

# MEMORANDUM



## JOINT BUDGET COMMITTEE

TO Joint Budget Committee Members  
FROM JBC Staff  
DATE APRIL 17, 2019  
SUBJECT JBC Bill Drafts

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This memo includes the following bill drafts for the Committee's consideration:

1. LLS 19-0987 "Child Welfare Prevention and Intervention Services" (Robin Smart)
2. LLS 19-0903 "Remove Limitations on EPIC Collaboration" (Vance Roper)
3. LLS 19-1105 "Telephone Users Disability Fund Talking Book Library" (Kevin Neimond)
4. LLS 19-1106 "Unclaimed Property Trust Fund Transfer" (Alfredo Kemm)
5. LLS 19-1107 "General Fund Transfer to Highway Users Tax Fund" (Steve Allen)
6. LLS 19-0900 "School District Mill Levy Equalization" (Craig Harper)
7. LLS 19-0898 "School District Uniform Total Program Mill Levy" (Craig Harper)
8. LLS 19-0986 "Increase Tier B Special Education Funding" (Craig Harper)

The bill draft and discussion for the capital asset management finance authority is not ready for the April 17, 2019 meeting. If the Committee would like to go through that draft legislation, a future date will need to be scheduled to review the draft.

First Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

DRAFT  
4.12.19

DRAFT

LLS NO. 19-0987.01 Brita Darling x2241

COMMITTEE BILL

Joint Budget Committee

**BILL TOPIC:** "Child Welfare Prevention And Intervention Services"

**A BILL FOR AN ACT**

101 **CONCERNING CHILD WELFARE PREVENTION AND INTERVENTION**  
102 **SERVICES.**

**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 bill extends the repeal date of the Title IV-E waiver demonstration project by one year to June 30, 2020.

The bill clarifies provisions relating to the annual close-out process for small- and medium-sized counties and for all counties, including provisions relating to the allocation of unspent appropriations.

The bill creates 2 accounts within the child welfare prevention and

*Capital letters or bold & italic numbers indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

intervention services cash fund (fund) and relocates general provisions relating to the fund within the statute.

The bill clarifies that all money in the fund must be used for the delivery of child welfare prevention and intervention services that have been approved by the department of human services.

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

2           **SECTION 1.** In Colorado Revised Statutes, 26-5-105.4, **amend**  
3 (9) as follows:

4           **26-5-105.4. Title IV-E waiver demonstration project - county**  
5 **performance agreements - Title IV-E waiver demonstration project**  
6 **cash fund created - rules - repeal.** (9) This section is repealed, effective  
7 June 30, ~~2019~~ 2020.

8           **SECTION 2.** In Colorado Revised Statutes, 26-5-104, **amend**  
9 **with relocated provisions** (7) as follows:

10           **26-5-104. Funding of child welfare services provider contracts**  
11 **- funding mechanism review - fund- report - rules - definitions -**  
12 **repeal.** (7) **Close-out process for county allocations.** (a) **[Similar to**  
13 **former 26-5-104 (7)(a)]** (I) THERE IS CREATED IN THE STATE TREASURY  
14 THE CHILD WELFARE PREVENTION AND INTERVENTION SERVICES CASH  
15 FUND, REFERRED TO IN THIS SUBSECTION (7) AS THE "FUND". THE  
16 FOLLOWING TWO SPECIAL ACCOUNTS ARE CREATED IN THE FUND:

17           (A) THE SMALL- AND MEDIUM-SIZED COUNTIES ACCOUNT,  
18 REFERRED TO IN THIS SUBSECTION (7) AS THE "SMALL- AND MEDIUM-SIZED  
19 ACCOUNT"; AND

20           (B) THE ALL-COUNTIES ACCOUNT, REFERRED TO IN THIS  
21 SUBSECTION (7) AS THE "ALL-COUNTIES ACCOUNT".

22           (II) **[Similar to former 26-5-104 (7)(a)(III)]** THE STATE  
23 DEPARTMENT IS AUTHORIZED TO ACCEPT GIFTS, GRANTS, AND DONATIONS,

1 WHICH MUST BE TRANSFERRED TO THE FUND AND CREDITED TO THE  
2 ALL-COUNTIES ACCOUNT WITHIN THE FUND.

3 (III) IN ADDITION TO TRANSFERS CREDITED TO THE ALL-COUNTIES  
4 ACCOUNT WITHIN THE FUND PURSUANT TO SUBSECTION (7)(a.6) OF THIS  
5 SECTION, THE GENERAL ASSEMBLY MAY DIRECTLY APPROPRIATE GENERAL  
6 FUND MONEY TO THE FUND. IF THE GENERAL ASSEMBLY MAKES A DIRECT  
7 APPROPRIATION OF GENERAL FUND MONEY TO THE FUND, THE MONEY  
8 MUST BE CREDITED TO THE ALL-COUNTIES ACCOUNT WITHIN THE FUND.  
9 THE STATE DEPARTMENT, IN CONSULTATION WITH THE COUNTIES, SHALL  
10 DETERMINE THE ALLOCATION OF ANY MONEY CREDITED TO THE  
11 ALL-COUNTIES ACCOUNT WITHIN THE FUND, WHICH MONEY MAY BE  
12 ALLOCATED TO ALL COUNTIES, REGARDLESS OF SIZE.

13 (IV) THE STATE DEPARTMENT, IN CONSULTATION WITH COUNTIES,  
14 SHALL ALLOCATE ALL MONEY FROM THE FUND TO INCREASE LOCAL CHILD  
15 WELFARE PREVENTION AND INTERVENTION SERVICES CAPACITY, WHICH  
16 ALLOCATIONS MUST BE USED BY A COUNTY FOR THE DELIVERY OF CHILD  
17 WELFARE PREVENTION AND INTERVENTION SERVICES THAT HAVE BEEN  
18 APPROVED BY THE STATE DEPARTMENT.

19 (V) **[Similar to former 26-5-104 (7)(a)(V)]** THE STATE  
20 DEPARTMENT SHALL WORK COLLABORATIVELY WITH THE STATE BOARD OF  
21 HUMAN SERVICES TO PROMULGATE RULES CONCERNING THE ALLOCATION  
22 AND USE OF MONEY FROM THE FUND.

23 ~~(a)~~ (a.3) **[Formerly 26-5-104 (7)(a)]** (I) For state fiscal year  
24 2018-19, and for each state fiscal year thereafter, the state department  
25 shall retain any unspent general fund money included in the initial  
26 allocation to each balance of state county, up to five percent of the total  
27 general fund money allocated to balance of state counties, as described in

1 subsection (4)(b) of this section and referred to in this ~~subsection (7)(a)~~  
2 SUBSECTION (7) as "small- and medium-sized counties".

