

SENATE COMMITTEE OF REFERENCE REPORT

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Chair of Committee

April 17, 2026  
Date

Committee on Appropriations.

After consideration on the merits, the Committee recommends the following:

SB26-135 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Amend printed bill, page 5, after line 4 insert:

2 "SECTION 2. In Colorado Revised Statutes, 22-54-103.3, amend  
3 (3)(c); and add (3)(d), (3)(e), and (3)(f) as follows:

4 **22-54-103.3. District total program - 2025-26 through 2030-31**  
5 **budget years - definitions - repeal.**

6 (3) (c) For the 2027-28 budget year through the 2030-31 budget  
7 year, a district's total program is the greater of the district's total program  
8 calculation pursuant to section 22-54-104 plus one percent of the district's  
9 total program calculation pursuant to section 22-54-104, or:

10 (I) For the 2027-28 budget year, the amount calculated pursuant  
11 to section 22-54-104 plus an amount equal to ~~forty-five percent~~ THE FINAL  
12 PHASE-IN PERCENTAGE of the difference between the district's total  
13 program calculation pursuant to section 22-54-103.5 and the district's  
14 total program calculation pursuant to section 22-54-104;

15 (II) For the 2028-29 budget year, the amount calculated pursuant  
16 to section 22-54-104 plus an amount equal to ~~sixty percent~~ THE FINAL  
17 PHASE-IN PERCENTAGE of the difference between the district's total  
18 program calculation pursuant to section 22-54-103.5 and the district's  
19 total program calculation pursuant to section 22-54-104;

20 (III) For the 2029-30 budget year, the amount calculated pursuant  
21 to section 22-54-104 plus an amount equal to ~~seventy-five percent~~ THE  
22 FINAL PHASE-IN PERCENTAGE of the difference between the district's total  
23 program calculation pursuant to section 22-54-103.5 and the district's  
24 total program calculation pursuant to section 22-54-104; and

25 (IV) For the 2030-31 budget year, the amount calculated pursuant  
26 to section 22-54-104 plus an amount equal to ~~ninety percent~~ of THE FINAL  
27 PHASE-IN PERCENTAGE the difference between the district's total program

1 calculation pursuant to section 22-54-103.5 and the district's total  
2 program calculation pursuant to section 22-54-104.

3 (d) AS USED IN THIS SUBSECTION (3), UNLESS THE CONTEXT  
4 OTHERWISE REQUIRES:

5 (I) "BASE PHASE-IN PERCENTAGE" MEANS A PERCENTAGE EQUAL  
6 TO:

7 (A) FOR BUDGET YEAR 2027-28, FORTY-FIVE PERCENT;

8 (B) FOR BUDGET YEAR 2028-29, SIXTY PERCENT;

9 (C) FOR BUDGET YEAR 2029-30, SEVENTY-FIVE PERCENT;

10 (D) FOR BUDGET YEAR 2030-31, NINETY PERCENT; AND

11 (E) FOR BUDGET YEAR 2031-32, AND EACH BUDGET YEAR  
12 THEREAFTER, ONE HUNDRED PERCENT.

13 (II) "POSITIVE FACTOR ACCELERATION PERCENTAGE" MEANS A  
14 PERCENTAGE EQUAL TO THE LESSER OF:

15 (A) THE TWO PERCENT K-12 PUBLIC EDUCATION INCREASE FOR  
16 THE APPLICABLE BUDGET YEAR, DIVIDED BY THE DIFFERENCE BETWEEN  
17 STATEWIDE TOTAL PROGRAM CALCULATED PURSUANT TO SECTION  
18 22-54-103.5 FOR THE APPLICABLE BUDGET YEAR AND STATEWIDE TOTAL  
19 PROGRAM CALCULATED PURSUANT TO SECTION 22-54-104 FOR THE  
20 APPLICABLE BUDGET YEAR; OR

21 (B) THE DIFFERENCE BETWEEN ONE HUNDRED PERCENT AND THE  
22 BASE PHASE-IN PERCENTAGE FOR THE APPLICABLE BUDGET YEAR.

23 (III) "FINAL PHASE-IN PERCENTAGE" MEANS A PERCENTAGE EQUAL  
24 TO THE SUM OF:

25 (A) THE BASE PHASE-IN PERCENTAGE FOR THE APPLICABLE  
26 BUDGET YEAR; PLUS

27 (B) THE POSITIVE FACTOR ACCELERATION PERCENTAGE FOR THE  
28 APPLICABLE BUDGET YEAR.

