECTIVE DATE OF THIS PART 20. THE APPOINTING
20 AUTHORITIES SHALL, TO THE EXTENT PRACTICABLE, ENSURE THAT THE
21 MEMBERS OF THE INTERIM COMMITTEE REPRESENT SCHOOL DISTRICTS IN
22 ALL AREAS OF THE STATE, INCLUDING URBAN, SUBURBAN, AND RURAL
23 SCHOOL DISTRICTS, SCHOOL DISTRICTS WITH VARYING STUDENT
24 DEMOGRAPHICS, AND SCHOOL DISTRICTS OF VARYING WEALTH IN
25 PROPERTY VALUATION AND LOCAL REVENUE. IF A VACANCY ARISES ON
26 THE INTERIM COMMITTEE, THE APPROPRIATE APPOINTING AUTHORITY
27 SHALL APPOINT A MEMBER TO FILL THE VACANCY AS SOON AS POSSIBLE.

1 (b) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL
2 APPOINT THE CHAIR OF THE INTERIM COMMITTEE FOR THE TWO-YEAR TERM
3 OF THE INTERIM COMMITTEE, AND THE MINORITY LEADER OF THE SENATE
4 SHALL APPOINT THE VICE-CHAIR OF THE INTERIM COMMITTEE FOR THE
5 TWO-YEAR TERM OF THE INTERIM COMMITTEE. IN THE CASE OF A TIE VOTE,
6 THE CHAIR OF THE INTERIM COMMITTEE SHALL CAST AN ADDITIONAL
7 DECIDING VOTE.

8 (3) THE CHAIR OF THE INTERIM COMMITTEE SHALL SCHEDULE THE
9 FIRST MEETING OF THE INTERIM COMMITTEE TO BE HELD NOT LATER THAN
10 SIXTY DAYS AFTER THE EFFECTIVE DATE OF THIS PART 20. THE INTERIM
11 COMMITTEE MAY MEET UP TO FIVE TIMES DURING EACH INTERIM.

12 (4) THE CHAIR AND VICE-CHAIR OF THE INTERIM COMMITTEE MAY
13 APPOINT SUBCOMMITTEES. A SUBCOMMITTEE MAY INCLUDE MEMBERS OF
14 THE INTERIM COMMITTEE AND PERSONS WITH TECHNICAL EXPERTISE IN
15 SCHOOL FINANCE. MEMBERS OF A SUBCOMMITTEE SERVE WITHOUT
16 COMPENSATION AND WITHOUT REIMBURSEMENT FOR EXPENSES.

17 (5) THE DIRECTOR OF RESEARCH OF THE LEGISLATIVE COUNCIL
18 AND THE DIRECTOR OF THE OFFICE OF LEGISLATIVE LEGAL SERVICES SHALL
19 PROVIDE STAFF ASSISTANCE TO THE INTERIM COMMITTEE.

20 (6) THE INTERIM COMMITTEE MAY INTRODUCE UP TO A TOTAL OF
21 FIVE BILLS, JOINT RESOLUTIONS, AND CONCURRENT RESOLUTIONS IN THE
22 2022 AND 2023 LEGISLATIVE SESSIONS. BILLS THAT THE INTERIM
23 COMMITTEE INTRODUCES ARE EXEMPT FROM THE FIVE-BILL LIMITATION
24 SPECIFIED IN RULE 24 (b)(1)(A) OF THE JOINT RULES OF THE SENATE AND
25 THE HOUSE OF REPRESENTATIVES. JOINT RESOLUTIONS AND CONCURRENT
26 RESOLUTIONS THAT THE INTERIM COMMITTEE INTRODUCES ARE EXEMPT
27 FROM THE LIMITATIONS SET OUT IN RULE 26 (g) OF THE RULES OF THE