3 (II) Retained money pursuant to ~~subsection (7)(a)(I)~~ SUBSECTION  
4 (7)(a.3) of this section must be transferred into the FUND AND CREDITED  
5 TO THE SMALL- AND MEDIUM-SIZED ACCOUNT WITHIN THE ~~child welfare~~  
6 ~~prevention and intervention services cash fund, which is hereby created~~  
7 ~~in the state treasury and referred to in this subsection (7) as the "fund".~~

8 (III) ~~The state department is authorized to accept gifts, grants, and~~  
9 ~~donations, which must be transferred into the fund, in addition to transfers~~  
10 ~~from the general fund as appropriated by the general assembly.~~

11 (IV) (III) Money from the SMALL- AND MEDIUM-SIZED COUNTIES  
12 ACCOUNT WITHIN THE fund must be allocated by the state department, in  
13 consultation with SMALL- AND MEDIUM-SIZED counties, to small- and  
14 medium-sized counties to increase local child welfare prevention and  
15 intervention services capacity and ~~shall~~ MUST be used by counties for the  
16 delivery of child welfare prevention and intervention services that have  
17 been approved by the state department.

18 (V) ~~The state department shall work collaboratively with the state~~  
19 ~~board of human services to promulgate rules concerning the allocation~~  
20 ~~and use of money from the fund.~~

21 (a.5) Subject to the limitations set forth in this subsection (7), the  
22 state department may, at the end of a state fiscal year based upon the  
23 recommendations of the child welfare allocations committee, allocate any  
24 unexpended capped funds MONEY for the delivery of specific child  
25 welfare services to any one or more counties whose spending has  
26 exceeded a capped allocation for such specific child welfare services.  
27 ~~Subsequent to the allocation of any unexpended capped funds, any~~

1 remaining state general fund money must be transferred into the fund for  
2 allocation by the state department to counties for the delivery of state  
3 department-approved child welfare prevention and intervention services.

4 (a.6) SUBSEQUENT TO THE ALLOCATION OF ANY UNEXPENDED  
5 CAPPED MONEY PURSUANT TO SUBSECTION (7)(a.5) OF THIS SECTION, ANY  
6 REMAINING STATE GENERAL FUND MONEY MUST BE TRANSFERRED TO THE  
7 FUND AND CREDITED TO THE ALL-COUNTIES ACCOUNT WITHIN THE FUND  
8 FOR ALLOCATION BY THE STATE DEPARTMENT TO COUNTIES FOR THE  
9 DELIVERY OF STATE-DEPARTMENT-APPROVED CHILD WELFARE  
10 PREVENTION AND INTERVENTION SERVICES.

11 (b) A county may only receive ~~funds~~ MONEY pursuant to the  
12 provisions of ~~subsection (7)(a)~~ SUBSECTION (7)(a.5) of this section if the  
13 requirements of section 26-5-103.5 (4) have been satisfied, for  
14 expenditures other than those attributable to administrative and support  
15 functions as referred to in section 26-5-101 (3)(m), as defined in  
16 accordance with the provisions of section 26-5-103.5 (4), and for  
17 authorized expenditures attributable to caseload increases beyond the  
18 caseload estimate established pursuant to subsection (3) of this section for  
19 a specific capped allocation.

20 (c) A county may not receive ~~funds~~ MONEY pursuant to the  
21 provisions of ~~subsection (7)(a)~~ SUBSECTION (7)(a.5) of this section for  
22 authorized expenditures attributable to caseload increases for services in  
23 one capped allocation from unexpended capped ~~funds~~ MONEY in another  
24 capped allocation.

25 (d) As used in this section, "unexpended capped ~~funds~~" MONEY"  
26 means ~~funds~~ MONEY that have been appropriated for child welfare  
27 services, allocated to a county or group of counties as a capped allocation

1 or allocations pursuant to the provisions of subsection (4) of this section.

2 **SECTION 3. Appropriation - adjustments to 2019 long bill.**

3 (1) To implement this act, the general fund appropriation made in the  
4 annual general appropriation act for the 2019-20 state fiscal year to the  
5 department of human services for use by the division of child welfare for  
6 child welfare services is decreased by \$9,700,000.

7 (2) For the 2019-20 state fiscal year, \$9,700,000 is appropriated  
8 to the department of human services for use by the division of child  
9 welfare. This appropriation is from federal temporary assistance for needy  
10 families block grant money. To implement this act, the division may use  
11 the appropriation for child welfare services.

12 **SECTION 4. Appropriation.** (1) For the 2019-20 state fiscal  
13 year, \$9,700,000 is appropriated to the child welfare prevention and  
14 intervention services cash fund created in section 26-5-104 (7)(a)(I),  
15 C.R.S. This appropriation is from the general fund. The department of  
16 human services is responsible for the accounting related to this  
17 appropriation.

18 (2) For the 2019-20 state fiscal year, \$9,700,000 is appropriated  
19 to the department of human services for use by the division of child  
20 welfare. This appropriation is from reappropriated money in the child  
21 welfare prevention and intervention services cash fund pursuant to  
22 subsection (1) of this section. To implement this act, the division may use  
23 the appropriation for child welfare prevention and intervention services.

24 **SECTION 5. Safety clause.** The general assembly hereby finds,  
25 determines, and declares that this act is necessary for the immediate  
26 preservation of the public peace, health, and safety.

First Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

DRAFT  
4.15.19

DRAFT

LLS NO. 19-0903.01 Michael Dohr x4347

COMMITTEE BILL

Joint Budget Committee

**BILL TOPIC: "Remove Limitations On EPIC Collaboration"**

**A BILL FOR AN ACT**

101 CONCERNING REMOVING THE LIMIT ON THE DEPARTMENTS WITH  
102 WHICH THE EVIDENCE-BASED PRACTICES IMPLEMENTATION FOR  
103 CAPACITY RESOURCE CENTER CAN COLLABORATE.

**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.** In the division of criminal justice in the department of public safety there is the evidence-based practices implementation for capacity resource center (center). The center's role is to develop and sustain effective implementation frameworks to support the use of evidence-based practices for both juvenile and adult

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Dashes through the words indicate deletions from existing statute.*



populations in the criminal justice system. Current law requires the center to collaborate with the department of public safety, the department of corrections, the department of human services, and the judicial department. The bill removes the limit on the departments with which the center can collaborate.

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

2           **SECTION 1.** In Colorado Revised Statutes, 24-33.5-514, **amend**  
3 (1) as follows:

4           **24-33.5-514. Evidence-based practices implementation for**  
5 **capacity program - EPIC fund - creation - repeal.** (1) There is hereby  
6 created the evidence-based practices implementation for capacity resource  
7 center in the division, referred to in this section as the "center". The intent  
8 of the center is to assist agencies serving juvenile and adult populations  
9 to develop and sustain effective implementation frameworks to support  
10 the use of evidence-based practices. The center is a collaborative effort  
11 ~~among the department of public safety, the department of corrections, the~~  
12 ~~department of human services, and the judicial department~~ to increase the  
13 efficacy of individuals who work with various offender and victim  
14 populations by establishing an educational, skill-building, and  
15 consultation resource center to support practitioners in the  
16 implementation of evidence-based practices.

