

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0495.02 Jacob Baus x2173

SENATE BILL 26-145

SENATE SPONSORSHIP

Bright and Kipp,

HOUSE SPONSORSHIP

Boesenecker and Gilchrist,

Senate Committees
Education

House Committees

A BILL FOR AN ACT

101 CONCERNING CHARTER SCHOOL INVOLVEMENT IN LOCAL BALLOT
102 QUESTIONS.

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>.)

Under current law, subject to procedural requirements, a charter school that has capital construction needs may seek money to fund these needs by requesting that its chartering school district (district):

- Submit a ballot question to the district's voters concerning a special mill levy; or
- Include the charter school's capital construction needs in

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.

the district's ballot question for bonded indebtedness or for an additional mill levy.

The bill:

- Requires a district that is considering submitting a ballot question or questions to its voters to solicit proposals from its charter schools about their capital construction needs;
- Requires the district's board to notify the charter schools regarding whether it will include the charter school's capital construction needs in the district's ballot questions; and
- Encourages a district to solicit proposals from institute charter schools located within the district's boundaries about their capital construction needs and include funding for the capital construction needs in the district's relevant ballot question.

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) Every Colorado public school student deserves to have their
5 education funded fairly and equitably;

6 (b) Voters who approve school district bond measures benefit
7 from clear and accessible information about how bond proceeds are
8 planned, allocated, and distributed across the schools within a district;

9 (c) Transparency in the bond development process supports
10 informed decision-making by voters, families, and school communities;

11 (d) In order to make informed choices, voters need and deserve
12 clear information on how bond proposals were developed, which schools
13 were included, and why; and

14 (e) Strengthening the statutory process regarding transparency and
15 inclusion in school district planning serves the interests of students,
16 families, educators, taxpayers, and voters.

17 (2) Therefore, it is the intent of the general assembly to improve

1 transparency and inclusion in how these bonds are planned,
2 communicated, and more equitably allocated across all students,
3 regardless of the type of public school they attend.

4 **SECTION 2.** In Colorado Revised Statutes, 22-30.5-403, **amend**
5 (1); and **add** (1.5) as follows:

6 **22-30.5-403. Definitions.**

7 As used in this part 4, unless the context otherwise requires:

8 (1) ~~"Board of education" or "board" means a school district board~~
9 ~~of education.~~ "ADDITIONAL MILL LEVY" MEANS A MILL LEVY AUTHORIZED
10 BY SECTION 22-54-108.7.

11 (1.5) "BOARD OF EDUCATION" OR "BOARD" MEANS A SCHOOL
12 DISTRICT BOARD OF EDUCATION.

13 **SECTION 3.** In Colorado Revised Statutes, 22-30.5-404, **amend**
14 (1)(b), (3), (4), and (6)(a); **repeal** (1)(c); and **add** (2.5) and (4.5) as
15 follows:

16 **22-30.5-404. Needs-based inclusion of charter schools in**
17 **district bond elections - eligibility - allocation of bond revenues.**

18 (1) (b) (I) ~~A school district shall allow for representation by~~
19 ~~charter schools on the school district's long-range planning committee and~~
20 ~~any committee established by the school district to assess and prioritize~~
21 ~~the district's capital construction needs and shall notify charter schools of~~
22 ~~the committee's meeting schedule. Charter schools shall cooperate in~~
23 ~~determining the person or persons who will represent the interests of~~
24 ~~charter schools on the committee.~~ A DISTRICT'S LONG-RANGE PLANNING
25 COMMITTEE, IF ONE EXISTS, AND ANY OTHER COMMITTEE ESTABLISHED BY
26 THE DISTRICT TO ASSESS OR PRIORITIZE THE DISTRICT'S CAPITAL
27 CONSTRUCTION NEEDS SHALL:

1 (A) MAINTAIN AT LEAST ONE MEMBERSHIP SEAT ON THE
2 COMMITTEE FOR A CHARTER SCHOOL REPRESENTATIVE. THE CHARTER
3 SCHOOLS SHALL COOPERATE TO APPOINT THE REPRESENTATIVES REQUIRED
4 PURSUANT TO THIS SUBSECTION (1)(b)(I)(A).