1 HOUSE OF REPRESENTATIVES AND RULE 30 (f) OF THE RULES OF THE
2 SENATE. THE INTERIM COMMITTEE IS EXEMPT FROM THE REQUIREMENT TO
3 REPORT BILLS OR OTHER MEASURES TO THE LEGISLATIVE COUNCIL AS
4 SPECIFIED IN RULE 24 (b)(1)(D) AND RULE 24A (d)(8) OF THE JOINT RULES
5 OF THE SENATE AND THE HOUSE OF REPRESENTATIVES AND IN SECTION
6 2-3-303 (1)(f). THE INTERIM COMMITTEE IS SUBJECT TO RULE 24A OF THE
7 JOINT RULES OF THE SENATE AND HOUSE OF REPRESENTATIVES, EXCEPT TO
8 THE EXTENT THAT THE RULE MAY CONFLICT WITH THIS PART 20. THE
9 INTERIM COMMITTEE MAY MEET DURING THE 2022 AND 2023 LEGISLATIVE
10 SESSIONS TO APPROVE LEGISLATION. BILLS RECOMMENDED BY THE
11 INTERIM COMMITTEE MUST BE INTRODUCED BY THE INTRODUCTION
12 DEADLINE FOR HOUSE BILLS SPECIFIED IN RULE 23 (a)(1) OF THE JOINT
13 RULES OF THE SENATE AND HOUSE OF REPRESENTATIVES. THE CHAIR AND
14 VICE-CHAIR SHALL JOINTLY ESTABLISH THE LAST DATE FOR THE SINGLE
15 MEETING AT WHICH THE INTERIM COMMITTEE MAY APPROVE BILL
16 REQUESTS, THE LAST DATE BY WHICH INTERIM COMMITTEE MEMBERS MUST
17 FINALIZE BILL DRAFTS OR BY WHICH BILL DRAFTS WILL BE DEEMED
18 FINALIZED FOR FISCAL NOTE PURPOSES, AND THE LAST DATE BY WHICH THE
19 INTERIM COMMITTEE WILL CONSIDER AND TAKE FINAL ACTION ON BILL
20 DRAFTS.

21 (7) ALL EXPENDITURES THAT THE INTERIM COMMITTEE INCURS,
22 INCLUDING THE COST OF CONTRACTING FOR THE STUDY PURSUANT TO
23 SECTION 2-2-2003, ARE SUBJECT TO APPROVAL BY THE CHAIR OF THE
24 INTERIM COMMITTEE AND, IF APPROVED, SHALL BE PAID BY VOUCHERS AND
25 WARRANTS DRAWN AS PROVIDED BY LAW FROM APPROPRIATIONS MADE BY
26 THE GENERAL ASSEMBLY FOR THE PURPOSES OF THIS PART 20.

27 **2-2-2002. Issues to study - recommendations to general**

1 **assembly.** (1) THE INTERIM COMMITTEE SHALL, AT A MINIMUM, STUDY
2 THE FOLLOWING ISSUES:

3 (a) WHETHER THE CURRENT METHOD FOR IDENTIFYING AT-RISK
4 PUPILS IS AN APPROPRIATE, ACCURATE METHOD FOR IDENTIFYING
5 STUDENTS WHO, BECAUSE OF THEIR LIFE CIRCUMSTANCES, ARE IN GREATER
6 NEED OF SERVICES AND SUPPORTS TO GIVE THEM OPPORTUNITIES EQUAL
7 TO THOSE OF THEIR PEERS TO ACHIEVE THEIR ACADEMIC POTENTIAL, AND,
8 IF NOT, THE APPROPRIATE METHOD FOR ALLOCATING ADDITIONAL
9 RESOURCES TO THOSE PUPILS, WHICH METHOD MAY BE INFORMED BY THE
10 POVERTY STUDY COMMISSIONED PURSUANT TO SECTION 2-2-2003;

11 (b) WHETHER TO REDESIGN THE ALLOCATION OF FUNDING IN THE
12 SCHOOL FINANCE FORMULA FOR SCHOOL DISTRICT COST-OF-LIVING AND
13 PERSONNEL COSTS TO LIMIT FUNDING TO ONLY SIGNIFICANTLY HIGH-COST
14 SCHOOL DISTRICTS THROUGH THE CREATION OF A FIXED AMOUNT OF
15 ADDITIONAL PER PUPIL FUNDING FOR HIGH-COST SCHOOL DISTRICTS;

16 (c) THE APPROPRIATE METHOD TO ADDRESS SMALL, REMOTE, AND
17 RURAL SCHOOL DISTRICT FUNDING, INCLUDING WHETHER A DIFFERENT
18 WEIGHT SHOULD BE APPLIED IN THE SCHOOL FINANCE FORMULA FOR THE
19 SIZE FACTOR FOR SMALL, REMOTE SCHOOL DISTRICTS AND WHETHER TO
20 REDESIGN THE DISTRIBUTION OF RURAL SCHOOL FUNDING RECEIVED
21 PURSUANT TO SECTION 22-54-142;

22 (d) CONSIDERATIONS OF FUNDING EQUITY WITH RESPECT TO THE
23 AMOUNT OF SCHOOL DISTRICT COLLECTIONS FROM THE TOTAL PROGRAM
24 MILL LEVY AND THE AMOUNT OF COLLECTIONS FROM AUTHORIZED
25 ADDITIONAL MILL LEVIES FOR OPERATING PURPOSES; AND