17           **SECTION 2. Act subject to petition - effective date.** This act  
18 takes effect at 12:01 a.m. on the day following the expiration of the  
19 ninety-day period after final adjournment of the general assembly (August  
20 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a  
21 referendum petition is filed pursuant to section 1 (3) of article V of the  
22 state constitution against this act or an item, section, or part of this act  
23 within such period, then the act, item, section, or part will not take effect

1 unless approved by the people at the general election to be held in  
2 November 2020 and, in such case, will take effect on the date of the  
3 official declaration of the vote thereon by the governor.

First Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

DRAFT  
4.12.19

DRAFT

LLS NO. 19-1105.01 Christy Chase x2008

COMMITTEE BILL

Joint Budget Committee

**BILL TOPIC: "Tel Users Disabilities Fund Talking Book Library"**

**A BILL FOR AN ACT**

101 **CONCERNING THE USE OF MONEY IN THE COLORADO TELEPHONE**  
102 **USERS WITH DISABILITIES FUND TO PROVIDE TALKING BOOK**  
103 **LIBRARY SERVICES FOR CERTAIN PERSONS WITH DISABILITIES,**  
104 **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/>.)*

**Sections 1 and 2** of the bill authorize the use of money in the Colorado telephone users with disabilities fund to support talking book library services for persons who are blind and physically disabled.

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Dashes through the words indicate deletions from existing statute.*

**Section 3** appropriates \$250,000 to the department of education for that purpose.

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

2 **SECTION 1.** In Colorado Revised Statutes, 40-17-103, **amend**  
3 (3)(a)(III)(D) and (3)(a)(III)(E); and **add** (3)(a)(III)(F) as follows:

4 **40-17-103. Commission - powers and duties - rules.** (3) The  
5 commission shall, through the promulgation of rules, develop and  
6 implement a mechanism to recover its costs and the cost to voice service  
7 providers in implementing and administering telecommunications relay  
8 services required by this article 17. The mechanism must, at a minimum,  
9 provide for the following:

10 (a) (III) Without exceeding the maximum monthly surcharge set  
11 forth in subsection (3)(a)(I) of this section, the monthly surcharge must  
12 be an amount sufficient to:

13 (D) Pursuant to section 40-17-104, cover annual appropriations to  
14 the reading services for the blind cash fund and the Colorado commission  
15 for the deaf, hard of hearing, and deafblind cash fund; ~~and~~

16 (E) Reimburse the department of revenue for its administrative  
17 costs in collecting prepaid wireless TRS charges on prepaid wireless  
18 phones pursuant to section 29-11-102.7; ~~C.R.S.~~ AND

19 (F) PROVIDE SUPPORT FOR LIBRARY SERVICES AS AUTHORIZED BY  
20 SECTION 24-90-105 (1)(e).

21 **SECTION 2.** In Colorado Revised Statutes, 40-17-104, **amend**  
22 (1) as follows:

23 **40-17-104. Colorado telephone users with disabilities fund -**  
24 **creation - purpose.** (1) (a) Except as otherwise authorized to be retained  
25 by section 40-17-103 (3)(e), all money collected by the voice service

1 providers in accordance with section 40-17-103 shall be transmitted to the  
2 state treasurer, who shall credit the money to the Colorado telephone  
3 users with disabilities fund, which fund is hereby created and is referred  
4 to in this article 17 as the "fund".

5 (b) The general assembly:

6 (I) Shall make annual appropriations out of the fund:

7 (A) For the administration of the fund; and ~~shall make annual~~  
8 ~~appropriations~~

9 (B) To the reading services for the blind cash fund, created in  
10 section 24-90-105.5 (5), for use by the state librarian in support of  
11 privately operated reading services for people who are blind; AND

12 (II) MAY MAKE ANNUAL APPROPRIATIONS OUT OF THE FUND TO  
13 PROVIDE SUPPORT FOR LIBRARY SERVICES AS AUTHORIZED BY SECTION  
14 24-90-105 (1)(e).

15 (c) The money in the fund not used for administration of the fund,  
16 ~~not used for the reading services for the blind cash fund, and not used for~~  
17 ~~the Colorado commission for the deaf, hard of hearing, and deafblind~~  
18 ~~cash fund created in section 26-21-107, AND LIBRARY SERVICES AS~~  
19 ~~AUTHORIZED BY SECTION 24-90-105 (1)(e) is hereby continuously~~  
20 ~~appropriated to the public utilities commission for the reimbursement of~~  
21 ~~providers who render telecommunications services authorized by this~~  
22 ~~article 17.~~

23 <{*insert appropriation clause*}>

24 <{*Does the bill need a specified effective date? July 1, 2019?*}>

25 **SECTION 3. Safety clause.** The general assembly hereby finds,  
26 determines, and declares that this act is necessary for the immediate  
27 preservation of the public peace, health, and safety. <{*If the bill needs to*

1 *take effect before early August, a safety clause will be needed.*>

First Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

DRAFT  
4.12.19

DRAFT

LLS NO. 19-1106.01 Ed DeCecco x4216

COMMITTEE BILL

Joint Budget Committee

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**BILL TOPIC: "Unclaimed Property Trust Fund Transfer"**

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**A BILL FOR AN ACT**

101 **CONCERNING THE TRANSFER OF MONEY FROM THE UNCLAIMED**  
102 **PROPERTY TRUST FUND TO THE GENERAL FUND.**

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**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.** On July 1, 2019, the bill requires the state treasurer to transfer \$30 million from the unclaimed property trust fund to the general fund. The amount transferred constitutes fiscal year spending subject to the state fiscal year spending limit.

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Dashes through the words indicate deletions from existing statute.*

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

2 **SECTION 1.** In Colorado Revised Statutes, 38-13-116.5, **amend**  
3 (2.6)(b) and (2.6)(c); and **add** (2.6)(d) as follows:

4 **38-13-116.5. Unclaimed property trust fund - creation -**  
5 **payments - interest - appropriations - records - rules.**

6 (2.6) Notwithstanding any provision of this section to the contrary:

7 (b) On July 1, 2009, the state treasurer shall deduct twenty-five  
8 million dollars from the unclaimed property trust fund and transfer such  
9 sum to the general fund; ~~and~~

10 (c) On June 30, 2016, the state treasurer shall deduct eight million  
11 dollars from the unclaimed property trust fund and transfer such sum to  
12 the general fund; AND

13 (d) ON JULY 1, 2019, THE STATE TREASURER SHALL TRANSFER  
14 THIRTY MILLION DOLLARS FROM THE UNCLAIMED PROPERTY TRUST FUND  
15 TO THE GENERAL FUND.

16 **SECTION 2. 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, and safety.



First Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

DRAFT  
4.15.19

DRAFT

LLS NO. 19-1107.01 Jason Gelender x4330

COMMITTEE BILL

Joint Budget Committee

**BILL TOPIC:** "General Fund Transfer To Highway Users Tax Fund"

**A BILL FOR AN ACT**

101 CONCERNING A ONE-TIME TRANSFER OF ONE HUNDRED MILLION  
102 DOLLARS FROM THE GENERAL FUND TO THE HIGHWAY USERS  
103 TAX FUND.

