

CHAPTER 181

EDUCATION - PUBLIC SCHOOLS

SENATE BILL 26-023

BY SENATOR(S) Kolker and Kirkmeyer, Amabile, Ball, Bridges, Bright, Carson, Catlin, Cutter, Daugherty, Exum, Frizell, Gonzales J., Jodeh, Kipp, Liston, Marchman, Mullica, Pelton R., Roberts, Simpson, Snyder, Wallace, Weissman, Coleman; also REPRESENTATIVE(S) Sirota and Lukens, Bacon, Boesenecker, Brown, Camacho, Clifford, Duran, English, Froelich, Garcia, Gilchrist, Goldstein, Gonzalez R., Hamrick, Jackson, Lindsay, Marshall, Mauro, McCormick, Nguyen, Paschal, Phillips, Ricks, Rutinel, Rydin, Smith, Stewart K., Stewart R., Story, Taggart, Zokaie, McCluskie.

AN ACT

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

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

SECTION 1. In Colorado Revised Statutes, 22-54-103.5, **repeal** (4)(c); and **add** (3)(b), (4)(a)(VII), (4)(d)(VI), (4)(d.5), and (14)(b) as follows:

22-54-103.5. District total program - rules - legislative declaration - repeal.

(3) Statewide base per pupil funding.

(b) (I) FOR THE 2026-27 BUDGET YEAR, THE STATEWIDE BASE PER PUPIL FUNDING IS EIGHT THOUSAND NINE HUNDRED DOLLARS AND FORTY CENTS (\$8,900.40), WHICH IS AN AMOUNT EQUAL TO EIGHT THOUSAND SIX HUNDRED NINETY-ONE DOLLARS AND EIGHTY CENTS (\$8,691.80), SUPPLEMENTED BY TWO HUNDRED EIGHT DOLLARS AND SIXTY CENTS (\$208.60) TO ACCOUNT FOR INFLATION.

(II) THIS SUBSECTION (3)(b) IS REPEALED, EFFECTIVE JULY 1, 2032.

(4) Funded pupil count. Funded pupil count is:

(a) (VII) THIS SUBSECTION (4)(a) IS REPEALED, EFFECTIVE JULY 1, 2026.

(c) ~~Notwithstanding subsections (4)(a) and (4)(b) of this section, if, for the 2026-27 budget year, each district's total program is not determined pursuant to~~

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

~~section 22-54-103.3 (3)(b), then funded pupil count is determined pursuant to subsection (4)(a) of this section for the 2026-27 budget year and each budget year thereafter.~~

(d) (VI) THIS SUBSECTION (4)(d) IS REPEALED, EFFECTIVE JULY 1, 2026.

(d.5) (I) NOTWITHSTANDING SUBSECTION (4)(b) OF THIS SECTION, FOR A BUDGET YEAR WHEN TOTAL PROGRAM IS THE GREATER OF THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-104 PLUS ONE PERCENT OF THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-104 OR THE AMOUNT CALCULATED PURSUANT TO SECTION 22-54-104 PLUS AN AMOUNT EQUAL TO AT LEAST FORTY-FIVE PERCENT OF THE DIFFERENCE BETWEEN THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-103.5 AND THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-104, AND FOR EACH BUDGET YEAR THEREAFTER, THE DISTRICT'S ONLINE PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR PLUS THE DISTRICT'S SUPPLEMENTAL KINDERGARTEN ENROLLMENT FOR THE APPLICABLE BUDGET YEAR PLUS THE DISTRICT'S EXTENDED HIGH SCHOOL PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR PLUS THE GREATER OF:

(A) THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR;

(B) AN AMOUNT EQUAL TO FIFTY PERCENT OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR PLUS AN AMOUNT EQUAL TO THIRTY PERCENT OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE IMMEDIATELY PRECEDING BUDGET YEAR PLUS AN AMOUNT EQUAL TO TWENTY PERCENT OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE BUDGET YEAR THAT IS TWO YEARS IMMEDIATELY PRECEDING THE APPLICABLE BUDGET YEAR; OR

(C) AN AMOUNT EQUAL TO NINETY-SEVEN PERCENT OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE IMMEDIATELY PRECEDING BUDGET YEAR.