5 (B) CLEARLY NOTIFY THE CHARTER SCHOOLS OF THE COMMITTEE'S
6 MEETING SCHEDULE.

7 (II) IF A COMMITTEE OR BODY THAT IS NOT THE BOARD DEVELOPS
8 A LIST OF CAPITAL CONSTRUCTION RECOMMENDATIONS FOR THE BOARD TO
9 INCLUDE IN THE DISTRICT'S BALLOT QUESTION OR QUESTIONS, IT MUST
10 SOLICIT AND GIVE EQUITABLE CONSIDERATION TO CHARTER SCHOOLS'
11 CAPITAL CONSTRUCTION NEEDS.

12 ~~(c) Each school district that is considering submitting any question~~
13 ~~of contracting bonded indebtedness to the eligible electors of the district~~
14 ~~at an upcoming election shall invite each charter school chartered by the~~
15 ~~district to participate in discussions regarding the possible submission of~~
16 ~~such a question at the earliest possible time but no later than June 1 of the~~
17 ~~applicable election year, and each school district is encouraged to~~
18 ~~voluntarily include funding for the capital construction needs of charter~~
19 ~~schools in the district's questions of contracting bonded indebtedness~~
20 ~~without requiring a charter school to comply with the capital construction~~
21 ~~plan submission process set forth in subsection (3) of this section.~~

22 (2.5) A DISTRICT IS ENCOURAGED TO VOLUNTARILY SUBMIT A
23 BALLOT QUESTION FOR APPROVAL OF A SPECIAL MILL LEVY OR INCLUDE
24 THE FUNDING FOR THE CHARTER SCHOOL'S CAPITAL CONSTRUCTION NEEDS
25 IN THE DISTRICT'S BALLOT QUESTION OR QUESTIONS FOR APPROVAL OF
26 BONDED INDEBTEDNESS OR FOR APPROVAL OF AN ADDITIONAL MILL LEVY.
27 IF A DISTRICT VOLUNTARILY SUBMITS A BALLOT QUESTION OR QUESTIONS

1 PURSUANT TO THIS SUBSECTION (2.5), THE DISTRICT AND THE CHARTER
2 SCHOOL MUST MUTUALLY AGREE TO THE CONTENT THAT MUST BE
3 INCLUDED IN THE CHARTER SCHOOL'S PROPOSAL, WHICH MAY BE, BUT IS
4 NOT REQUIRED TO BE, THE REQUIREMENTS IN SUBSECTION (3)(c) OF THIS
5 SECTION.

6 (3) (a) ~~A charter school that seeks to have its capital construction~~
7 ~~needs included as part of a ballot question to be submitted by the board~~
8 ~~of education of its chartering school district to the voters of the district or~~
9 ~~that seeks to obtain funding for its capital construction needs through the~~
10 ~~imposition of a special mill levy pursuant to section 22-30.5-405 or an~~
11 ~~additional mill levy pursuant to section 22-54-108.7 shall submit a capital~~
12 ~~construction plan to the board of education of its chartering school~~
13 ~~district. The plan shall include:~~ A DISTRICT THAT IS CONSIDERING
14 SUBMITTING TO THE DISTRICT'S VOTERS A BALLOT QUESTION OR
15 QUESTIONS PURSUANT TO THIS SECTION SHALL SOLICIT PROPOSALS FROM
16 EACH CHARTER SCHOOL ABOUT THEIR CAPITAL CONSTRUCTION NEEDS.

17 (b) THE SOLICITATION DESCRIBED IN SUBSECTION (3)(a) OF THIS
18 SECTION MUST:

19 (I) BE IN WRITING;

20 (II) BE MADE AS EARLY AS POSSIBLE, BUT NO LATER THAN ONE
21 HUNDRED FIFTY DAYS BEFORE APPROVING THE BALLOT QUESTION OR
22 QUESTIONS TO BE SUBMITTED TO THE DISTRICT'S VOTERS; AND

23 (III) INCLUDE THE DEADLINE FOR THE CHARTER SCHOOL TO
24 RESPOND TO THE SOLICITATION, WHICH MUST BE NO EARLIER THAN
25 FORTY-FIVE DAYS AFTER THE DATE OF THE SOLICITATION.