**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 bill requires the state treasurer to transfer \$100 million from the general fund to the highway users tax fund on July 1, 2019, for allocation to the state highway fund, counties, and municipalities in accordance with the existing "second stream" allocation

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Dashes through the words indicate deletions from existing statute.*

formula, which allocates the money as follows:

- 60% to the state highway fund;
- 22% to counties; and
- 18% to municipalities.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-75-219, **add**  
3 (5)(b.5) as follows:

4 **24-75-219. Transfers - transportation - capital construction -**  
5 **definitions - repeal.** (5) (b.5) ON JULY 1, 2019, THE STATE TREASURER  
6 SHALL TRANSFER ONE HUNDRED MILLION DOLLARS FROM THE GENERAL  
7 FUND TO THE HIGHWAY USERS TAX FUND.

8 **SECTION 2.** In Colorado Revised Statutes, 43-4-205, **amend**  
9 (6.5)(a); and **add** (6.7) as follows:

10 **43-4-205. Allocation of fund.** (6.5) (a) EXCEPT AS OTHERWISE  
11 PROVIDED IN SUBSECTIONS (6.4) AND (6.7) OF THIS SECTION, the ~~revenues~~  
12 REVENUE accrued to and transferred to the highway users tax fund  
13 pursuant to section 39-26-123 (4)(a) or 24-75-219 ~~C.R.S.~~, or appropriated  
14 to the highway users tax fund pursuant to House Bill 02-1389, enacted  
15 ~~during the second regular session of the sixty-third general assembly,~~  
16 ~~shall~~ IN 2002, MUST be paid to the state highway fund for allocation to the  
17 department of transportation and ~~shall be~~ expended as provided in section  
18 43-4-206 (2).

19 (6.7) MONEY TRANSFERRED FROM THE GENERAL FUND TO THE  
20 HIGHWAY USERS TAX FUND PURSUANT TO SECTION 24-75-219 (5)(b.5)  
21 MUST BE ALLOCATED AND EXPENDED IN ACCORDANCE WITH THE FORMULA  
22 SPECIFIED IN SUBSECTION (6)(b) OF THIS SECTION.

23 **SECTION 3. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.

First Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

DRAFT  
2.12.19

DRAFT

LLS NO. 19-0900.01 Julie Pelegrin x2700

COMMITTEE BILL

Joint Budget Committee

**BILL TOPIC: "School District Mill Levy Equalization"**

**A BILL FOR AN ACT**

101 **CONCERNING EQUALIZING THE AMOUNT OF PROPERTY TAX REVENUE**  
102 **RECEIVED AS A RESULT OF MILLS LEVIED FOR ADDITIONAL**  
103 **LOCAL REVENUE BY LOW-PROPERTY-VALUE SCHOOL DISTRICTS.**

**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 bill directs the department of education to distribute to applying eligible school districts a mill levy equalization payment for additional local revenue (override) mills initially approved by voters on or after November 6, 2018 (qualifying mills). To be eligible, a school district's per pupil assessed property valuation must

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Dashes through the words indicate deletions from existing statute.*

be less than the statewide average per pupil assessed property valuation. The amount of the mill levy equalization payment is equal to the difference in the amount of property tax revenue generated by the qualifying mills levied against the school district's per pupil assessed property valuation and the amount that would be generated if the qualifying mills were levied against the statewide average per pupil assessed property valuation.

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

2           **SECTION 1.** In Colorado Revised Statutes, **add** 22-54-141 as  
3 follows:

4           **22-54-141. Additional funding - low-assessed property value**  
5 **districts - mill levy equalization money - rules - definitions - repeal.**

6 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
7 REQUIRES:

8           (a) "DEPARTMENT" MEANS THE DEPARTMENT OF EDUCATION.

9           (b) "ELIGIBLE DISTRICT" MEANS A DISTRICT IN WHICH THE DISTRICT  
10 PER PUPIL ASSESSED PROPERTY VALUATION FOR A PROPERTY TAX YEAR IS  
11 LESS THAN THE STATEWIDE AVERAGE PER PUPIL ASSESSED PROPERTY  
12 VALUATION FOR THAT PROPERTY TAX YEAR.

13           (c) "MILL LEVY EQUALIZATION AMOUNT" MEANS AN AMOUNT  
14 EQUAL TO THE DIFFERENCE BETWEEN THE AMOUNT OF PROPERTY TAX  
15 REVENUE GENERATED BY A SINGLE MILL LEVIED AGAINST THE DISTRICT'S  
16 PER PUPIL ASSESSED PROPERTY VALUATION AND THE AMOUNT OF  
17 PROPERTY TAX REVENUE GENERATED BY A SINGLE MILL LEVIED AGAINST  
18 THE STATEWIDE AVERAGE PER PUPIL ASSESSED PROPERTY VALUATION.

19           (d) "PER PUPIL ASSESSED PROPERTY VALUATION" MEANS AN  
20 AMOUNT EQUAL TO THE TOTAL ASSESSED PROPERTY VALUATION FOR A  
21 DISTRICT FOR A PROPERTY TAX YEAR DIVIDED BY THE SUM OF THE  
22 DISTRICT'S PUPIL ENROLLMENT, PRESCHOOL PROGRAM ENROLLMENT,

1 ONLINE PUPIL ENROLLMENT, AND DISTRICT EXTENDED HIGH SCHOOL PUPIL  
2 ENROLLMENT FOR THE SCHOOL YEAR THAT ENDS DURING THE PROPERTY  
3 TAX YEAR.

4 (e) "QUALIFYING PROPERTY TAX MILL" MEANS A PROPERTY TAX  
5 MILL THAT VOTERS INITIALLY AUTHORIZE A DISTRICT TO COLLECT AS  
6 PROVIDED IN SECTION 22-54-108, 22-54-108.5, OR 22-54-108.7 IN AN  
7 ELECTION HELD ON OR AFTER NOVEMBER 6, 2018.

8 (f) "STATEWIDE AVERAGE PER PUPIL ASSESSED PROPERTY  
9 VALUATION" MEANS AN AMOUNT EQUAL TO THE TOTAL ASSESSED  
10 PROPERTY VALUATION OF THE STATE FOR A PROPERTY TAX YEAR DIVIDED  
11 BY THE SUM OF THE PUPIL ENROLLMENT, PRESCHOOL PROGRAM  
12 ENROLLMENT, ONLINE PUPIL ENROLLMENT, AND DISTRICT EXTENDED HIGH  
13 SCHOOL PUPIL ENROLLMENT FOR ALL DISTRICTS FOR THE SCHOOL YEAR  
14 THAT ENDS DURING THE PROPERTY TAX YEAR.