26 (e) ALTERNATIVE EDUCATOR SUPPORT FOR SCHOOL DISTRICTS FOR
27 TEACHING STUDENTS ENROLLED IN KINDERGARTEN THROUGH SECOND

1 GRADE.

2 (2) BASED ON THE STUDY OF ISSUES DESCRIBED IN SUBSECTION (1)
3 OF THIS SECTION, THE INTERIM COMMITTEE SHALL MAKE LEGISLATIVE
4 RECOMMENDATIONS TO THE GENERAL ASSEMBLY ADDRESSING HOW TO
5 MOST ACCURATELY MEET THE EDUCATIONAL NEEDS OF INDIVIDUAL
6 STUDENTS THROUGH THE FUNDING OF EDUCATION IN COLORADO.

7 **2-2-2003. Poverty study - contract - report - legislative**
8 **declaration - repeal.** (1) (a) THE GENERAL ASSEMBLY FINDS AND
9 DECLARES THAT:

10 (I) FREE AND REDUCED-PRICE LUNCH ELIGIBILITY FOR THE
11 FEDERAL "RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT", 42
12 U.S.C. SEC. 1751 ET SEQ., IS A MEASURE BY WHICH SCHOOL DISTRICTS
13 RECEIVE ADDITIONAL FUNDING THROUGH THE AT-RISK FACTOR IN THE
14 SCHOOL FINANCE FORMULA;

15 (II) WHILE MANY STATES PROVIDE ADDITIONAL FUNDING BASED
16 ON REDUCED-PRICE LUNCH ELIGIBILITY, IN COLORADO, AT-RISK FUNDING
17 HAS TRADITIONALLY BEEN ALLOCATED ONLY FOR STUDENTS WHO ARE
18 ELIGIBLE FOR FREE LUNCH;

19 (III) THE FEDERAL "RICHARD B. RUSSELL NATIONAL SCHOOL
20 LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ., WAS DESIGNED AS AN
21 ANTI-HUNGER PROGRAM, NOT AS A SINGLE PROXY FOR CAPTURING
22 STUDENT NEED. ECONOMIC DISADVANTAGE IS COMPLEX AND IS AFFECTED
23 BY MANY FACTORS BEYOND INCOME, INCLUDING WEALTH, LOCAL COST OF
24 LIVING, AND FLUCTUATING HOUSEHOLD EXPENSES.

25 (IV) IN THE LONG TERM, COLORADO'S RELIANCE ON FREE LUNCH
26 ELIGIBILITY AS THE SINGULAR POVERTY PROXY FOR SCHOOL FINANCE
27 PURPOSES IS INACCURATE AND UNSUSTAINABLE, AND SERVES AS A

1 BARRIER TO DELIVERING ESSENTIAL RESOURCES TO STUDENTS WHO NEED
2 THEM;

3 (V) FREE LUNCH ELIGIBILITY IS A BINARY MEASURE BY WHICH A
4 STUDENT IS CONSIDERED ECONOMICALLY DISADVANTAGED OR NOT AND
5 FAILS TO ACCOUNT FOR VARYING LEVELS OF POVERTY AND THE
6 CORRESPONDING LEVELS OF NEED THAT EXIST AMONG STUDENT
7 POPULATIONS;

8 (VI) THE RECENT CHANGES TO FEDERAL POLICY THAT ALLOW ALL
9 STUDENTS TO RECEIVE A FREE LUNCH WITHOUT SUBMITTING AN INCOME
10 ELIGIBILITY FORM NEGATIVELY IMPACTED COLORADO'S AT-RISK PUPIL
11 COUNT IN THE 2020-21 SCHOOL YEAR AND WILL CONTINUE TO DO SO IN
12 THE 2021-22 SCHOOL YEAR, WHICH MAY RESULT IN ANOTHER
13 UNDERCOUNT AND UNDERESTIMATION OF RESOURCES NEEDED TO SERVE
14 ECONOMICALLY DISADVANTAGED STUDENTS;

15 (VII) ADDITIONALLY, DURING THE COVID-19 PANDEMIC,
16 COLORADO'S DECENTRALIZED METHOD OF COLLECTING INCOME
17 ELIGIBILITY DATA CREATED BARRIERS TO REACHING FAMILIES WHO WERE
18 ELIGIBLE FOR PANDEMIC ELECTRONIC BENEFIT TRANSFER PAYMENTS,
19 RESULTING IN FEWER THAN HALF OF THE ELIGIBLE CHILDREN RECEIVING
20 THE BENEFIT;