29 (e) A DISTRICT'S POSITIVE FACTOR ACCELERATION PERCENTAGE IS  
30 AVAILABLE TO A DISTRICT TO FUND:

31 (I) INCREASING TEACHER PAY;

32 (II) IMPROVING TEACHER RETENTION;

33 (III) LOWERING CLASS SIZES; AND

34 (IV) INCREASING ACCESS TO CAREER AND TECHNICAL COURSES.

35 (f) LEGISLATIVE COUNCIL STAFF SHALL ANNUALLY PROJECT A  
36 BUDGET YEAR'S POSITIVE FACTOR ACCELERATION PERCENTAGE AS SOON  
37 AS PRACTICABLE BASED UPON THE MARCH REVENUE FORECAST RELIED ON  
38 BY THE GENERAL ASSEMBLY IN SETTING THE BUDGET FOR THE NEXT STATE  
39 FISCAL YEAR."

40 Renumber succeeding sections accordingly.

41 Page 5, lines 7 and 8, strike "**funding 2027-28 through 2036-37 budget**

1 **years - definitions - repeal."** and substitute "**- positive factor education**  
2 **investment amount - definitions."**

3 Page 5, line 9, strike "SECTION," and substitute "SECTION AND SECTION  
4 24-54-103.3 (3),".

5 Page 5, after line 10 insert:

6 "(a) "DEFERRED POSITIVE FACTOR PAYMENT" MEANS AN AMOUNT  
7 EQUAL TO THE DIFFERENCE BETWEEN:

8 (I) THE TOTAL OF THE POSITIVE FACTOR FOR EACH BUDGET YEAR  
9 COMMENCING ON AND AFTER JULY 1, 2027, AND BEFORE THE EARLIER OF  
10 THE CURRENT BUDGET YEAR OR THE 2035-36 BUDGET YEAR; AND

11 (II) THE TOTAL OF THE:

12 (A) POSITIVE FACTOR EDUCATION AMOUNT PAID TO ALL DISTRICTS  
13 PURSUANT TO SECTION 24-77-302 (2)(b) FOR EACH BUDGET YEAR  
14 COMMENCING ON AND AFTER JULY 1, 2027, AND THROUGH THE  
15 IMMEDIATELY PRECEDING BUDGET YEAR; AND

16 (B) THE POSITIVE FACTOR ACCELERATION AMOUNT PAID TO ALL  
17 DISTRICTS PURSUANT TO SECTION 24-54-103.3 FOR EACH BUDGET YEAR  
18 COMMENCING ON AND AFTER JULY 1, 2027, AND THROUGH THE  
19 IMMEDIATELY PRECEDING BUDGET YEAR."

20 Reletter succeeding paragraphs accordingly.

21 Page 5, after line 24 insert:

22 "(d) "POSITIVE FACTOR" MEANS:

23 (I) FOR THE 2027-28 BUDGET YEAR, THE SUM OF:

24 (A) TWO PERCENT OF PROGRAM FOUNDATION CALCULATED FOR  
25 THE 2025-26 BUDGET YEAR; AND

26 (B) TWO PERCENT OF PROGRAM FOUNDATION CALCULATED FOR  
27 THE 2026-27 BUDGET YEAR;

28 (II) FOR THE 2028-29 BUDGET YEAR THROUGH THE 2035-36  
29 BUDGET YEAR, THE SUM OF:

30 (A) TWO PERCENT OF PROGRAM FOUNDATION FOR THE  
31 IMMEDIATELY PRECEDING BUDGET YEAR;

32 (B) THE POSITIVE FACTOR FOR THE IMMEDIATELY PRECEDING  
33 BUDGET YEAR; AND

34 (III) FOR THE 2036-37 BUDGET YEAR AND EACH BUDGET YEAR  
35 THEREAFTER:

36 (A) TWO PERCENT OF PROGRAM FOUNDATION FOR THE 2035-36  
37 BUDGET YEAR;

- 1 (B) THE POSITIVE FACTOR FOR THE 2035-36 BUDGET YEAR.
- 2 (e) "POSITIVE FACTOR ACCELERATION AMOUNT" MEANS THE  
3 AMOUNT OF THE POSITIVE FACTOR FOR A BUDGET YEAR EXPENDED TO  
4 FUND THE POSITIVE FACTOR ACCELERATION PERCENTAGE, AS DEFINED IN  
5 SECTION 22-54-103.3 (3)(d), PURSUANT TO SECTION 24-54-103.3 (3).
- 6 (f) "POSITIVE FACTOR EDUCATION INVESTMENT AMOUNT" MEANS  
7 AN AMOUNT OF THE POSITIVE FACTOR FOR A BUDGET YEAR EQUAL TO THE  
8 DIFFERENCE BETWEEN THE POSITIVE FACTOR FOR THAT BUDGET YEAR AND  
9 THE POSITIVE FACTOR ACCELERATION AMOUNT FOR THAT BUDGET YEAR.
- 10 (g) "PROGRAM FOUNDATION" MEANS:  
11 (I) FOR BUDGET YEARS BEFORE TOTAL PROGRAM IS DETERMINED  
12 PURSUANT TO SECTION 22-54-103.5, AN AMOUNT EQUAL TO STATE SHARE  
13 OF TOTAL PROGRAM; AND  
14 (II) FOR BUDGET YEARS WHEN TOTAL PROGRAM IS DETERMINED  
15 PURSUANT TO SECTION 22-54-103.5, AN AMOUNT EQUAL TO NEW FORMULA  
16 STATEWIDE TOTAL PROGRAM CALCULATION.
- 17 (h) "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 Reletter succeeding paragraph accordingly.