15 (2) BEGINNING IN THE 2019-20 BUDGET YEAR, THE STATE SHALL  
16 DISTRIBUTE A MILL LEVY EQUALIZATION PAYMENT AS PROVIDED IN THIS  
17 SECTION TO EACH ELIGIBLE DISTRICT THAT APPLIES FOR A PAYMENT AND  
18 MEETS THE REQUIREMENTS OF THIS SECTION. AN ELIGIBLE DISTRICT MAY  
19 RECEIVE A MILL LEVY EQUALIZATION PAYMENT FOR UP TO A TOTAL OF XX  
20 QUALIFYING PROPERTY TAX MILLS. THE AMOUNT THAT A DISTRICT  
21 RECEIVES AS A MILL LEVY EQUALIZATION PAYMENT IS INCLUDED IN  
22 CALCULATING THE TOTAL ADDITIONAL LOCAL PROPERTY TAX REVENUES  
23 THAT A DISTRICT MAY RECEIVE AS DESCRIBED IN SECTION 22-54-108  
24 (3)(b)(III) AND (3)(b)(IV).

25 (3) TO RECEIVE A MILL LEVY EQUALIZATION PAYMENT FOR  
26 ADDITIONAL LOCAL REVENUE COLLECTED FOR THE PRECEDING PROPERTY  
27 TAX YEAR FROM A QUALIFYING PROPERTY TAX MILL, AN ELIGIBLE DISTRICT

1 MUST ANNUALLY APPLY TO THE DEPARTMENT BY A DATE SPECIFIED BY  
2 RULE OF THE STATE BOARD. IN THE APPLICATION, THE ELIGIBLE DISTRICT  
3 MUST:

4 (a) DEMONSTRATE THAT THE DISTRICT'S PER PUPIL ASSESSED  
5 PROPERTY VALUATION FOR THE PRECEDING PROPERTY TAX YEAR WAS LESS  
6 THAN THE STATEWIDE AVERAGE PER PUPIL ASSESSED PROPERTY  
7 VALUATION FOR THE PRECEDING PROPERTY TAX YEAR, AS CALCULATED BY  
8 THE DEPARTMENT;

9 (b) STATE THE AMOUNT OF PROPERTY TAX REVENUE GENERATED  
10 BY A SINGLE MILL LEVIED AGAINST THE DISTRICT'S PER PUPIL ASSESSED  
11 PROPERTY VALUATION FOR THE PRECEDING PROPERTY TAX YEAR; AND

12 (c) STATE THE NUMBER OF QUALIFYING PROPERTY TAX MILLS THAT  
13 THE DISTRICT ASSESSED FOR THE PRECEDING PROPERTY TAX YEAR AND  
14 THE AMOUNT OF PROPERTY TAX REVENUE THAT THE MILLS GENERATE,  
15 ASSUMING ONE HUNDRED PERCENT COLLECTION.

16 (4) THE DEPARTMENT SHALL REVIEW EACH APPLICATION RECEIVED  
17 PURSUANT TO SUBSECTION (3) OF THIS SECTION AND, SUBJECT TO  
18 AVAILABLE APPROPRIATIONS, DISTRIBUTE TO EACH APPLYING ELIGIBLE  
19 DISTRICT AN AMOUNT EQUAL TO THE MILL LEVY EQUALIZATION AMOUNT  
20 MULTIPLIED BY THE NUMBER OF QUALIFYING PROPERTY TAX MILLS THAT  
21 THE DISTRICT ASSESSED FOR THE PRECEDING PROPERTY TAX YEAR UP TO  
22 A TOTAL OF XX QUALIFYING PROPERTY TAX MILLS.

23 (5) THE STATE BOARD SHALL PROMULGATE RULES AS NECESSARY  
24 TO IMPLEMENT THIS SECTION, INCLUDING BUT NOT LIMITED TO  
25 ESTABLISHING THE DATE BY WHICH AN ELIGIBLE DISTRICT MUST  
26 ANNUALLY SUBMIT AN APPLICATION TO RECEIVE A MILL LEVY  
27 EQUALIZATION PAYMENT AS PROVIDED IN THIS SECTION. THE DEPARTMENT

1 SHALL ANNUALLY CALCULATE THE STATEWIDE AVERAGE PER PUPIL  
2 ASSESSED PROPERTY VALUATION AND, UPON REQUEST, PROVIDE  
3 TECHNICAL ASSISTANCE TO ELIGIBLE DISTRICTS THAT CHOOSE TO APPLY  
4 FOR A MILL LEVY EQUALIZATION PAYMENT AS PROVIDED IN THIS SECTION.

5 (6) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE  
6 MONEY TO THE DEPARTMENT FOR DISTRIBUTION AS MILL LEVY  
7 EQUALIZATION PAYMENTS AS PROVIDED IN THIS SECTION. IN A BUDGET  
8 YEAR IN WHICH THE GENERAL ASSEMBLY DOES NOT APPROPRIATE A  
9 SUFFICIENT AMOUNT TO FULLY FUND THE MILL LEVY EQUALIZATION  
10 PAYMENTS AUTHORIZED IN THIS SECTION, THE DEPARTMENT SHALL  
11 REDUCE EACH APPLYING ELIGIBLE DISTRICT'S MILL LEVY EQUALIZATION  
12 PAYMENT BY THE SAME PERCENTAGE THAT THE DEFICIT BEARS TO THE  
13 AMOUNT REQUIRED TO FULLY FUND THE PAYMENTS AUTHORIZED BY THIS  
14 SECTION.

15 (7) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2024.

16 **SECTION 2. Act subject to petition - effective date.** This act  
17 takes effect at 12:01 a.m. on the day following the expiration of the  
18 ninety-day period after final adjournment of the general assembly (August  
19 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a  
20 referendum petition is filed pursuant to section 1 (3) of article V of the  
21 state constitution against this act or an item, section, or part of this act  
22 within such period, then the act, item, section, or part will not take effect  
23 unless approved by the people at the general election to be held in  
24 November 2020 and, in such case, will take effect on the date of the  
25 official declaration of the vote thereon by the governor.



First Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

REDRAFT

4.15.19

Double underlining  
denotes changes from  
prior draft

DRAFT

LLS NO. 19-0898.01 Julie Pelegrin x2700

COMMITTEE BILL

Joint Budget Committee

**BILL TOPIC:** "School District Uniform Total Program Mill Levy"

**A BILL FOR AN ACT**

101 **CONCERNING THE NUMBER OF PROPERTY TAX MILLS THAT A SCHOOL**  
102 **DISTRICT IS REQUIRED TO LEVY FOR THE SCHOOL DISTRICT'S**  
103 **SHARE OF TOTAL PROGRAM FUNDING.**

**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.** For purposes of funding a school district's total program under existing law, each school district is required to levy a specified number of property tax mills. The amount of revenue generated by the levy, plus the revenue the district receives from specific ownership tax, is the district's share of total program. The state share

*Capital letters or bold & italic numbers indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

equals the difference between the district's share and the amount of the district's total program.

Beginning with the 2019 property tax year, the bill requires each school district to levy **X** mills or the number of mills that will result in enough property tax revenue to fully fund the district's total program, whichever is less. If the number of mills required in the bill is an increase in a school district's current levy, the school district must seek voter approval for the increase. A school district is not required to increase the mill levy by more than **X** mills every **2** years. A school district may count mills that it levies for additional revenue as total program mills to meet the total program mill levy requirements. If a school district does not levy the number of mills required, the state share for the school district will still be based on the number of mills that the school district is required to levy; except that the total combined district and state share amount that a school district receives must not be less than **[OPTION 1: the school district's total program funding calculated using minimum per pupil funding, less the amount of the budget stabilization factor.] [OPTION 2: an amount equal to the school district's funded pupil count multiplied by statewide base per pupil funding.]** A school district is prohibited from seeking voter approval for mill levy overrides until the school district is levying the required number of total program mills.

