

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 26-0140.05 Pierce Lively x2059

SENATE BILL 26-135

SENATE SPONSORSHIP

Bridges and Kipp, Amabile, Benavidez, Coleman, Cutter, Danielson, Daugherty, Exum, Gonzales J., Hinrichsen, Jodeh, Kolker, Lindstedt, Marchman, Mullica, Rodriguez, Snyder, Sullivan, Weissman

HOUSE SPONSORSHIP

Bacon and Lukens, Boesenecker, Camacho, Carter, Duran, Goldstein, Hamrick, Joseph, Lieder, Lindsay, Martinez, McCormick, Nguyen, Paschal, Phillips, Rydin, Smith, Stewart R., Titone, Velasco, Willford

Senate Committees
Finance

House Committees

A BILL FOR AN ACT

101 **CONCERNING STATE PUBLIC EDUCATION K-12 FUNDING, AND, IN**
102 **CONNECTION THEREWITH, INCREASING APPROPRIATIONS FOR**
103 **STATE PUBLIC EDUCATION K-12 BY UP TO TWO PERCENT FOR**
104 **TEN YEARS, USING THE INCREASED APPROPRIATIONS FOR**
105 **DISTRICT SCHOOL FINANCING FACTOR FUNDING, ALLOWING THE**
106 **STATE TO RETAIN AN AMOUNT OF STATE REVENUE IN EXCESS OF**
107 **THE LIMITATION ON STATE FISCAL YEAR SPENDING EQUAL TO**
108 **STATE PUBLIC K-12 EDUCATION FUNDING, AND SUBMITTING A**
109 **BALLOT QUESTION TO THE REGISTERED ELECTORS OF THE**
110 **STATE.**

Bill Summary

(Note: This summary applies to this bill as introduced and does

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

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 requires the secretary of state to refer a ballot issue at the November 2026 general election to seek voter approval for the state to retain and spend an amount of state revenue equal to the amount of state public K-12 education funding in excess of the limitation on state fiscal year spending and to increase state public K-12 education funding by up to 2% for 10 years.

The bill directs legislative council staff to determine the amount of state public K-12 education funding and describes how legislative council staff will make that determination.

The bill creates a positive factor to provide additional funding for each district. A positive factor is equal to the lesser of 2% of statewide total program funding for the 2026-27 budget year multiplied by a district's total program as a percentage of the statewide total program or the amount that the state is authorized to retain and spend that would otherwise have been in excess of the limitation on state fiscal year spending multiplied by a district's total program as a percentage of the statewide total program. A district may only use its positive factor funding for increasing teacher pay, improving teacher retention, lowering class sizes, and increasing access to career and technical courses.

The bill creates the excess state revenues account (account) within the general fund. The account consists of an amount of money equal to the amount of state revenues in excess of the excess state revenues cap that the state retains for a given fiscal year pursuant to voter approval of the bill. Money in the account must first be spent for paying districts their positive factor and only after that may be spent for any other purpose.

The bill directs the state auditor to conduct and publish, for each state fiscal year that the state retains and spends state revenues in excess of the limitation on state fiscal year spending, a legislative report. That report must include descriptions of:

- The amount of state revenues that the state retained and spent that would otherwise have been in excess of the limitation on state fiscal year spending; and
- How the state revenues that the state retained and spent that would otherwise have been in excess of the limitation on state fiscal year spending were expended.

Lastly, the bill makes conforming amendments to ensure that voter approval of the bill does not impact the expanded earned income tax credit, the family affordability tax credit, or the affordable housing financing fund.

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

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

4 (a) Public education is the bedrock of Colorado's democracy,
5 fundamental to individual opportunity, the underpinning of thriving
6 communities, and the key to Colorado's economic prosperity and future;

7 (b) Wise and adequate investment in Colorado's schools is
8 essential to maintaining and improving the competitiveness of Colorado
9 and its students;

10 (c) The money invested in Colorado's public schools has a return
11 on investment that has long been recognized as among the nation's
12 highest;

13 (d) An increase in the rates of K-12 graduation, the earning of
14 industry certifications, and the earning of associates degrees demonstrate
15 the effectiveness of Colorado's investment in public schools;

16 (e) Research demonstrates that increasing school funding results
17 in long-term increases in graduation rates and lifetime wages, prevents
18 crime, and lowers incarceration rates;