26 (c) A CHARTER SCHOOL'S PROPOSAL DESCRIBED IN SUBSECTION
27 (3)(a) OF THIS SECTION MUST INCLUDE:

1 (a) (I) A statement of reasons why the capital construction
2 PROPOSED to be financed by bonded indebtedness, ~~or~~ a special MILL LEVY,
3 or AN additional mill levy is necessary;

4 (b) (II) A description of the capital construction PROPOSED to be
5 financed by bonded indebtedness or revenues from a special MILL LEVY
6 or AN additional mill levy;

7 (c) (III) A description of the architectural, functional, and
8 construction standards that meet applicable state building code
9 requirements and are to be applied to each facility that is the subject of
10 the PROPOSED capital construction project;

11 (d) (IV) An estimate of the total cost of completing the capital
12 construction PROPOSED to be financed by bonded indebtedness or a
13 special or additional mill levy and, if any ~~moneys~~ MONEY other than
14 proceeds of bonded indebtedness or a special or additional mill levy and
15 interest earned on ~~such~~ THE proceeds ~~are~~ IS to be used to finance the
16 PROPOSED capital construction, a breakdown of the ~~moneys~~ MONEY that
17 will be used to finance the PROPOSED capital construction;

18 (e) (V) An estimate of the amount of time needed to complete the
19 PROPOSED capital construction;

20 (f) (VI) A statement addressing whether PROPOSED construction
21 and renovation, payment of overrun costs, and other capital construction
22 project issues ~~are to~~ WOULD be managed by the charter school or the
23 district, with costs for management to be negotiated by the charter school
24 and the district;

25 (g) (VII) A statement of reasons why revenue sources other than
26 bonded indebtedness, ~~or~~ a special MILL LEVY, or AN additional mill levy
27 are inadequate to fully finance the PROPOSED capital construction; and

1 ~~(h)~~ (VIII) A statement of the charter school's preferred means of
2 obtaining ~~moneys~~ MONEY.

3 (d) AT A PUBLIC BOARD MEETING THAT OCCURS NO LATER THAN
4 FORTY-FIVE DAYS BEFORE APPROVING A BALLOT QUESTION OR QUESTIONS
5 TO BE SUBMITTED TO THE DISTRICT'S VOTERS, THE CHARTER SCHOOL
6 SHALL PRESENT ITS PROPOSAL DESCRIBED IN SUBSECTION (3)(a) OF THIS
7 SECTION, INCLUDING THE PROPOSAL CONTENTS DESCRIBED IN SUBSECTION
8 (3)(c) OF THIS SECTION.

9 (4) (a) (I) ~~The board of education of a school district shall review~~
10 ~~a capital construction plan~~ EVERY PROPOSAL submitted by a charter school
11 pursuant to subsection (3) of this section. ~~and determine the priority of the~~
12 ~~charter school capital construction need in relation to the capital~~
13 ~~construction needs of other schools in the district.~~ If the charter school's
14 ~~capital construction plan~~ PROPOSAL remedies shortcomings in the charter
15 school's facilities THAT ARE identified in the financial assistance priority
16 assessment of public school facilities created pursuant to section
17 22-43.7-108, ~~or, when the assessment created pursuant to section~~
18 ~~22-43.7-108 is no longer valid, in another assessment using similar~~
19 ~~criteria for all schools in the district,~~ the board of education shall
20 prioritize a charter school's capital construction needs in the ~~school~~
21 district's long-range plan and include those needs in the ~~current~~ ballot
22 question in the upcoming election if the charter school's facility needs
23 receive a higher priority assessment than the other schools in the district.

24 ~~(II) Notwithstanding the provisions of this subsection (4)~~
25 ~~concerning the prioritization of a charter school's capital construction plan~~
26 ~~and inclusion in a district ballot question for approval of bonded~~
27 ~~indebtedness, the board of education of a school district and a charter~~

1 school may agree to an alternative financial plan that addresses a charter
2 school's facilities needs, including retiring financial obligations or bonds
3 previously issued for the benefit of the charter school.