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

2 **SECTION 1.** In Colorado Revised Statutes, 22-54-106, **amend**  
3 (1)(a)(I), (1)(b)(I), (2)(a) introductory portion, and (2)(c); and **add**  
4 (2)(a.5) as follows:

5 **22-54-106. Local and state shares of district total program.**

6 (1) (a) (I) FOR PROPERTY TAX YEARS BEFORE THE 2019 PROPERTY TAX  
7 YEAR, every district shall levy the number of mills determined pursuant  
8 to ~~paragraph (a) of subsection (2) of this section, and~~ SUBSECTION (2)(a)  
9 OF THIS SECTION. FOR THE 2019 PROPERTY TAX YEAR AND EACH PROPERTY  
10 TAX YEAR THEREAFTER, EACH DISTRICT SHALL LEVY THE NUMBER OF  
11 MILLS DETERMINED PURSUANT TO SUBSECTION (2)(a.5) OF THIS SECTION.  
12 The amount of property tax revenue ~~which the~~ THAT A district is entitled  
13 to receive from the levy, assuming one hundred percent collection, along

1 with the amount of specific ownership tax revenue paid to the district, as  
2 defined in section 22-54-103 (11), ~~shall be~~ is the district's share of its  
3 total program.

4 (b) (I) Except as provided in subsections (11) and (12) of this  
5 section, the state's share of a district's total program is the difference  
6 between the district's total program and the district's share of its total  
7 program; EXCEPT THAT, IN A BUDGET YEAR IN WHICH A DISTRICT LEVIES  
8 A LESSER NUMBER OF MILLS THAN THAT REQUIRED IN SUBSECTION (2)(a.5)  
9 OF THIS SECTION, THE STATE'S SHARE OF A DISTRICT'S TOTAL PROGRAM IS  
10 THE AMOUNT NECESSARY TO ENSURE THAT THE COMBINED TOTAL OF THE  
11 DISTRICT'S SHARE, ASSUMING ONE HUNDRED PERCENT COLLECTION OF THE  
12 NUMBER OF MILLS LEVIED, AND THE AMOUNT THE DISTRICT RECEIVES  
13 FROM THE STATE IS NOT LESS THAN [OPTION 1: THE AMOUNT OF TOTAL  
14 PROGRAM FUNDING CALCULATED FOR THE DISTRICT PURSUANT TO SECTION  
15 22-54-104 (2)(a)(IX)(B) USING MINIMUM PER PUPIL FUNDING, LESS THE  
16 BUDGET STABILIZATION FACTOR CALCULATED PURSUANT TO SECTION  
17 22-54-104 (5)(g), FOR THE APPLICABLE BUDGET YEAR.] [OPTION 2: AN  
18 AMOUNT EQUAL TO THE STATEWIDE BASE PER PUPIL FUNDING AMOUNT,  
19 SPECIFIED IN SECTION 22-54-104 (5)(a) FOR THE APPLICABLE BUDGET  
20 YEAR, MULTIPLIED BY THE DISTRICT'S FUNDED PUPIL COUNT FOR THE  
21 APPLICABLE BUDGET YEAR.]

22 (2) (a) Except as provided in ~~paragraph (c) of this subsection (2);~~  
23 SUBSECTION (2)(c) OF THIS SECTION for reorganized districts, for the 2007  
24 property tax year and property tax years thereafter THROUGH THE 2018  
25 PROPERTY TAX YEAR, each district shall levy the lesser of:

26 (a.5) (I) FOR THE 2019 PROPERTY TAX YEAR AND EACH PROPERTY  
27 TAX YEAR THEREAFTER, EACH DISTRICT SHALL LEVY THE LESSER OF:

1 (A) **X** MILLS; OR

2 (B) THE NUMBER OF MILLS THAT WILL GENERATE PROPERTY TAX  
3 REVENUE IN AN AMOUNT EQUAL TO THE DISTRICT'S TOTAL PROGRAM FOR  
4 THE APPLICABLE BUDGET YEAR MINUS THE AMOUNT OF SPECIFIC  
5 OWNERSHIP TAX REVENUE PAID TO THE DISTRICT. REGARDLESS OF THE  
6 APPLICABILITY OF SECTION 22-54-104 (5)(g), FOR THE PURPOSES OF THIS  
7 SUBSECTION (2)(a.5)(I)(B), A DISTRICT'S TOTAL PROGRAM IS THE AMOUNT  
8 CALCULATED PURSUANT TO SECTION 22-54-104 (2).

9 (II) BEGINNING WITH THE 2019 PROPERTY TAX YEAR, A DISTRICT  
10 SHALL SEEK VOTER APPROVAL, AS NECESSARY, TO COMPLY WITH THE MILL  
11 LEVY REQUIREMENTS SPECIFIED IN SUBSECTION (2)(a.5)(I) OF THIS  
12 SECTION. A DISTRICT MAY INCREMENTALLY INCREASE THE NUMBER OF  
13 MILLS LEVIED, STARTING WITH THE 2019 PROPERTY TAX YEAR, BY  
14 INCREASING THE MILL LEVY BY AT LEAST **X** MILLS EVERY **TWO** PROPERTY  
15 TAX YEARS UP TO THE NUMBER OF MILLS REQUIRED IN SUBSECTION  
16 (2)(a.5)(I) OF THIS SECTION. THE DISTRICT'S SHARE OF TOTAL PROGRAM  
17 FOR A BUDGET YEAR IN WHICH THE DISTRICT, PURSUANT TO THIS  
18 SUBSECTION (2)(a.5)(II), LEVIES FEWER THAN THE NUMBER OF MILLS  
19 REQUIRED IN SUBSECTION (2)(a.5)(I) OF THIS SECTION IS CALCULATED  
20 BASED ON THE ACTUAL NUMBER OF MILLS THE DISTRICT LEVIES OR THE  
21 NUMBER OF MILLS THAT THE DISTRICT IS REQUIRED TO LEVY PURSUANT TO  
22 THIS SUBSECTION (2)(a.5)(II), WHICHEVER IS GREATER.

23 (III) A DISTRICT MAY COUNT ALL OR ANY PORTION OF THE MILLS  
24 THAT THE DISTRICT LEVIES PURSUANT TO SECTION 22-54-108 AS MILLS  
25 LEVIED PURSUANT TO THIS SUBSECTION (2)(a.5) TO COMPLY WITH THE  
26 REQUIREMENTS SPECIFIED IN SUBSECTIONS (2)(a.5)(I) AND (2)(a.5)(II) OF  
27 THIS SECTION.

