

CHAPTER 139

EDUCATION - PUBLIC SCHOOLS

HOUSE BILL 00-1159

BY REPRESENTATIVES Allen, Dean, Kester, Alexander, Bacon, Berry, Chavez, Clapp, Clarke, Coleman, Decker, Fairbank, Gagliardi, George, Gordon, Gotlieb, Hagedorn, Hefley, Hoppe, Kaufman, Keller, King, Larson, Lawrence, Mace, May, McElhany, McKay, Miller, Mitchell, Morrison, Plant, Saliman, Scott, Smith, Spence, Spradley, Stengel, Swenson, Tapia, Taylor, Tool, Tupa, Veiga, Vigil, Webster, S. Williams, T. Williams, Windels, Witwer, Young, and Zimmerman;
also SENATORS Anderson, Hernandez, Martinez, Matsunaka, Reeves, Wattenberg, Weddig, and Wham.

AN ACT

CONCERNING THE FINANCING OF PUBLIC SCHOOLS, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

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

SECTION 1. 22-54-104 (2) (a) (IV) (D), Colorado Revised Statutes, is amended to read:

22-54-104. District total program - repeal. (2) (a) (IV) (D) For purposes of this subparagraph (IV), a district's "per pupil funding" shall be the district's total program for the applicable budget year, as calculated pursuant to sub-subparagraph (A) of subparagraph (III) of this paragraph (a), divided by the district's funded pupil count for such budget year; except that, for the 1998-99 budget year, a district's "per pupil funding" shall be calculated under this provision without regard to the change in the size factors made in subparagraph (I.2) of paragraph (b) of subsection (5) of this section, ~~and, for the 1999-2000 budget year, and budget years thereafter,~~ shall be calculated using the cost of living factor and size factor used in the calculation for the 1998-99 budget year under this sub-subparagraph (D) and the at-risk factor calculated under this section as it existed for the 1997-98 budget year or using the cost of living, size factor, and at-risk factor applicable for the budget year, whichever produces the lesser "per pupil funding" amount, AND, FOR THE 2000-01 BUDGET YEAR AND BUDGET YEARS THEREAFTER, SHALL BE CALCULATED USING THE SIZE FACTOR USED IN THE CALCULATION FOR THE PRIOR BUDGET YEAR OR THE SIZE FACTOR USED IN THE CALCULATION FOR THE APPLICABLE BUDGET YEAR, WHICHEVER IS LESS, AND THE AT-RISK FACTOR CALCULATED FOR THE DISTRICT USING A BASE AT-RISK FACTOR OF ELEVEN AND ONE-HALF PERCENT.

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

SECTION 2. 22-54-104 (5) (a), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

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

(a) (VII) FOR THE 2000-01 BUDGET YEAR, THE STATEWIDE BASE PER PUPIL FUNDING SHALL BE \$3,878 SUPPLEMENTED BY \$123.70 TO ACCOUNT FOR INFLATION.

SECTION 3. 22-54-104 (5) (b) (I.3) (A), Colorado Revised Statutes, is amended, and the said 22-54-104 (5) (b) (I.3) is further amended BY THE ADDITION OF A NEW SUB-SUBPARAGRAPH, to read:

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

(b) (I.3) (A) A district's size factor for the ~~1999-2000 budget year~~ 1999-2000, 2000-01, and 2001-02 budget years ~~thereafter~~ shall be determined in accordance with the following formula:

If the district's funded pupil count is:	The district's size factor shall be:
Less than 276	$1.5502 + (0.00376159 \times \text{the difference between the funded pupil count and } 276)$
276 or more but less than 459	$1.2430 + (0.00167869 \times \text{the difference between the funded pupil count and } 459)$
459 or more but less than 1,027	$1.1260 + (0.00020599 \times \text{the difference between the funded pupil count and } 1,027)$
1,027 or more but less than 2,293	$1.0578 + (0.00005387 \times \text{the difference between the funded pupil count and } 2,293)$
2,293 or more but less than 5,650	$1.0120 + (0.00001364 \times \text{the difference between the funded pupil count and } 5,650)$
5,650 or more but less than 25,546	1.0120
25,546 or more but less than 32,193	$1.0120 + (0.00000334 \times \text{the difference between the funded pupil count and } 25,546)$
32,193 or more	1.0342

(C) NOTWITHSTANDING THE PROVISIONS OF SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (I.3), NO DISTRICT SHALL HAVE A SIZE FACTOR OF LESS THAN 1.0194 FOR THE 2000-01 BUDGET YEAR AND A SIZE FACTOR OF LESS THAN 1.0268 FOR THE 2001-02 BUDGET YEAR.