(II) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR PURPOSES OF THIS SUBSECTION (4)(d.5), A DISTRICT'S FUNDED PUPIL COUNT INCLUDES THE CERTIFIED PUPIL ENROLLMENT AND ONLINE PUPIL ENROLLMENT OF EACH OPERATING INSTITUTE CHARTER SCHOOL, AS PROVIDED IN SUBSECTIONS (4)(d.5)(III) AND (4)(d.5)(IV) OF THIS SECTION, FOR WHICH THE DISTRICT IS THE ACCOUNTING DISTRICT. THE DEPARTMENT OF EDUCATION SHALL ADD THE INSTITUTE CHARTER SCHOOL'S CERTIFIED PUPIL ENROLLMENT AND ONLINE PUPIL ENROLLMENT TO THE FUNDED PUPIL COUNT OF THE DISTRICT PRIOR TO CALCULATING THE DISTRICT'S TOTAL PROGRAM PURSUANT TO THIS SECTION.

(III) FOR PURPOSES OF SUBSECTION (4)(b)(II) OF THIS SECTION, EACH OPERATING INSTITUTE CHARTER SCHOOL'S CERTIFIED PUPIL ENROLLMENT IS THE GREATER OF:

(A) THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR; OR

(B) AN AMOUNT EQUAL TO FIFTY PERCENT OF THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR PLUS AN AMOUNT EQUAL TO THIRTY PERCENT OF THE OPERATING INSTITUTE CHARTER

SCHOOL'S PUPIL ENROLLMENT FOR THE IMMEDIATELY PRECEDING BUDGET YEAR PLUS AN AMOUNT EQUAL TO TWENTY PERCENT OF THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE BUDGET YEAR THAT IS TWO YEARS IMMEDIATELY PRECEDING THE APPLICABLE BUDGET YEAR; OR

(C) AN AMOUNT EQUAL TO NINETY-SEVEN PERCENT OF THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE IMMEDIATELY PRECEDING BUDGET YEAR.

(IV) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR PURPOSES OF SUBSECTION (4)(d.5)(III) OF THIS SECTION, AN OPERATING INSTITUTE CHARTER SCHOOL'S CERTIFIED PUPIL ENROLLMENT INCLUDES ITS ONLINE PUPIL ENROLLMENT, EXCEPT FOR MULTI-DISTRICT ONLINE SCHOOL PUPIL ENROLLMENT.

(V) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT FOR THE PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, AVERAGING, OR SMOOTHING, A DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE TWO IMMEDIATELY PRECEDING BUDGET YEARS PURSUANT TO THIS SUBSECTION (4)(d.5), AND AVERAGING AN OPERATING INSTITUTE CHARTER SCHOOL'S STUDENT ENROLLMENT AND ONLINE PUPIL ENROLLMENT PURSUANT TO THIS SUBSECTION (4)(d.5), IS A PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND MAY THEREFORE RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

(VI)(A) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR THE PURPOSES OF THIS SUBSECTION (4)(d.5), A DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND A DISTRICT'S PUPIL ENROLLMENT FOR A PRECEDING BUDGET YEAR DO NOT INCLUDE A PUPIL WHO IS OR WAS ENROLLED IN A CHARTER SCHOOL THAT WAS ORIGINALLY AUTHORIZED BY THE DISTRICT BUT WAS SUBSEQUENTLY CONVERTED, ON OR AFTER JULY 1, 2010, TO AN INSTITUTE CHARTER SCHOOL OR TO A CHARTER SCHOOL OF A DISTRICT CONTIGUOUS TO THE ORIGINAL AUTHORIZING DISTRICT.

(B) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION (4)(d.5) TO THE CONTRARY, FOR THE PURPOSES OF THIS SUBSECTION (4)(d.5), IF A DISTRICT'S FUNDED PUPIL COUNT CALCULATED PURSUANT TO THIS SUBSECTION (4)(d.5) FOR A BUDGET YEAR IS FEWER THAN SIXTY STUDENTS, THE DISTRICT'S FUNDED PUPIL COUNT FOR THE BUDGET YEAR IS SIXTY STUDENTS.