1 (c) (I) Notwithstanding any other provision of this subsection (2),  
2 FOR PROPERTY TAX YEARS BEFORE THE 2019 PROPERTY TAX YEAR, if there  
3 is a reorganization pursuant to article 30 of this ~~title~~ TITLE 22, except for  
4 a detachment and annexation, and if such reorganization involves districts  
5 with differing mill levies, then in its first year of operation, the new  
6 district shall levy a number of mills that is based on the total property  
7 taxes collected in the preceding year from property included within the  
8 new district divided by the total valuation for assessment in the preceding  
9 year of property located within the new district but in no event more than  
10 41.75 mills. This ~~paragraph (c)~~ SUBSECTION (2)(c) shall not apply to any  
11 new district whose levy would otherwise be calculated pursuant to  
12 ~~subparagraph (H) of paragraph (a) of this subsection (2)~~ SUBSECTION  
13 (2)(a)(II) OF THIS SECTION.

14 (II) FOR PROPERTY TAX YEARS BEFORE THE 2019 PROPERTY TAX  
15 YEAR, if there is a detachment and annexation pursuant to article 30 of  
16 this ~~title~~ TITLE 22 and if such detachment and annexation involves  
17 districts with differing mill levies, then in the first year after the  
18 detachment and annexation, the annexing district shall calculate its levy  
19 pursuant to ~~paragraph (a) of this subsection (2)~~ SUBSECTION (2)(a) OF THIS  
20 SECTION.

21 (III) FOR THE 2019 PROPERTY TAX YEAR AND EACH PROPERTY TAX  
22 YEAR THEREAFTER, IF THERE IS A REORGANIZATION PURSUANT TO ARTICLE  
23 30 OF THIS TITLE 22, REGARDLESS OF THE RESULTING CHANGE TO DISTRICT  
24 BOUNDARIES, EACH DISTRICT INVOLVED IN OR RESULTING FROM THE  
25 REORGANIZATION SHALL CALCULATE ITS LEVY PURSUANT TO SUBSECTION  
26 (2)(a.5) OF THIS SECTION, AS APPLICABLE.

27 **SECTION 2.** In Colorado Revised Statutes, 22-45-103, **amend**

1 (1)(k) as follows:

2 **22-45-103. Funds.** (1) The following funds are created for each  
3 school district for purposes specified in this article 45:

4 (k) **Total program reserve fund.** A school district shall deposit  
5 the property tax revenues that it collects from a tax levy imposed pursuant  
6 to section 22-54-107 (5) in the total program reserve fund of the district.  
7 The district may expend money from the total program reserve fund only  
8 to offset the amount of a reduction in the district's state share caused by  
9 application of the budget stabilization factor pursuant to section  
10 22-54-104 (5)(g); except that, in a budget year in which the school district  
11 levies for its total program the number of mills calculated pursuant to  
12 section 22-54-106 (2)(a)(II) OR (2)(a.5)(I)(B), WHICHEVER IS APPLICABLE,  
13 if the balance of the total program reserve fund exceeds an amount equal  
14 to the district's total program for that budget year multiplied by the budget  
15 stabilization factor calculated pursuant to section 22-54-104 (5)(g) for  
16 that budget year, the district may expend the amount of the excess  
17 balance. Any money remaining in the fund at the end of a fiscal year must  
18 remain in the fund and may be used in future years only as provided in  
19 this subsection (1)(k).

20 **SECTION 3.** In Colorado Revised Statutes, 22-54-104, **amend**  
21 (5)(g)(IV) and (5)(g)(V) as follows:

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

24 (g) (IV) For the 2010-11 budget year, and each budget year  
25 thereafter, the total program funding for a district that levies the number  
26 of mills calculated pursuant to section 22-54-106 (2)(a)(II) ~~shall be~~ OR  
27 (2)(a.5)(I)(B), WHICHEVER IS APPLICABLE, IS the amount calculated

1 pursuant to subsection (2) of this section for the applicable budget year.  
2 Any such district shall use the revenues generated by the number of mills  
3 that the district levies pursuant to section 22-54-106 (2)(a)(II) OR  
4 (2)(a.5)(I)(B), WHICHEVER IS APPLICABLE, to replace any categorical  
5 program support funds that the district would otherwise be eligible to  
6 receive from the state; except that the amount of categorical program  
7 support funds that the district is required to replace ~~shall~~ MUST not exceed  
8 an amount equal to the district's reduction amount. The department shall  
9 use the amount of categorical program support funds replaced by property  
10 tax revenue pursuant to this ~~subparagraph (IV)~~ SUBSECTION (5)(g)(IV) to  
11 make payments of categorical program support funds to eligible districts  
12 as specified in section 22-54-107 (4).

13 (V) For the 2010-11 budget year and each budget year thereafter,  
14 if a district levies the number of mills calculated pursuant to ~~section~~  
15 ~~22-54-106 (2)(a)(I)~~ SECTION 22-54-106 (2)(a)(I), (2)(a.5)(I)(A), OR  
16 (2)(a.5)(II), WHICHEVER IS APPLICABLE, and the district's reduction  
17 amount exceeds the district's state share of total program funding, ~~such~~  
18 THE district's total program funding ~~shall be~~ IS the amount calculated  
19 pursuant to subsection (2) of this section for the applicable budget year,  
20 minus the district's state aid. Any such district shall use the revenues  
21 generated by the number of mills that the district levies pursuant to  
22 ~~section 22-54-106 (2)(a)(I)~~ SECTION 22-54-106 (2)(a)(I), (2)(a.5)(I)(A),  
23 OR (2)(a.5)(II), WHICHEVER IS APPLICABLE, to replace any categorical  
24 program support funds that the district would otherwise be eligible to  
25 receive from the state; except that the amount of categorical program  
26 support funds that the district is required to replace ~~shall~~ MUST not exceed  
27 an amount equal to the remainder of the district's reduction amount after

1 the reduction to the district's total program has been applied pursuant to  
2 this ~~subparagraph (V)~~ SUBSECTION (5)(g)(V). The department of  
3 education shall use the amount of categorical program support funds  
4 replaced by property tax revenue pursuant to this ~~subparagraph (V)~~  
5 SUBSECTION (5)(g)(V) to make payments of categorical program support  
6 funds to eligible districts as specified in section 22-54-107 (4).

7 **SECTION 4.** In Colorado Revised Statutes, 22-54-107, **amend**  
8 (1) and (5) as follows:

9 **22-54-107. Buy-out of categorical programs - total program**  
10 **reserve fund levy.** (1) If a district levies the number of mills calculated  
11 pursuant to section 22-54-106 (2)(a)(II) OR (2)(a.5)(I)(B), WHICHEVER IS  
12 APPLICABLE, the district shall make an additional levy to generate  
13 property tax revenue in an amount equal to the amount of categorical  
14 support funds; except that the total of the two levies cannot exceed:

15 (a) FOR PROPERTY TAX YEARS BEFORE THE 2019 PROPERTY TAX  
16 YEAR, the lesser of the district's levy for the immediately preceding year,  
17 the district's allowable levy under the property tax revenue limitation  
18 imposed on the district by section 20 of article X of the state constitution  
19 if the district has not obtained voter approval to retain and spend revenues  
20 in excess of such property tax revenue limitation, or twenty-seven mills;  
21 OR

22 (b) FOR THE 2019 PROPERTY TAX YEAR AND PROPERTY TAX YEARS  
23 THEREAFTER, THE DISTRICT'S LEVY FOR THE IMMEDIATELY PRECEDING  
24 YEAR.