19 (f) Educators and support staff in every school district and charter
20 school across Colorado make invaluable contributions to their schools,
21 districts, and communities by dedicating their time, talents, and
22 out-of-pocket money to their students, despite Colorado ranking near the
23 bottom of starting teacher pay and having the largest teacher pay penalty
24 in the nation;

25 (g) Teachers, counselors, para professionals, bus drivers, and
26 essential support staff are leaving their professions because salaries

1 haven't kept up with housing, healthcare, and cost of living;

2 (h) Students are learning in overcrowded classrooms and in
3 schools with fewer mental health counselors, opportunities for special
4 education support, and programs that support their ability to develop into
5 healthy, productive adults;

6 (i) Working class, multilingual, and rural communities are hit
7 hardest by chronic school underfunding;

8 (j) In January 2025, the legislature received the reports and
9 recommendation of the two commissioned adequacy studies: "Equity and
10 Adequacy of Colorado School Funding - A Cost-Modeling Approach",
11 by the American institutes for research, and "Colorado Input-Based
12 Financial Adequacy Study Report", by Augenblick, Pailaich and
13 Associates, Inc;

14 (k) The adequacy studies found that, were Colorado schools
15 funded fully and fairly, every student would have the individual attention
16 they need from teachers, counselors, health professionals, tutors, and
17 support staff to succeed and thrive; every teacher would have a
18 reasonable workload, professional development and coaching, and a
19 salary that would allow them to live where they work; and every
20 community would enjoy the benefit of vibrant public schools, a
21 high-quality workforce, and an engaged citizenry;

22 (l) Colorado's fiscal constraints and potential of federal funding
23 cuts to education, medicaid, nutrition, human services, and other critical
24 programs threaten the sustainability and adequacy of school funding in
25 Colorado and to deplete the state education fund; and

26 (m) Therefore, it is in the best interest of educators, students, and
27 their families to allow voters to invest further in public education by

1 modernizing the state's ability to retain and spend revenue to meet the
2 needs of Colorado communities and to ensure that state investment in
3 K-12 public education is increased by two percent for at least ten years
4 through the funding of a positive factor.

5 **SECTION 2.** In Colorado Revised Statutes, **add** 22-54-103.7 as
6 follows:

7 **22-54-103.7. Positive factor funding - 2027-28 through 2036-37**
8 **budget years - definitions - repeal.**

9 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
10 REQUIRES:

11 (a) "NEW FORMULA DISTRICT TOTAL PROGRAM CALCULATION"
12 MEANS A DISTRICT'S TOTAL PROGRAM FOR THE APPLICABLE BUDGET YEAR
13 AS CALCULATED PURSUANT TO THE DISTRICT TOTAL PROGRAM FORMULA
14 IN SECTION 22-54-103.5. THE TERM DOES NOT INCLUDE ANY ADJUSTMENTS
15 REQUIRED PURSUANT TO SECTION 22-54-103.3 WHEN DETERMINING A
16 DISTRICT'S TOTAL PROGRAM FOR THE 2027-28 BUDGET YEAR THROUGH
17 THE 2030-31 BUDGET YEAR.

18 (b) "NEW FORMULA STATEWIDE TOTAL PROGRAM CALCULATION"
19 MEANS THE DISTRICT TOTAL PROGRAM FOR ALL DISTRICTS FOR THE
20 APPLICABLE BUDGET YEAR AS CALCULATED PURSUANT TO THE DISTRICT
21 TOTAL PROGRAM FORMULA IN SECTION 22-54-103.5. THE TERM DOES NOT
22 INCLUDE ANY ADJUSTMENTS REQUIRED PURSUANT TO SECTION
23 22-54-103.3 WHEN DETERMINING A DISTRICT'S TOTAL PROGRAM FOR THE
24 2027-28 BUDGET YEAR THROUGH THE 2030-31 BUDGET YEAR.

25 (c) "TWO PERCENT K-12 PUBLIC EDUCATION INCREASE" MEANS AN
26 AMOUNT EQUAL TO THE LESSER OF TWO PERCENT OF STATEWIDE TOTAL
27 PROGRAM FUNDING FOR THE 2026-27 BUDGET YEAR CALCULATED

1 PURSUANT TO THIS ARTICLE 54 OR THE AMOUNT THAT THE STATE IS
2 AUTHORIZED TO RETAIN AND SPEND PURSUANT TO THE VOTER'S APPROVAL
3 OF THE BALLOT MEASURE INCLUDED IN SECTION 24-77-302 FOR THE
4 BUDGET YEAR.