SECTION 4. 22-54-104 (5) (b), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

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

(b) (I.4) A DISTRICT'S SIZE FACTOR FOR THE 2002-03 BUDGET YEAR AND BUDGET YEARS THEREAFTER SHALL BE DETERMINED IN ACCORDANCE WITH THE FOLLOWING FORMULA:

IF THE DISTRICT'S FUNDED PUPIL COUNT IS:	THE DISTRICT'S SIZE FACTOR SHALL BE:
LESS THAN 276	$1.5502 + (0.00376159 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND } 276)$
276 OR MORE BUT LESS THAN 459	$1.2430 + (0.00167869 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND } 459)$
459 OR MORE BUT LESS THAN 1,027	$1.1260 + (0.00020599 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND } 1,027)$
1,027 OR MORE BUT LESS THAN 2,293	$1.0578 + (0.00005387 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND } 2,293)$
2,293 OR MORE BUT LESS THAN 4,023	$1.0342 + (0.00001364 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND } 4,023)$
4,023 OR MORE	1.0342

SECTION 5. 22-54-104 (5) (c) (II) (B), Colorado Revised Statutes, is amended, and the said 22-54-104 (5) (c) (II) is further amended BY THE ADDITION OF A NEW SUB-SUBPARAGRAPH, to read:

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

(c) (II) (B) Except as provided in subparagraph (IV) of this paragraph (c), for the 1998-99 ~~budget year and budget years thereafter~~ AND 1999-2000 BUDGET YEARS, a district's cost of living factor shall be the greater of: The district's cost of living factor

for the prior budget year or the cost of living factor determined by dividing the percentage change in the district's cost of living amount from the previous cost of living study to the current cost of living study by the lowest positive percentage change in the cost of living amount of all districts in the state, dividing said amount by one thousand and rounding to the nearest one-thousandth of one percent, and adding the result obtained to the district's cost of living factor for the prior budget year.

(B.1) EXCEPT AS PROVIDED IN SUBPARAGRAPH (IV) OF THIS PARAGRAPH (c), FOR THE 2000-01 BUDGET YEAR AND BUDGET YEARS THEREAFTER, A DISTRICT'S COST OF LIVING FACTOR SHALL BE THE DISTRICT'S COST OF LIVING FACTOR FOR THE PRIOR BUDGET YEAR, BUT, IF THE PERCENTAGE CHANGE IN THE DISTRICT'S COST OF LIVING AMOUNT FROM THE PREVIOUS COST OF LIVING STUDY TO THE CURRENT COST OF LIVING STUDY IS GREATER THAN THE RATE OF INFLATION FOR THE MOST RECENT CALENDAR YEAR PRECEDING THE BUDGET YEAR IN WHICH THE COST OF LIVING FACTOR IS TO TAKE EFFECT, A DISTRICT'S COST OF LIVING FACTOR SHALL BE DETERMINED BY DIVIDING THE PERCENTAGE CHANGE IN THE DISTRICT'S COST OF LIVING AMOUNT FROM THE PREVIOUS COST OF LIVING STUDY TO THE CURRENT COST OF LIVING STUDY BY THE RATE OF INFLATION FOR THE CALENDAR YEAR PRECEDING THE BUDGET YEAR IN WHICH THE COST OF LIVING FACTOR IS TO TAKE EFFECT, DIVIDING SAID AMOUNT BY ONE THOUSAND AND ROUNDING TO THE NEAREST ONE-THOUSANDTH OF ONE PERCENT, AND ADDING THE RESULT OBTAINED TO THE DISTRICT'S COST OF LIVING FACTOR FOR THE PRIOR BUDGET YEAR. FOR PURPOSES OF THIS SUB-SUBPARAGRAPH (B.1), "THE RATE OF INFLATION" MEANS THE PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX FOR THE DENVER-BOULDER CONSOLIDATED METROPOLITAN STATISTICAL AREA FOR ALL URBAN CONSUMERS, ALL GOODS, AS PUBLISHED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, OR ITS SUCCESSOR INDEX.

SECTION 6. 22-54-104 (5) (f), Colorado Revised Statutes, is amended to read:

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

(f) (I) If the district percentage of at-risk pupils is greater than the statewide average percentage of at-risk pupils and the district's funded pupil count is greater than four hundred fifty-nine BUT NOT IN EXCESS OF FIFTY THOUSAND, the district's at-risk factor shall be 11.5% plus a 0.30 percentage point for each percentage point that the district percentage of at-risk pupils exceeds the statewide average percentage of at-risk pupils; except that no district's at-risk factor shall exceed 30%.