21 (VIII) DUE TO THE CONTINUED USE OF THE MISALIGNED PROXY
22 FOR DETERMINING STUDENT NEED AND THE CONTINUED
23 UNDERESTIMATION OF ECONOMIC DISADVANTAGE, COLORADO STUDENTS
24 WHO STAND TO BENEFIT THE MOST FROM ADDITIONAL SUPPORT ARE GOING
25 WITHOUT IT; AND

26 (IX) STATE POLICY CAN MORE ACCURATELY ACCOUNT FOR AND
27 RESPOND TO STUDENTS' ECONOMIC CIRCUMSTANCES. OTHER STATES HAVE

1 MOVED AWAY FROM RELYING ON ONE SELF-REPORTED MEASURE, SUCH AS
2 FREE AND REDUCED-PRICE LUNCH ELIGIBILITY, TOWARD AN INDEX OF
3 MEASURES OF NEED THAT AUTOMATICALLY QUALIFY STUDENTS FOR
4 SCHOOL MEALS OR FOR ADDITIONAL FUNDING THROUGH THE SCHOOL
5 FINANCE FORMULA.

6 (b) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT
7 STUDYING METHODS TO IDENTIFY ECONOMIC DISADVANTAGE AMONG
8 STUDENTS PRECISELY AND HOLISTICALLY IS AN IMPORTANT AND
9 NECESSARY GOAL IN PROVIDING PUBLIC SCHOOLS WITH THE RESOURCES
10 NECESSARY TO ENABLE ALL STUDENTS TO ACHIEVE ACADEMIC SUCCESS.

11 (2) (a) TO UNDERSTAND ALTERNATIVE APPROACHES TO BETTER
12 IDENTIFY ECONOMIC DISADVANTAGE AMONG STUDENTS, THE INTERIM
13 COMMITTEE, SUBJECT TO AVAILABLE APPROPRIATIONS, SHALL CONTRACT
14 WITH A THIRD-PARTY VENDOR TO COMPLETE A STUDY TO ANALYZE
15 VARIOUS METHODS OF MEASURING STUDENT ECONOMIC DISADVANTAGE
16 AND THE NECESSARY DATA AND SYSTEMS ALIGNMENT THAT WOULD BE
17 NEEDED TO INCORPORATE THOSE MEASURES INTO THE STATE'S SCHOOL
18 FINANCE FORMULA.

19 (b) THE INTERIM COMMITTEE SHALL ISSUE A REQUEST FOR
20 PROPOSALS FOR QUALIFIED THIRD-PARTY VENDORS TO COMPLETE THE
21 POVERTY STUDY DESCRIBED IN THIS SECTION. BY SEPTEMBER 1, 2021, THE
22 INTERIM COMMITTEE SHALL CONTRACT WITH A VENDOR THAT HAS
23 EXPERTISE OR DEMONSTRATED EXPERIENCE ASSISTING STATES IN
24 EXAMINING MEASURES OF ECONOMIC DISADVANTAGE FOR PURPOSES OF
25 SCHOOL FUNDING. THE CHAIR OF THE INTERIM COMMITTEE, IN
26 CONSULTATION WITH THE INTERIM COMMITTEE MEMBERS AND THE
27 DEPARTMENT OF EDUCATION, SHALL SELECT THE THIRD-PARTY VENDOR TO

1 COMPLETE THE POVERTY STUDY.

2 (3) APPROACHES FOR ANALYZING OR IDENTIFYING STUDENT
3 ECONOMIC DISADVANTAGE AS PART OF THE STUDY MAY INCLUDE BUT ARE
4 NOT LIMITED TO:

5 (a) DIRECT CERTIFICATION;

6 (b) DIRECT CERTIFICATION WITH THE INCLUSION OF MEDICAID;

7 (c) FREE AND REDUCED-PRICE LUNCH ELIGIBILITY WITH HYBRID
8 APPROACHES;

9 (d) ECONOMIC DISADVANTAGE MEASURES AT THE CENSUS BLOCK
10 GROUP LEVEL; AND

11 (e) OTHER MORE ACCURATE APPROACHES TAKEN BY STATES TO
12 MEASURE STUDENT ECONOMIC DISADVANTAGE.