25 (5) For the 2016-17 budget year and each budget year thereafter,  
26 if a district levies the number of mills calculated pursuant to section  
27 22-54-106 (2)(a)(II) OR (2)(a.5)(I)(B), WHICHEVER IS APPLICABLE, and the



1 additional mill levy described in subsection (1) of this section for  
2 categorical support funds, and the combined total of the two levies is less  
3 than the number of mills that the district levied in the preceding budget  
4 year, the district, in addition to the two levies, shall assess a number of  
5 mills equal to the difference between the combined total of the two levies  
6 and the number of mills levied in the preceding budget year. The district  
7 shall deposit the property tax revenue collected from the mills levied  
8 pursuant to this subsection (5) in the total program reserve fund created  
9 in section 22-45-103 (1)(k).

10 **SECTION 5. In Colorado Revised Statutes, 22-54-108, add (5)**  
11 **as follows:**

12 **22-54-108. Authorization of additional local revenues.**  
13 **(5) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE**  
14 **CONTRARY, ON AND AFTER THE EFFECTIVE DATE OF THIS SECTION, A**  
15 **DISTRICT SHALL NOT SEEK VOTER APPROVAL FOR ADDITIONAL LOCAL**  
16 **REVENUES PURSUANT TO THIS SECTION UNTIL SUCH TIME AS THE DISTRICT**  
17 **LEVIES THE NUMBER OF MILLS REQUIRED IN SECTION 22-54-106 (2)(a.5)(I).**

18 **SECTION 6. In Colorado Revised Statutes, 22-54-108.5, add (4)**  
19 **as follows:**

20 **22-54-108.5. Authorization of additional local revenues for**  
21 **full-day kindergarten - definitions. (4) NOTWITHSTANDING ANY**  
22 **PROVISION OF THIS SECTION TO THE CONTRARY, ON AND AFTER THE**  
23 **EFFECTIVE DATE OF THIS SECTION, A DISTRICT SHALL NOT SEEK VOTER**  
24 **APPROVAL FOR ADDITIONAL LOCAL REVENUES PURSUANT TO THIS SECTION**  
25 **UNTIL SUCH TIME AS THE DISTRICT LEVIES THE NUMBER OF MILLS**  
26 **REQUIRED IN SECTION 22-54-106 (2)(a.5)(I).**

27 **SECTION 7. In Colorado Revised Statutes, 22-54-108.7, add (3)**

1 as follows:

2 **22-54-108.7. Authorization of additional local revenues for**  
3 **cash funding of capital construction, new technology, existing**  
4 **technology upgrade, and maintenance needs - definition.**

5 (3) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE  
6 CONTRARY, ON AND AFTER THE EFFECTIVE DATE OF THIS SECTION, A  
7 DISTRICT SHALL NOT SEEK VOTER APPROVAL FOR ADDITIONAL LOCAL  
8 REVENUES PURSUANT TO THIS SECTION UNTIL SUCH TIME AS THE DISTRICT  
9 LEVIES THE NUMBER OF MILLS REQUIRED IN SECTION 22-54-106 (2)(a.5)(I).

10 **SECTION 8. Act subject to petition - effective date.** This act  
11 takes effect at 12:01 a.m. on the day following the expiration of the  
12 ninety-day period after final adjournment of the general assembly (August  
13 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a  
14 referendum petition is filed pursuant to section 1 (3) of article V of the  
15 state constitution against this act or an item, section, or part of this act  
16 within such period, then the act, item, section, or part will not take effect  
17 unless approved by the people at the general election to be held in  
18 November 2020 and, in such case, will take effect on the date of the  
19 official declaration of the vote thereon by the governor.

First Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

DRAFT  
3.15.19

DRAFT

LLS NO. 19-0986.01 Julie Pelegrin x2700

COMMITTEE BILL

Joint Budget Committee

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**BILL TOPIC:** "Increase Tier B Special Education Funding"

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**A BILL FOR AN ACT**

101 **CONCERNING INCREASING THE AMOUNT OF TIER B STATE FUNDING FOR**  
102 **SPECIAL EDUCATION.**

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**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.** Under existing law, the state appropriates a certain amount per pupil to fund services for all children with disabilities, which is referred to as tier A funding, and a separate amount to fund services for children identified with certain disabilities, which is referred to as tier B funding. The bill increases the amount of tier B funding from \$20 million to \$■ million and allows the amount to be

*Capital letters or bold & italic numbers indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

appropriated from the state education fund or the general fund.

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

2           **SECTION 1.** In Colorado Revised Statutes, 22-20-114, **amend**  
3 (1)(c)(III) as follows:

4           **22-20-114. Funding of programs - legislative declaration.**

5 (1) Subject to the provisions of subsection (3) of this section, for the  
6 2005-06 budget year and each budget year thereafter, the total amount  
7 appropriated to the department for the payment of costs incurred by  
8 administrative units for the provision of special education programs shall  
9 be distributed to each administrative unit that provides educational  
10 services for children with disabilities as follows:

11           (c) (III) (A) For the 2013-14 budget year and each budget year  
12 thereafter THROUGH THE 2018-19 BUDGET YEAR, in addition to any  
13 amount that is available pursuant to ~~subparagraph (I) of this paragraph (c)~~  
14 SUBSECTION (1)(c)(I) OF THIS SECTION, the general assembly shall  
15 appropriate twenty million dollars from the state education fund to the  
16 department for the purposes of this ~~paragraph (c)~~ SUBSECTION (1)(c).

17           (B) FOR THE 2019-20 BUDGET YEAR AND EACH BUDGET YEAR  
18 THEREAFTER, IN ADDITION TO ANY AMOUNT THAT IS AVAILABLE PURSUANT  
19 TO SUBSECTION (1)(c)(I) OF THIS SECTION, THE GENERAL ASSEMBLY SHALL  
20 APPROPRIATE        MILLION DOLLARS, WHICH AMOUNT MAY BE  
21 APPROPRIATED FROM THE STATE EDUCATION FUND OR THE GENERAL FUND  
22 OR AS AMOUNTS FROM BOTH FUNDS, TO THE DEPARTMENT FOR THE  
23 PURPOSES OF THIS SUBSECTION (1)(c).

24           ~~(B)~~ (C) The general assembly hereby finds and declares that, for  
25 the purposes of section 17 of article IX of the state constitution, providing

1 additional ~~moneys~~ MONEY to children with one or more disabilities, as  
2 described in ~~subparagraph (H) of this paragraph (c)~~ SUBSECTION (1)(c)(II)  
3 OF THIS SECTION, for a percentage of such children receiving special  
4 education services from an administrative unit is a program for  
5 accountable education reform and may therefore receive funding from the  
6 state education fund created in section 17 (4) of article IX of the state  
7 constitution.

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