5 (2) A DISTRICT'S POSITIVE FACTOR FUNDING IS EQUAL TO:
6 (NEW FORMULA DISTRICT TOTAL PROGRAM CALCULATION / NEW
7 FORMULA STATEWIDE TOTAL PROGRAM CALCULATION) X TWO PERCENT
8 K-12 PUBLIC EDUCATION INCREASE.

9 (3) FOR THE 2027-28 BUDGET YEAR THROUGH THE 2036-37
10 BUDGET YEAR, THE DEPARTMENT OF EDUCATION SHALL ANNUALLY
11 CALCULATE EACH DISTRICT'S NEW FORMULA DISTRICT TOTAL PROGRAM
12 CALCULATION AND THE NEW FORMULA STATEWIDE TOTAL PROGRAM
13 CALCULATION.

14 (4) FOR THE 2027-28 BUDGET YEAR THROUGH THE 2036-37
15 BUDGET YEAR, THE DEPARTMENT OF EDUCATION AND THE STAFF OF THE
16 LEGISLATIVE COUNCIL SHALL ANNUALLY DETERMINE EACH DISTRICT'S
17 SCHOOL POSITIVE FACTOR FUNDING BASED ON BUDGET PROJECTIONS;
18 EXCEPT THAT THE DEPARTMENT OF EDUCATION AND THE STAFF OF THE
19 LEGISLATIVE COUNCIL SHALL MAKE MID-YEAR REVISIONS TO REPLACE
20 PROJECTIONS WITH ACTUAL FIGURES TO DETERMINE ANY NECESSARY
21 CHANGES IN THE AMOUNT TO MAINTAIN POSITIVE FACTOR FUNDING FOR
22 THE APPLICABLE BUDGET YEAR.

23 (5) A DISTRICT'S SCHOOL POSITIVE FACTOR FUNDING IS IN
24 ADDITION TO, BUT IS NOT INCLUDED IN, THE DISTRICT'S TOTAL PROGRAM
25 DETERMINED PURSUANT TO THIS ARTICLE 54. THE DEPARTMENT SHALL
26 MAKE PAYMENTS FOR A DISTRICT'S SCHOOL POSITIVE FACTOR FUNDING IN
27 THE SAME FORM AND MANNER AS THE PAYMENTS THAT THE DEPARTMENT

1 MAKES PURSUANT TO SECTION 22-54-115 (1).

2 (6) A DISTRICT'S POSITIVE FACTOR FUNDING IS AVAILABLE TO A
3 DISTRICT TO FUND:

4 (a) INCREASING TEACHER PAY;

5 (b) IMPROVING TEACHER RETENTION;

6 (c) LOWERING CLASS SIZES; AND

7 (d) INCREASING ACCESS TO CAREER AND TECHNICAL COURSES.

8 (7) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2039.

9 **SECTION 3.** In Colorado Revised Statutes, **add** part 3 to article
10 77 of title 24 as follows:

11 PART 3

12 SUBMISSION OF BALLOT ISSUE

13 VOTER-APPROVED REVENUE CHANGE

14 **24-77-301. Definitions.**

15 AS USED IN THIS PART 3, UNLESS THE CONTEXT OTHERWISE
16 REQUIRES:

17 (1) "DISTRICT" HAS THE MEANING SET FORTH IN SECTION
18 22-54-103 (5).

19 (2) "EXCESS STATE REVENUES ACCOUNT" OR "ACCOUNT" MEANS
20 THE EXCESS STATE REVENUES ACCOUNT CREATED IN SECTION 24-77-302
21 (2).

22 (3) "POSITIVE FACTOR FUNDING" MEANS THE AMOUNT
23 DETERMINED PURSUANT TO SECTION 22-54-103.7 (2).

24 (4) "STATE PUBLIC EDUCATION FUNDING" MEANS THE AMOUNT
25 DETERMINED BY LEGISLATIVE COUNCIL STAFF PURSUANT TO SECTION
26 24-77-303 (1).