13 (4) FOR EACH APPROACH, THE ANALYSIS MUST INCLUDE:

14 (a) THE AVAILABILITY OF DATA BY SCHOOL DISTRICT, CENSUS
15 BLOCK GROUP, OR OTHER RELEVANT GEOGRAPHIC BOUNDARIES;

16 (b) THE DISTRIBUTIONAL EFFECTS FOR SCHOOL DISTRICT SHARES
17 OF THE STATE COUNT OF LOW-INCOME STUDENTS;

18 (c) BARRIERS TO ACCESSING DATA, INCLUDING INFORMATION
19 TECHNOLOGY AND DATA-SHARING LIMITATIONS AMONG AGENCIES THAT
20 MAY USE THE DATA;

21 (d) THE APPROACH'S POTENTIAL TO MEET IMPORTANT PRINCIPLES
22 AND POLICY OBJECTIVES, INCLUDING:

23 (I) ENSURING THE MOST ACCURATE COUNT POSSIBLE OF STUDENTS
24 EXPERIENCING ECONOMIC DISADVANTAGE;

25 (II) MAINTAINING AN INDIVIDUAL STUDENT INDICATOR OF
26 ECONOMIC DISADVANTAGE;

27 (III) DIFFERENTIATING AMONG LEVELS OF ECONOMIC

1 DISADVANTAGE;

2 (IV) DECREASING THE ADMINISTRATIVE BURDEN ON SCHOOLS AND
3 SCHOOL DISTRICTS TO COLLECT DATA AND THE BURDEN ON STUDENTS AND
4 FAMILIES TO PROVE ELIGIBILITY;

5 (V) ALLOWING FOR COLORADO'S LONG-TERM ABILITY TO IDENTIFY
6 LONGITUDINAL STUDENT ACHIEVEMENT TRENDS;

7 (VI) ALLOWING FOR COORDINATION ACROSS AGENCIES AND THEIR
8 USE OF INDICATORS OF ECONOMIC DISADVANTAGE FOR PUBLIC PROGRAM
9 ELIGIBILITY;

10 (VII) ENSURING STUDENT PRIVACY AND CONFIDENTIALITY OF
11 STUDENT RECORDS; AND

12 (VIII) ENSURING THAT THE APPROACH IS INCLUSIVE OF ALL
13 STUDENTS, INCLUDING THOSE WHO ARE HOMELESS OR WHO LACK
14 DOCUMENTATION.

15 (5) THE STUDY MUST ALSO DETERMINE THE ESTIMATED COSTS OF
16 LINKING DATA ACROSS SYSTEMS THAT ARE MAINTAINED BY DIFFERENT
17 AGENCIES, FOR EXAMPLE, THE COST OF SYSTEM CHANGES OR UPGRADES
18 THAT WOULD BE NEEDED TO MATCH STUDENT RECORDS WITH THE
19 RECORDS OF OTHER ASSISTANCE PROGRAMS IN WHICH STUDENTS ARE
20 ENROLLED.

21 (6) WHILE COLORADO CONTINUES TO USE FREE AND
22 REDUCED-PRICE LUNCH ELIGIBILITY AS A POVERTY INDICATOR BECAUSE OF
23 FEDERAL PROGRAM REQUIREMENTS, THE STUDY MUST ANALYZE BENEFITS
24 AND DRAWBACKS OF MAKING THE ELIGIBILITY FORM SECURE AND
25 ACCESSIBLE ONLINE FOR FAMILIES.

26 (7) NOT LATER THAN JANUARY 1, 2022, THE THIRD-PARTY VENDOR
27 SELECTED PURSUANT TO SUBSECTION (2) OF THIS SECTION SHALL PROVIDE

1 THE COMPLETED POVERTY STUDY OF THE MEASURES OF ECONOMIC
2 DISADVANTAGE STUDIED AND ANALYZED PURSUANT TO THIS SECTION TO
3 THE INTERIM COMMITTEE, THE JOINT BUDGET COMMITTEE, AND THE
4 EDUCATION COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE
5 SENATE, OR ANY SUCCESSOR COMMITTEES. THE STUDY'S ANALYSIS MUST
6 ALLOW MEMBERS OF THE GENERAL ASSEMBLY TO EVALUATE EACH
7 APPROACH, IN ISOLATION OR AS A COMBINATION OF APPROACHES,
8 ACCORDING TO THE PRINCIPLES AND POLICY OBJECTIVES SET FORTH IN
9 SUBSECTION (4)(d) OF THIS SECTION.

10 **2-2-2004. Repeal of part.** THIS PART 20 IS REPEALED, EFFECTIVE
11 JULY 1, 2023.

12 **SECTION 9. Effective date.** This act takes effect upon passage;
13 except that section 6 of this act takes effect only if Senate Bill 21-268
14 becomes law, in which case section 6 takes effect on the effective date of
15 this act or Senate Bill 21-268, whichever is later.

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