(14) Total program funding.

(b)(I) FOR THE 2026-27 BUDGET YEAR, THE DEPARTMENT OF EDUCATION AND THE STAFF OF THE LEGISLATIVE COUNCIL SHALL DETERMINE, BASED ON BUDGET PROJECTIONS, THE AMOUNT TO ENSURE THAT FOR THE 2026-27 BUDGET YEAR, THE SUM OF TOTAL PROGRAM FUNDING FOR ALL DISTRICTS, INCLUDING FUNDING FOR INSTITUTE CHARTER SCHOOLS, IS AT LEAST TEN BILLION ONE HUNDRED SEVENTY-EIGHT MILLION EIGHT HUNDRED FIFTY-SIX THOUSAND EIGHT HUNDRED SEVENTY-ONE DOLLARS (\$10,178,856,871); EXCEPT THAT THE DEPARTMENT OF EDUCATION AND THE STAFF OF THE LEGISLATIVE COUNCIL SHALL MAKE MID-YEAR REVISIONS TO REPLACE PROJECTIONS WITH ACTUAL FIGURES, INCLUDING ACTUAL

PUPIL ENROLLMENT, ASSESSED VALUATIONS, AND SPECIFIC OWNERSHIP TAX REVENUE FROM THE PRIOR YEAR TO DETERMINE ANY NECESSARY CHANGES IN THE AMOUNT TO MAINTAIN TOTAL PROGRAM FUNDING FOR THE APPLICABLE BUDGET YEAR.

(II) THIS SUBSECTION (14)(b) IS REPEALED, EFFECTIVE JULY 1, 2032.

SECTION 2. In Colorado Revised Statutes, 22-54-103.5, **amend** (11)(c)(I), (11)(c)(II), and (11)(c)(IV) as follows:

22-54-103.5. District total program - rules - legislative declaration - repeal.

(11) **District cost of living factor funding - rules.**

(c) (I) For the 2025-26 AND 2026-27 budget year YEARS, a district's cost of living factor is the district's cost of living amount identified in the 2023 cost of living analysis adjusted for labor pool areas, divided by the minimum cost of living amount for a district identified in the 2023 cost of living analysis adjusted for labor pool areas, minus one.

(II) For the ~~2026-27~~ and 2027-28 budget years YEAR, a district's cost of living factor is the district's cost of living amount identified in the 2025 cost of living analysis adjusted for labor pool areas, divided by the minimum cost of living amount for a district identified in the 2025 cost of living analysis adjusted for labor pool areas, minus one.

(IV) The cost of living factor for each district must be certified to the department of education by legislative council staff for each two-year period thereafter based upon a new cost of living analysis. LEGISLATIVE COUNCIL STAFF SHALL COMPLETE ITS COST OF LIVING ANALYSIS NO LATER THAN JANUARY 1 OF THE APPLICABLE YEAR. The certification must be made BY THE DEPARTMENT OF EDUCATION no later than ~~April 15~~ JANUARY 31 of the applicable year and is effective for the budget year beginning on July 1 of that year and the budget year thereafter. FOR EACH DISTRICT, THE DEPARTMENT OF EDUCATION SHALL SEND TO EACH SCHOOL DISTRICT THE SCHOOL DISTRICT'S COST OF LIVING FACTOR NO LATER THAN FOURTEEN DAYS AFTER THE CERTIFICATION.

SECTION 3. In Colorado Revised Statutes, 22-54-104, **add** (5)(c)(II.7) as follows:

22-54-104. District total program - legislative declaration - definitions - repeal.

(5) For purposes of the formulas used in this section:

(c) (II.7) (A) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION (5)(c) TO THE CONTRARY, FOR THE 2025-26 AND 2026-27 BUDGET YEARS, A DISTRICT'S COST OF LIVING FACTOR IS THE DISTRICT'S COST OF LIVING AMOUNT IDENTIFIED IN THE 2023 COST OF LIVING ANALYSIS ADJUSTED FOR LABOR POOL AREAS, DIVIDED BY THE MINIMUM COST OF LIVING AMOUNT FOR A DISTRICT IDENTIFIED IN THE 2023 COST OF LIVING ANALYSIS ADJUSTED FOR LABOR POOL AREAS, MINUS ONE.