4 (III) (A) Nothing in this subsection (4) shall require REQUIRES a
5 school district to prioritize the capital construction plan of a charter
6 school that is on probation with the district or that has been WAS
7 INITIALLY authorized within the previous five THREE years.

8 (B) The board of education of a school district may require a
9 charter school to certify that school construction to be financed with bond
10 proceeds in accordance with this section will remediate a shortcoming in
11 the charter school's facilities identified pursuant to section 22-43.7-108,
12 and that any construction will conform to any construction guidelines
13 established pursuant to SECTION 22-43.7-107.

14 (C) Notwithstanding the provisions of sub-subparagraph (A) of
15 this subparagraph (III) The board of education of a school district and a
16 charter school may agree to reserve or escrow funds for the benefit of the
17 charter school.

18 (IV) The board of education shall notify the charter school in
19 writing whether the school district has prioritized the charter school's
20 capital construction needs for inclusion in the ballot question at the
21 upcoming election no later than sixty days prior to the date by which the
22 school district is required to certify the ballot question to the county clerk
23 and recorder.

24 (b) (I) If the board has prioritized the charter school capital
25 construction needs pursuant to paragraph (a) of this subsection (4) for
26 inclusion in the ballot question at the upcoming election, the board shall
27 include the charter school's capital construction in the same ballot

1 ~~question being submitted by the district for approval of bonded~~
2 ~~indebtedness in accordance with subsection (5) of this section.~~ NO LATER
3 THAN THIRTY DAYS BEFORE APPROVING THE BALLOT QUESTION OR
4 QUESTIONS TO BE SUBMITTED TO THE DISTRICT'S VOTERS, THE DISTRICT
5 SUPERINTENDENT SHALL NOTIFY IN WRITING EVERY CHARTER SCHOOL
6 THAT SUBMITTED A PROPOSAL PURSUANT TO SUBSECTION (3) OF THIS
7 SECTION OF THE BOARD'S DECISION CONCERNING WHETHER TO SUBMIT A
8 BALLOT QUESTION FOR APPROVAL OF A SPECIAL MILL LEVY OR INCLUDE
9 THE FUNDING FOR THE CHARTER SCHOOL'S CAPITAL CONSTRUCTION NEEDS
10 IN THE DISTRICT'S BALLOT QUESTION OR QUESTIONS FOR APPROVAL OF
11 BONDED INDEBTEDNESS OR FOR APPROVAL OF AN ADDITIONAL MILL LEVY.

12 (II) IF THE BOARD DECIDES NOT TO SUBMIT A BALLOT QUESTION
13 FOR APPROVAL OF A SPECIAL MILL LEVY OR INCLUDE THE FUNDING FOR
14 THE CHARTER SCHOOL'S CAPITAL CONSTRUCTION NEEDS IN THE DISTRICT'S
15 BALLOT QUESTION OR QUESTIONS FOR APPROVAL OF BONDED
16 INDEBTEDNESS OR FOR APPROVAL OF AN ADDITIONAL MILL LEVY, THE
17 NOTIFICATION DESCRIBED IN SUBSECTION (4)(b)(I) OF THIS SECTION MUST
18 INCLUDE THE BOARD'S REASONS FOR THE EXCLUSION, WHICH MUST BE
19 SPECIFIC AND RELATED TO THE MERITS OF THE PROPOSAL, AND MUST
20 INCLUDE THE OPPORTUNITY FOR THE CHARTER SCHOOL TO ADDRESS ANY
21 ISSUES RAISED BY THE BOARD.