21 Page 5, strike lines 26 and 27.

- 22 Page 6, strike line 1 and substitute "AMOUNT EQUAL TO THE LESSER OF:  
23 (I) (A) THE POSITIVE FACTOR FOR THE CURRENT BUDGET YEAR;  
24 (B) PLUS THE DEFERRED POSITIVE FACTOR AMOUNT FOR THE  
25 CURRENT BUDGET YEAR; OR  
26 (II) THE AMOUNT THAT THE STATE IS".

27 Page 6, strike lines 5 through 8 and substitute:

- 28 "(2) FOR THE 2027-28 BUDGET YEAR AND EACH BUDGET YEAR  
29 THEREAFTER, A DISTRICT'S POSITIVE FACTOR EDUCATION INVESTMENT  
30 AMOUNT IS EQUAL TO:  
31 (NEW FORMULA DISTRICT TOTAL PROGRAM CALCULATION / NEW  
32 FORMULA STATEWIDE TOTAL PROGRAM CALCULATION) X (THE TWO  
33 PERCENT K-12 PUBLIC EDUCATION INCREASE MINUS THE POSITIVE FACTOR  
34 ACCELERATION AMOUNT)."

35 Page 6, lines 9 and 10, strike "THROUGH THE 2036-37 BUDGET YEAR," and  
36 substitute "AND EVERY BUDGET YEAR THEREAFTER,".

- 1 Page 6, lines 14 and 15, strike "THROUGH THE 2036-37 BUDGET YEAR,"  
2 and substitute "AND EVERY BUDGET YEAR THEREAFTER,".
- 3 Page 6, line 17, strike "FUNDING" and substitute "EDUCATION INVESTMENT  
4 AMOUNT".
- 5 Page 6, line 21, strike "FUNDING" and substitute "EDUCATION INVESTMENT  
6 AMOUNT".
- 7 Page 6, line 23, strike "FUNDING" and substitute "EDUCATION INVESTMENT  
8 AMOUNT".
- 9 Page 7, line 2, strike "FUNDING" and substitute "EDUCATION INVESTMENT  
10 AMOUNT".
- 11 Page 7, strike line 8.
- 12 Page 7, strike lines 22 and 23.
- 13 Renumber succeeding subsections accordingly.
- 14 Page 8, after line 1 insert:
- 15 "(5) "TWO PERCENT K-12 PUBLIC EDUCATION INCREASE" HAS THE  
16 MEANING SET FORTH IN SECTION 22-54-103.7 (1)(i).".
- 17 Page 8, strike lines 11 through 14 and substitute "EXCESS STATE  
18 REVENUES ACCOUNT. THE STATE TREASURER SHALL CREDIT TO THE  
19 ACCOUNT AN AMOUNT EQUAL TO THE AMOUNT THAT THE STATE RETAINS  
20 IN A FISCAL YEAR PURSUANT TO SUBSECTION (1) OF THIS SECTION MINUS  
21 AN AMOUNT EQUAL TO THE TOTAL DOLLAR AMOUNT OF WARRANTS ISSUED  
22 BY THE STATE TREASURER PURSUANT TO SECTION 39-3-207 (4) IN THE  
23 IMMEDIATELY FOLLOWING FISCAL YEAR.".
- 24 Page 8, strike lines 16 through 27 and substitute "1, 2027, FROM THE  
25 MONEY IN THE EXCESS STATE REVENUES ACCOUNT THAT IS RETAINED FOR  
26 A PRECEDING STATE FISCAL YEAR PURSUANT TO SUBSECTION (1) OF THIS  
27 SECTION AND DEPOSITED IN THE ACCOUNT PURSUANT TO SUBSECTION  
28 (2)(a) OF THIS SECTION, THE GENERAL ASSEMBLY:
- 29 (I) SHALL TRANSFER OR APPROPRIATE TO THE DEPARTMENT OF  
30 EDUCATION AN AMOUNT EQUAL TO THE TWO PERCENT K-12 PUBLIC  
31 EDUCATION INCREASE FOR THE CURRENT STATE FISCAL YEAR AND THE  
32 DEPARTMENT OF EDUCATION SHALL DISTRIBUTE THAT AMOUNT IN