(B) FOR THE 2027-28 BUDGET YEAR, A DISTRICT'S COST OF LIVING FACTOR IS THE DISTRICT'S COST OF LIVING AMOUNT IDENTIFIED IN THE 2025 COST OF LIVING ANALYSIS ADJUSTED FOR LABOR POOL AREAS, DIVIDED BY THE MINIMUM COST OF LIVING AMOUNT FOR A DISTRICT IDENTIFIED IN THE 2025 COST OF LIVING ANALYSIS ADJUSTED FOR LABOR POOL AREAS, MINUS ONE.

SECTION 4. In Colorado Revised Statutes, 22-13-103, **amend** (1)(c) introductory portion; and **add** (1)(c.5) as follows:

22-13-103. School transformation grant program - created - rules - repeal.

(1) There is created in the department the school transformation grant program to provide funding to:

(c) FOR GRANTS ISSUED ON OR BEFORE JUNE 30, 2026, assist school districts, the institute, and charter schools that are implementing priority improvement or turnaround plans in planning for and implementing one or more of the following rigorous school redesign strategies:

(c.5) FOR GRANTS ISSUED ON OR AFTER JULY 1, 2026, ASSIST SCHOOL DISTRICTS, THE INSTITUTE, AND CHARTER SCHOOLS THAT ARE IMPLEMENTING PRIORITY IMPROVEMENT OR TURNAROUND PLANS IN PLANNING FOR AND IMPLEMENTING ONE OR MORE OF THE RIGOROUS REDESIGN STRATEGIES DESCRIBED IN SECTION 22-11-209 (2)(a) OR SECTION 22-11-210 (5)(a);

SECTION 5. In Colorado Revised Statutes, 22-13-105, **amend** (1) introductory portion and (6)(b); and **add** (1.5) as follows:

22-13-105. School transformation grants - application - awards - report.

(1) FOR GRANTS ISSUED ON OR BEFORE JUNE 30, 2026, the state board, subject to available appropriations, shall award school transformation grants to one or more school districts or charter schools or to the institute to use in:

(1.5) FOR GRANTS ISSUED ON OR AFTER JULY 1, 2026, THE STATE BOARD, SUBJECT TO AVAILABLE APPROPRIATIONS, SHALL AWARD SCHOOL TRANSFORMATION GRANTS TO ONE OR MORE SCHOOL DISTRICTS OR CHARTER SCHOOLS OR TO THE INSTITUTE TO USE FOR THE PURPOSES DESCRIBED IN SECTION 22-13-103 (1).

(6) (b) Of the money annually appropriated for school transformation grants, the department may expend an amount that is necessary to enter into one or more contracts with a public or private entity to provide the uses described in subsection (1) OR (1.5) of this section to multiple school districts or charter schools that are eligible for a school transformation grant. The entity shall use research-based strategies and have a proven record of success working with schools under similar circumstances.

SECTION 6. In Colorado Revised Statutes, 22-30.5-112, **amend** (2)(a)(III), (2)(a.4)(I), (2)(a.8)(I), (2)(a.8)(II), (2)(a.9), (3)(a)(II), and (3)(a)(III)(A); **repeal** (2)(a)(II), (2)(a.3), (2)(a.5)(II), (2)(a.5)(II.5), (2)(c)(II), (3)(a)(I), and (11)(a); and **add** (2)(c.3), (2)(c.5), (2)(c.7), and (12) as follows:

22-30.5-112. Charter schools - financing - guidelines - definitions - repeal.