22 ~~(c) (I) If the board has not prioritized the charter school's capital~~
23 ~~construction needs for inclusion in the ballot question at the upcoming~~
24 ~~election, the board shall provide the charter school with a written~~
25 ~~statement specifying the reasons for excluding the needs, and the charter~~
26 ~~school shall have an opportunity to address any issues raised by the board.~~
27 NO LATER THAN THIRTY DAYS AFTER THE BOARD SELECTS THE CAPITAL

1 CONSTRUCTION PROJECTS THAT ARE INCLUDED FOR A BALLOT QUESTION
2 OR QUESTIONS TO BE SUBMITTED TO THE DISTRICT'S VOTERS, THE BOARD
3 SHALL POST IN A PROMINENT AND READILY ACCESSIBLE LOCATION ON THE
4 BOARD'S WEBSITE A DOCUMENT THAT:

5 (A) OUTLINES THE PROCESS THAT THE BOARD COMPLETED TO
6 CONSIDER THE CAPITAL CONSTRUCTION NEEDS OF ALL OF ITS SCHOOLS;
7 AND

8 (B) FOR ALL PROJECTS CONSIDERED, WHETHER THE BOARD CHOSE
9 TO PRIORITIZE THE PROJECT TO INCLUDE FOR A BALLOT QUESTION OR
10 QUESTIONS OR NOT, DESCRIBES IN DETAIL THE REASONING FOR CHOOSING
11 TO PRIORITIZE OR EXCLUDE EACH CAPITAL CONSTRUCTION PROJECT THAT
12 WAS CONSIDERED FOR A BALLOT QUESTION OR QUESTIONS.

13 (II) THE DOCUMENT REQUIRED IN THIS SUBSECTION (4)(c) MUST BE
14 IN PLAIN AND EASY-TO-UNDERSTAND LANGUAGE.

15 (4.5) A DISTRICT IS ENCOURAGED TO VOLUNTARILY SOLICIT
16 PROPOSALS FROM EACH INSTITUTE CHARTER SCHOOL THAT IS LOCATED
17 WITHIN THE GEOGRAPHIC BOUNDARIES OF THE DISTRICT ABOUT ITS
18 CAPITAL CONSTRUCTION NEEDS AND INCLUDE THE FUNDING FOR EACH
19 INSTITUTE CHARTER SCHOOL'S CAPITAL CONSTRUCTION NEEDS IN THE
20 DISTRICT'S BALLOT QUESTION OR QUESTIONS FOR APPROVAL OF BONDED
21 INDEBTEDNESS OR FOR APPROVAL OF AN ADDITIONAL MILL LEVY. IF A
22 DISTRICT VOLUNTARILY SUBMITS A BALLOT QUESTION OR QUESTIONS
23 PURSUANT TO THIS SUBSECTION (4.5), THE DISTRICT AND THE INSTITUTE
24 CHARTER SCHOOL MUST MUTUALLY AGREE TO THE CONTENT THAT MUST
25 BE INCLUDED IN THE INSTITUTE CHARTER SCHOOL'S PROPOSAL, WHICH MAY
26 BE, BUT IS NOT REQUIRED TO BE, THE REQUIREMENTS IN SUBSECTION (3)(c)
27 OF THIS SECTION.

1 (6) (a) Notwithstanding any other provision of this section, ~~no~~
2 ~~bonds shall~~ A BOND MUST NOT be issued for the purpose of financing
3 charter school capital construction unless the charter school OR INSTITUTE
4 CHARTER SCHOOL that is to receive bond proceeds and the district have
5 entered into a contract specifying that, if the charter school's charter is
6 revoked or not renewed, the charter school becomes insolvent and can no
7 longer operate as a charter school, or the charter school otherwise ceases
8 to operate, following payment of all other debts secured by the capital
9 construction, the ownership of any capital construction financed by the
10 bond proceeds shall automatically ~~revert~~ REVERTS to the ~~school~~ district.
11 THE CHARTER SCHOOL SHALL NEGOTIATE IN GOOD FAITH TO GIVE THE
12 DISTRICT SUFFICIENT ASSURANCES PURSUANT TO THIS SUBSECTION (6)(a).

13 **SECTION 4. Safety clause.** The general assembly finds,
14 determines, and declares that this act is necessary for the immediate
15 preservation of the public peace, health, or safety or for appropriations for
16 the support and maintenance of the departments of the state and state
17 institutions.