27 (5) "STATE REVENUES" MEANS STATE FISCAL YEAR SPENDING, AS

1 DEFINED IN SECTION 24-77-102 (17).

2 **24-77-302. Retention of excess state revenues - excess state**
3 **revenues account - definitions.**

4 (1) FOR STATE FISCAL YEARS COMMENCING ON OR AFTER JULY 1,
5 2027, THE STATE MAY RETAIN AND SPEND STATE REVENUES THAT THE
6 STATE OTHERWISE WOULD HAVE BEEN REQUIRED TO REFUND UNDER
7 SECTION 20 (7)(d) OF ARTICLE X OF THE STATE CONSTITUTION IN AN
8 AMOUNT EQUAL TO THE STATE PUBLIC EDUCATION FUNDING FOR THE
9 STATE FISCAL YEAR.

10 (2) (a) THERE IS HEREBY CREATED IN THE GENERAL FUND THE
11 EXCESS STATE REVENUES ACCOUNT, WHICH CONSISTS OF AN AMOUNT OF
12 MONEY EQUAL TO THE AMOUNT THAT THE STATE RETAINS FOR A GIVEN
13 FISCAL YEAR PURSUANT TO SUBSECTION (1) OF THIS SECTION, EXCEPT AS
14 PROVIDED IN SUBSECTION (3) OF THIS SECTION.

15 (b) FOR EACH STATE FISCAL YEAR BEGINNING ON OR AFTER JULY
16 1, 2027, AND BEFORE JULY 1, 2037, THE GENERAL ASSEMBLY SHALL
17 TRANSFER OR APPROPRIATE FROM THE ACCOUNT TO THE DEPARTMENT OF
18 EDUCATION AN AMOUNT NECESSARY FOR THE DEPARTMENT OF EDUCATION
19 TO PAY EACH DISTRICT AN AMOUNT THAT IS EQUAL TO AT LEAST EACH
20 DISTRICT'S SCHOOL POSITIVE FACTOR FUNDING, AND THE DEPARTMENT OF
21 EDUCATION SHALL MAKE THESE PAYMENTS IN ACCORDANCE WITH SECTION
22 22-54-103.7 (5).

23 (c) AFTER MAKING THE APPROPRIATIONS OR TRANSFERS REQUIRED
24 BY SUBSECTION (2)(b) OF THIS SECTION FOR A STATE FISCAL YEAR, THE
25 GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER MONEY IN THE
26 ACCOUNT FOR ANY OTHER PURPOSE FOR THAT SAME FISCAL YEAR.

27 (3) (a) IF THE APPROVED EXCESS STATE REVENUES ARE DIFFERENT

1 FROM THE AMOUNT THAT, BASED ON ESTIMATES, THE GENERAL ASSEMBLY
2 APPROPRIATED OR TRANSFERRED FROM THE ACCOUNT FOR A STATE FISCAL
3 YEAR, THEN EACH APPROPRIATION OR TRANSFER FROM THE ACCOUNT IS
4 PROPORTIONALLY ADJUSTED SO THAT THE TOTAL APPROPRIATIONS OR
5 TRANSFERS FROM THE ACCOUNT ARE EQUAL TO THE APPROVED EXCESS
6 STATE REVENUES FOR THE STATE FISCAL YEAR.

7 (b) AS USED IN THIS SUBSECTION (3), UNLESS THE CONTEXT
8 OTHERWISE REQUIRES, "APPROVED EXCESS STATE REVENUES" MEANS THE
9 STATE REVENUES THAT THE STATE IS AUTHORIZED TO RETAIN AND SPEND
10 FOR A STATE FISCAL YEAR IN ACCORDANCE WITH THE APPROVAL OF THE
11 BALLOT MEASURE, INCLUDING THIS SECTION, BY A MAJORITY OF THE
12 ELECTORS VOTING ON THE BALLOT ISSUE AT THE NOVEMBER 2026
13 STATEWIDE ELECTION, AS REPORTED BY THE STATE CONTROLLER IN THE
14 ANNUAL FINANCIAL REPORT REQUIRED BY SECTION 24-77-106.5 (1)(b),
15 OR, IF THE AMOUNT CHANGES IN THE FINAL ACCOUNTING FOR THE STATE
16 FISCAL YEAR, IN THE COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE
17 STATE FOR THE STATE FISCAL YEAR.