(2) (a) (II) For the 1999-2000 budget year, the charter school and the school district shall begin discussions on the contract using eighty percent of the district per pupil revenues:

(III) (A) For the 2000-01 budget year through the 2025-26 budget year, except as otherwise provided in subsection (2)(a.3) of this section, each charter school and the chartering school district shall negotiate funding under the contract. The charter school must receive one hundred percent of the district per pupil revenues for each pupil enrolled in the charter school who is not an online pupil and one hundred percent of the district per pupil online funding for each online pupil enrolled in the charter school; except that The chartering school district may choose to retain the actual amount of the charter school's per pupil share of the central administrative overhead costs for services actually provided to the charter school, up to five percent of the district per pupil revenues for each pupil who is not an online pupil enrolled in the charter school, and up to five percent of the district per pupil online funding for each online pupil enrolled in the charter school.

(B) For budget years 2001-02 through 2010-11, the minimum amount of funding specified in sub-subparagraph (A) of this subparagraph (III) shall reflect the one-percent increase in the statewide base per pupil funding for state fiscal years 2001-02 through 2010-11 received by the school district as required by section 17 of article IX of the state constitution.

(a.3) If the authorizing school district enrolls five hundred or fewer students, the charter school shall receive funding in the amount of the greater of one hundred percent of the district per pupil online funding for each online pupil enrolled in the charter school plus one hundred percent of the district per pupil revenues for each pupil who is not an online pupil enrolled in the charter school, minus the actual amount of the charter school's per pupil share of the central administrative overhead costs incurred by the school district, based on audited figures, or eighty-five percent of the district per pupil revenues for each pupil enrolled in the charter school who is not an online pupil plus eighty-five percent of the district per pupil online funding for each online pupil enrolled in the charter school.

(a.4) (I) Within ninety days after the end of each fiscal year, each school district shall provide to each charter school within its district an itemized accounting of all its central administrative overhead costs. If the itemized accounting includes services provided to the charter school by school district personnel, the itemized accounting, at the charter school's request, must include a list of the personnel positions and services provided by persons in each position. The actual central administrative overhead costs are the amount charged to the charter school. Any difference, within the limitations of ~~subparagraph (III) of paragraph (a) of this subsection (2) and paragraph (a.3) of this subsection (2)~~ SUBSECTION (2)(a) OF THIS SECTION, between the amount initially charged to the charter school and the actual cost must be reconciled and paid to the owed party.

(a.5) As used in this subsection (2):

(II) ~~"District per pupil revenues" means the district's total program as defined in section 22-54-103 (6) for any budget year divided by the district's funded pupil count as determined by section 22-54-104 for the applicable budget year.~~

(II.5) ~~"District per pupil online funding" means a school district's online funding, as determined by article 54 of this title 22, divided by the district's online pupil enrollment for any budget year.~~

(a.8) (I) ~~For the 2000-01 budget year through the 2025-26 budget year, The school district shall provide federally required educational services to students enrolled in charter schools on the same basis as the services are provided to students enrolled in other public schools of the school district. Each charter school shall pay an amount equal to the per pupil cost incurred by the school district in providing federally required educational services, multiplied by the number of students enrolled in the charter school. At either party's request, however, the charter school and the school district may negotiate and include in the charter contract alternate arrangements for the provision of and payment for federally required educational services.~~

(II) ~~Notwithstanding any provision of subparagraph (I) of this paragraph (a.8) SUBSECTION (2)(a.8)(I) OF THIS SECTION to the contrary, the school district shall calculate the per pupil cost of providing federally required educational services after subtracting the amount received in federal and state moneys MONEY for providing said THE services.~~

(a.9) ~~For the 2002-03 budget year through the 2025-26 budget year, and In accordance with section 22-30.5-406, the funding provided by a chartering school district to a charter school pursuant to this subsection (2) is reduced by the amount of any direct payments of principal and interest due on bonds issued on behalf of a charter school by a governmental entity other than a school district for the purpose of financing charter school capital construction that were made by the state treasurer or the chartering school district on behalf of the charter school.~~

(c) (II) ~~For the 2000-01 budget year through the 2025-26 budget year, the amount of funding received by a charter school pursuant to this subsection (2) shall not be less than one hundred percent of the chartering school district's district per pupil revenues, minus up to five percent as provided in subsection (2)(a)(III) of this section multiplied by the number of pupils enrolled in the charter school or as otherwise provided in subsection (2)(a.3) of this section for any charter school chartered by a school district that enrolls five hundred or fewer students.~~

(c.3) FOR PURPOSES OF SUBSECTIONS (2)(c.5) AND (2)(c.7) OF THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(I) "CHARTER SCHOOL'S AT-RISK PUPILS" MEANS THE NUMBER OF PUPILS ENROLLED IN THE CHARTER SCHOOL WHO ARE AT-RISK PUPILS, AS DEFINED IN SECTION 22-54-103 (1.5).