1 ACCORDANCE WITH SECTION 22-54-103.3 AND SECTION 22-54-107.7; AND  
2 (II) AFTER MAKING THE APPROPRIATIONS OR TRANSFERS REQUIRED  
3 BY SUBSECTION (2)(b)(I) OF THIS SECTION FOR A STATE FISCAL YEAR, MAY  
4 APPROPRIATE OR TRANSFER THE MONEY FOR ANY OTHER PURPOSE."

5 Page 9, strike lines 1 through 17.

6 Renumber succeeding subsections accordingly.

7 Page 10, line 1, strike "AUGUST 1, 2027," and substitute "AUGUST 1,  
8 2026,".

9 Page 10, line 5, strike "TOTAL AMOUNT THAT IS" and substitute  
10 "GREATEST TOTAL AMOUNT IN A PRECEDING STATE FISCAL YEAR THAT HAS  
11 BEEN".

12 Page 10, line 7, strike "THE IMMEDIATELY" and substitute "A".

13 Page 10, line 9, strike "PROGRAM." and substitute "PROGRAM AND THE  
14 AMOUNT OF THE TWO PERCENT K-12 PUBLIC EDUCATION INCREASE FOR  
15 THE SAME STATE FISCAL YEAR."

16 Page 10, lines 10 and 11, strike "FOR THE IMMEDIATELY PRECEDING STATE  
17 FISCAL YEAR".

18 Page 11, before line 14 insert:

19 "SECTION 4. In Colorado Revised Statutes, 22-44-304, add  
20 (1)(g) as follows:

21 **22-44-304. Financial reporting - online access to information**  
22 **- definitions.**

23 (1) (g) (I) ADDITIONALLY, COMMENCING ON JULY 1, 2027, EACH  
24 LOCAL EDUCATION PROVIDER, AS DEFINED IN SECTION 22-54-202, SHALL  
25 POST IN A FORMAT THAT CAN BE DOWNLOADED AND SORTED, FOR FREE  
26 PUBLIC ACCESS, THE LOCAL EDUCATION PROVIDER'S ACTUAL  
27 EXPENDITURES OF ANY POSITIVE FACTOR ACCELERATION AMOUNT  
28 RECEIVED PURSUANT TO SECTION 22-54-103.3 AND ANY POSITIVE FACTOR  
29 EDUCATION INVESTMENT AMOUNT RECEIVED PURSUANT TO SECTION  
30 22-54-103.7.

31 (II) AS USED IN THIS SUBSECTION (1)(g), UNLESS THE CONTEXT  
32 OTHERWISE REQUIRES:

33 (A) "POSITIVE FACTOR ACCELERATION AMOUNT" HAS THE  
34 MEANING SET FORTH IN SECTION 22-54-103.7 (1)(e).

- 1 (B) "POSITIVE FACTOR EDUCATION INVESTMENT AMOUNT" HAS  
2 THE MEANING SET FORTH IN SECTION 22-54-103.7 (1)(f)."
- 3 Renumber succeeding sections accordingly.
- 4 Page 12, line 11, strike "(4)," and substitute "(3)."
- 5 Page 12, line 25, strike "(4)." and substitute "(3)."
- 6 Page 13, line 10, strike "(4)." and substitute "(3)."
- 7 Page 13, lines 20 and 21, strike "the state spends" and substitute "spent".
- 8 Strike "JULY 1, 2027," and substitute "JULY 1, 2026," on: **Page 8**, lines 4  
9 and 5; **Page 10**, line 1; **Page 12**, line 24; and **Page 13**, line 9.
- 10 Page 1, lines 104 and 105, strike "USING THE INCREASED  
11 APPROPRIATION FOR DISTRICT SCHOOL FACTOR FUNDING,".
- 12 Amend the Senate Finance Committee Report, dated March 12, 2026,  
13 page 1, line 6, strike "SAME" and substitute "CURRENT".
- 14 Page 1 of the report, strike lines 9 through 12 and substitute "POSITIVE  
15 FACTOR EDUCATION INVESTMENT AMOUNTS MUST BE DISTRIBUTED IN THE  
16 SAME FORM AND MANNER IN WHICH PAYMENTS OF TOTAL PROGRAM ARE  
17 DISTRIBUTED UNDER LAW TO ALL PUBLIC SCHOOLS."."
- 18 Page 1 of the report, strike lines 15 through 21.
- 19 Page 2, of the report, strike line 1.

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