(II) IF THE DISTRICT PERCENTAGE OF AT-RISK PUPILS IS GREATER THAN THE STATEWIDE AVERAGE PERCENTAGE OF AT-RISK PUPILS AND THE DISTRICT'S FUNDED PUPIL COUNT IS GREATER THAN FIFTY THOUSAND, THE DISTRICT'S AT-RISK FACTOR SHALL BE 11.5% PLUS A 0.34 PERCENTAGE POINT FOR EACH PERCENTAGE POINT THAT THE DISTRICT PERCENTAGE OF AT-RISK PUPILS EXCEEDS THE STATEWIDE AVERAGE PERCENTAGE OF AT-RISK PUPILS; EXCEPT THAT NO DISTRICT'S AT-RISK FACTOR SHALL EXCEED 30%.

SECTION 7. 22-54-106 (5), Colorado Revised Statutes, is amended to read:

22-54-106. Local and state shares of district total program. (5) (a) Except as otherwise provided in sections 22-54-107 and 22-54-108, no district may certify a levy for its general fund in excess of that authorized by this section.

(b) NO DISTRICT IS AUTHORIZED TO SEEK VOTER APPROVAL TO IMPOSE ADDITIONAL MILL LEVIES FOR ITS GENERAL FUND IN EXCESS OF THAT AUTHORIZED BY THIS SECTION AND SECTIONS 22-54-107 AND 22-54-108. THEREFORE, VOTER APPROVAL OBTAINED BY ANY DISTRICT IN ORDER TO BE CAPABLE OF RECEIVING ADDITIONAL REVENUES WITHIN THE LIMITATIONS ON THE DISTRICT'S FISCAL YEAR SPENDING FOR ANY BUDGET YEAR UNDER SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION DOES NOT CONSTITUTE VOTER APPROVAL FOR SUCH DISTRICT TO CERTIFY A LEVY FOR ITS GENERAL FUND IN EXCESS OF THAT AUTHORIZED BY THIS SECTION AND SECTIONS 22-54-107 AND 22-54-108.

SECTION 8. Article 20 of title 22, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

22-20-117. Study of funding education programs for children with disabilities - report to the general assembly - repeal. (1) THE DEPARTMENT SHALL CONDUCT A STUDY OF FUNDING EDUCATION PROGRAMS FOR CHILDREN WITH DISABILITIES. THE STUDY SHALL INCLUDE, BUT IS NOT LIMITED TO, AN EXAMINATION AND EVALUATION OF:

(a) CRITERIA FOR EFFECTIVE SYSTEMS OF FUNDING EDUCATION PROGRAMS FOR CHILDREN WITH DISABILITIES;

(b) THE NEEDS OF SCHOOL DISTRICTS IN COLORADO FOR EDUCATION PROGRAMS FOR CHILDREN WITH DISABILITIES AS REFLECTED BY THE CHARACTERISTICS OF THE PUPILS SERVED BY SUCH SCHOOL DISTRICTS AND THE DIFFERENCES IN THE ABILITY OF SCHOOL DISTRICTS IN COLORADO TO PAY THEIR SHARE OF COSTS FOR EDUCATION PROGRAMS FOR CHILDREN WITH DISABILITIES;

(c) THE CURRENT SYSTEM OF FUNDING EDUCATION PROGRAMS FOR CHILDREN WITH DISABILITIES THROUGH THE "EXCEPTIONAL CHILDREN'S EDUCATIONAL ACT" AND THE "PUBLIC SCHOOL FINANCE ACT OF 1994", ARTICLE 54 OF THIS TITLE;

(d) THE SYSTEM OF FUNDING EDUCATION PROGRAMS FOR CHILDREN WITH DISABILITIES UTILIZED BY OTHER STATES.

(2) THE DEPARTMENT SHALL SUBMIT ITS FINDINGS AND ITS RECOMMENDATIONS, IF ANY, FOR LEGISLATION TO IMPROVE THE SYSTEM IN COLORADO OF FUNDING EDUCATION PROGRAMS FOR CHILDREN WITH DISABILITIES IN A REPORT SUBMITTED TO THE GENERAL ASSEMBLY NO LATER THAN OCTOBER 1, 2000.

(3) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2001.