18 (4) THE APPROVAL OF THE BALLOT MEASURE INCLUDING THIS
19 SECTION BY A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE
20 CONSTITUTES A VOTER-APPROVED REVENUE CHANGE TO ALLOW THE
21 RETENTION AND EXPENDITURE OF THE ADDITIONAL STATE REVENUES THAT
22 THE STATE IS AUTHORIZED TO RETAIN AND SPEND PURSUANT TO
23 SUBSECTION (1) OF THIS SECTION.

24 (5) THIS SECTION DOES NOT AFFECT THE AMOUNT THAT THE STATE
25 IS PERMITTED TO RETAIN AND SPEND UNDER THE EXCESS STATE REVENUES
26 CAP.

27 **24-77-303. Determination of state public education funding.**

1 (1) ON OR AFTER JULY 1, 2027, BUT BEFORE AUGUST 1, 2027, AND
2 ON OR AFTER EACH JULY 1 AND BEFORE EACH AUGUST 1 THEREAFTER,
3 LEGISLATIVE COUNCIL STAFF SHALL DETERMINE AND REPORT TO THE
4 STATE CONTROLLER, THE OFFICE OF STATE PLANNING AND BUDGETING,
5 AND THE JOINT BUDGET COMMITTEE, THE TOTAL AMOUNT THAT IS
6 COUNTED AS STATE FISCAL YEAR SPENDING AND APPROPRIATED BY THE
7 GENERAL ASSEMBLY FOR THE IMMEDIATELY PRECEDING STATE FISCAL
8 YEAR FOR CATEGORICAL PROGRAMS AND THE STATE SHARE OF TOTAL
9 PROGRAM. THE AMOUNT DETERMINED AND REPORTED BY LEGISLATIVE
10 COUNCIL STAFF PURSUANT TO THIS SUBSECTION (1) FOR THE IMMEDIATELY
11 PRECEDING STATE FISCAL YEAR IS THE STATE PUBLIC EDUCATION FUNDING
12 FOR THAT STATE FISCAL YEAR.

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

15 (a) "CATEGORICAL PROGRAMS" HAS THE SAME MEANING AS SET
16 FORTH IN SECTION 22-55-102 (4).

17 (b) "STATE SHARE OF TOTAL PROGRAM" MEANS AN AMOUNT
18 EQUAL TO THE TOTAL OF THE STATE'S SHARE OF EACH SCHOOL DISTRICT'S
19 TOTAL PROGRAM, AS DEFINED IN SECTION 22-55-102 (18).

20 **24-77-304. Excess state revenues expenditure independent**
21 **audit.**

22 (1) (a) FOR EACH STATE FISCAL YEAR THAT THE STATE RETAINS
23 AND SPENDS STATE REVENUES IN EXCESS OF THE LIMITATION ON STATE
24 FISCAL YEAR SPENDING PURSUANT TO THIS PART 3, THE STATE AUDITOR
25 SHALL PREPARE AN EXCESS STATE REVENUES LEGISLATIVE REPORT THAT
26 INCLUDES THE FOLLOWING INFORMATION:

27 (I) THE AMOUNT OF STATE REVENUES THAT THE STATE RETAINED

1 AND SPENT IN EXCESS OF THE LIMITATION ON STATE FISCAL YEAR
2 SPENDING PURSUANT TO THIS PART 3; AND

3 (II) A DESCRIPTION OF HOW THE STATE REVENUES THAT THE STATE
4 RETAINED AND SPENT IN EXCESS OF THE LIMITATION ON STATE FISCAL
5 YEAR SPENDING PURSUANT TO THIS PART 3 WERE EXPENDED.

6 (b) THE STATE AUDITOR SHALL COMPLETE THE REPORT REQUIRED
7 BY SUBSECTION (1)(a) OF THIS SECTION BY OCTOBER 15 FOLLOWING A
8 FISCAL YEAR THAT THE STATE RETAINS AND SPENDS STATE REVENUES IN
9 EXCESS OF THE LIMITATION ON STATE FISCAL YEAR SPENDING PURSUANT
10 TO THIS PART 3 AND MAY AMEND THE REPORT THEREAFTER AS NECESSARY.

11 (c) THE STATE AUDITOR SHALL PUBLISH AND LINK TO THE OFFICIAL
12 WEBSITE OF THE GENERAL ASSEMBLY A COPY OF THE REPORT REQUIRED BY
13 THIS SUBSECTION (1).