SECTION 9. 22-20-114 (1), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

22-20-114. Funding of programs. (1) (b.8) (I) FOR THE 2000-01 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, IN ADDITION TO ANY OTHER MONEYS RECEIVED

PURSUANT TO THIS SUBSECTION (1), FIVE HUNDRED THOUSAND DOLLARS SHALL BE DISTRIBUTED TO ADMINISTRATIVE UNITS THAT HAVE CHILDREN WITH DISABILITIES:

(A) FOR WHOM TUITION IS PAID BY THE ADMINISTRATIVE UNITS FOR SUCH CHILDREN TO RECEIVE EDUCATIONAL SERVICES AT FACILITIES APPROVED BY THE STATE BOARD PURSUANT TO SECTION 22-2-107 (1) (p) AND

(B) FOR WHOM PARENTAL RIGHTS HAVE BEEN RELINQUISHED BY THE PARENTS OR TERMINATED BY A COURT, THE PARENTS OF WHOM ARE INCARCERATED, THE PARENTS OF WHOM CANNOT BE LOCATED, THE PARENTS OF WHOM RESIDE OUT OF THE STATE BUT THE DEPARTMENT OF HUMAN SERVICES HAS PLACED SUCH CHILDREN WITHIN THE ADMINISTRATIVE UNIT, OR WHO ARE LEGALLY EMANCIPATED.

(II) SAID MONEYS SHALL BE DISTRIBUTED IN EACH BUDGET YEAR TO ADMINISTRATIVE UNITS BASED UPON EACH ADMINISTRATIVE UNIT'S SHARE OF THE AGGREGATE NUMBER OF CHILDREN WITH DISABILITIES WHO ARE SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (b.8); EXCEPT THAT NO ADMINISTRATIVE UNIT SHALL RECEIVE AN AMOUNT THAT EXCEEDS THE AGGREGATE AMOUNT OF TUITION PAID BY THAT ADMINISTRATIVE UNIT FOR SUCH SPECIFIED CHILDREN WITH DISABILITIES TO RECEIVE EDUCATIONAL SERVICES AT FACILITIES APPROVED BY THE STATE BOARD PURSUANT TO SECTION 22-2-107 (1) (p) DURING THE IMMEDIATELY PRECEDING BUDGET YEAR. FOR PURPOSES OF THIS PARAGRAPH (b.8), THE NUMBER OF CHILDREN WITH DISABILITIES THAT ARE SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (b.8) SHALL BE BASED UPON THE COUNT TAKEN IN DECEMBER OF THE IMMEDIATELY PRECEDING BUDGET YEAR.

SECTION 10. 24-75-102, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

24-75-102. Appropriations expended, when - balance. (3) ANY MONEYS APPROPRIATED TO ALL DEPARTMENTS OF STATE GOVERNMENT FOR THE 1999-2000 FISCAL YEAR THAT WOULD OTHERWISE REVERT TO THE GENERAL FUND PURSUANT TO SUBSECTION (1) OF THIS SECTION SHALL BE TRANSFERRED BY THE STATE TREASURER TO THE STATE PUBLIC SCHOOL FUND CREATED IN SECTION 22-54-114, C.R.S.; EXCEPT THAT THE AMOUNT TRANSFERRED SHALL NOT EXCEED TWO MILLION DOLLARS. THIS SUBSECTION (3) IS REPEALED, EFFECTIVE SEPTEMBER 1, 2000.

SECTION 11. Appropriation - adjustments to the 2000 long bill. (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the state public school fund created in section 22-54-114, Colorado Revised Statutes, not otherwise appropriated, to the department of education, public school finance, for the state share of districts' total program funding, for the fiscal year beginning July 1, 2000, the sum of eight million nine hundred sixty-three thousand eight hundred thirty-two dollars (\$8,963,832), or so much thereof as may be necessary, for the implementation of this act.

(2) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the general fund not otherwise appropriated, to the department of education for the purpose of conducting a study of funding education programs for children with disabilities pursuant to section 22-20-117, Colorado Revised Statutes, for the fiscal year beginning July 1, 2000, the sum of fifty thousand dollars (\$50,000), or so much

thereof as may be necessary, for the implementation of this act.

(3) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the general fund not otherwise appropriated, to the department of education, public school finance, for special education - children with disabilities, for the fiscal year beginning July 1, 2000, the sum of five hundred thousand dollars (\$500,000), or so much thereof as may be necessary, for the implementation of section 22-20-114 (1) (b.8), Colorado Revised Statutes.

(4) For the implementation of this act, appropriations made in the annual general appropriations act for the fiscal year beginning July 1, 2000, shall be adjusted as follows:

(a) The general fund appropriation to the capital construction fund outlined in section 3 (1) (f) is reduced by five hundred fifty thousand dollars (\$550,000).

(b) The capital construction fund exempt appropriation to the department of transportation, construction projects, is reduced by five hundred fifty thousand dollars (\$550,000).

SECTION 12. 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.

Approved: April 28, 2000