14 **SECTION 4.** In Colorado Revised Statutes, 24-77-106.5, **amend**
15 (1)(b) as follows:

16 **24-77-106.5. Annual financial report - certification of excess**
17 **state revenues.**

18 (1) (b) Notwithstanding section 24-1-136 (11)(a)(I), based upon
19 the financial report prepared in accordance with subsection (1)(a) of this
20 section for any given fiscal year, the controller shall certify to the
21 governor, the general assembly, and the executive director of the
22 department of revenue no later than September 1 following the end of a
23 fiscal year the amount of state revenues in excess of the limitation on
24 state fiscal year spending imposed by section 20 (7)(a) of article X of the
25 state constitution, if any, for such fiscal year and the state revenues in
26 excess of such limitation that the state is authorized to retain and spend
27 pursuant to voter approval of section 24-77-103.6 AND PART 3 OF THIS

1 ARTICLE 77.

2 SECTION 5. In Colorado Revised Statutes, 29-32-104, **amend**
3 (5) as follows:

4 29-32-104. **Permissible expenditures - affordable housing**
5 **programs - report - definitions.**

6 (5) If the Legislative Council Staff's March Economic and
7 Revenue Forecast in any given year projects revenue for the next state
8 fiscal year will fall below the revenue limit imposed under section 20 of
9 article X of the state constitution BY AN AMOUNT GREATER THAN THE
10 AMOUNT OF STATE PUBLIC EDUCATION FUNDING AS DEFINED IN SECTION
11 24-77-301 (4), the general assembly may reduce the funding allocated to
12 the office required by this section for the next state fiscal year in order to
13 balance the state budget for said state fiscal year.

14 SECTION 6. In Colorado Revised Statutes, 39-22-123.5, **amend**
15 (3.5)(a)(VIII) as follows:

16 39-22-123.5. **Earned income tax credit - legislative declaration**
17 **- repeal.**

18 (3.5) (a) As used in this subsection (3.5), unless the context
19 otherwise requires:

20 (VIII) "Nonexempt revenue" means, for the applicable state fiscal
21 year, the revenues that are identified as nonexempt revenues in the annual
22 comprehensive financial report published by the office of the state
23 controller; EXCEPT THAT, FOR STATE FISCAL YEARS COMMENCING ON OR
24 AFTER JULY 1, 2027, NONEXEMPT REVENUE INCLUDES STATE PUBLIC
25 EDUCATION FUNDING AS DEFINED IN SECTION 24-77-301 (4).

26 SECTION 7. In Colorado Revised Statutes, 39-22-130, **amend**
27 (2)(b)(II)(G) as follows:

1 **39-22-130. Family affordability tax credit - tax preference**
2 **performance statement - legislative declaration - definitions - repeal.**

3 (2) As used in this section, unless the context otherwise requires:

4 (b) (II) As used in this subsection (2)(b):

5 (G) "Nonexempt revenue" means, for the applicable state fiscal
6 year, the revenue that is identified as nonexempt TABOR revenues in the
7 annual comprehensive financial report published by the office of the state
8 controller; EXCEPT THAT, FOR STATE FISCAL YEARS COMMENCING ON OR
9 AFTER JULY 1, 2027, NONEXEMPT REVENUE INCLUDES STATE PUBLIC
10 EDUCATION FUNDING AS DEFINED IN SECTION 24-77-301 (4).

11 **SECTION 8. Refer to people under referendum.** At the
12 election held on November 3, 2026, the secretary of state shall submit this
13 act by its ballot title to the registered electors of the state for their
14 approval or rejection. Each elector voting at the election may cast a vote
15 either "Yes/For" or "No/Against" on the following ballot title: "Shall state
16 investment in K-12 public education increase two percent each year for
17 the next ten years, with investments used to increase teacher pay, improve
18 teacher retention, lower class sizes, and increase access to career and
19 technical courses, without raising taxes but instead funded by raising the
20 annual limit on state fiscal year spending only by the amount the state
21 spends on public K-12 education as a voter-approved revenue change,
22 and requiring an annual publicly released, independent audit to show how
23 the new investments are spent?" Except as otherwise provided in section
24 1-40-123, Colorado Revised Statutes, if a majority of the electors voting
25 on the ballot title vote "Yes/For", then the act will become part of the
26 Colorado Revised Statutes.