(II) "CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER PUPILS" MEANS THE NUMBER OF PUPILS ENROLLED IN THE CHARTER SCHOOL WHO ARE ENGLISH LANGUAGE LEARNER PUPILS, AS DEFINED IN SECTION 22-54-103 (6.5).

(III) "CHARTER SCHOOL'S PERCENTAGE OF AT-RISK PUPILS" MEANS THE NUMBER OF AT-RISK PUPILS ENROLLED IN THE CHARTER SCHOOL, DIVIDED BY THE CHARTER SCHOOL'S PUPIL ENROLLMENT.

(IV) "CHARTER SCHOOL'S PUPIL ENROLLMENT" MEANS THE NUMBER OF PUPILS ENROLLED IN THE CHARTER SCHOOL WHO ARE PART OF PUPIL ENROLLMENT, AS DEFINED IN SECTION 22-54-103 (10).

(V) "CHARTER SCHOOL'S SPECIAL EDUCATION PUPIL ENROLLMENT" MEANS THE NUMBER OF PUPILS ENROLLED IN THE CHARTER SCHOOL WHO ARE SPECIAL EDUCATION PUPILS, AS DEFINED IN SECTION 22-54-103 (10.8).

(c.5) (I) FOR THE 2026-27 BUDGET YEAR, A SCHOOL DISTRICT SHALL DETERMINE EACH OF ITS CHARTER SCHOOLS' PHASE-IN AMOUNTS OF DISTRICT TOTAL PROGRAM. EACH CHARTER SCHOOL'S PHASE-IN AMOUNT OF DISTRICT TOTAL PROGRAM IS THE AMOUNT CALCULATED BY THE SCHOOL DISTRICT USING THE CALCULATION DESCRIBED IN SECTION 22-54-103.3 (3)(b); EXCEPT THAT, WHEN MAKING THE CALCULATIONS, THE SCHOOL DISTRICT SHALL:

(A) USE THE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE 2026-27 BUDGET YEAR INSTEAD OF FUNDED PUPIL COUNT AS DETERMINED PURSUANT TO SECTIONS 22-54-103.5 (4) AND 22-54-104 (7);

(B) USE THE CHARTER SCHOOL'S AT-RISK PUPIL ENROLLMENT FOR THE 2026-27 BUDGET YEAR INSTEAD OF DISTRICT AT-RISK PUPIL ENROLLMENT AND USE THE CHARTER SCHOOL'S PERCENTAGE OF AT-RISK PUPILS INSTEAD OF DISTRICT PERCENTAGE OF AT-RISK PUPILS AS USED PURSUANT TO SECTIONS 22-54-103.5 (6)(a) AND 22-54-104 (4); EXCEPT THAT THE SCHOOL DISTRICT SHALL USE THE CHARTER SCHOOL'S AT-RISK PUPIL ENROLLMENT FOR THE 2026-27 BUDGET YEAR INSTEAD OF DISTRICT AT-RISK PUPIL ENROLLMENT AS USED IN THE FORMULA IN SECTION 22-54-103.5 (6)(b) IF: THE DISTRICT'S FUNDED PUPIL COUNT IS LESS THAN SEVEN THOUSAND, THE DISTRICT PERCENTAGE OF AT-RISK PUPILS IS SEVENTY PERCENT OR GREATER, AND THE CHARTER SCHOOL'S AT-RISK PUPIL ENROLLMENT FOR THE 2026-27 BUDGET YEAR IS SEVENTY PERCENT OR GREATER;

(C) USE THE CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER PUPIL ENROLLMENT FOR THE 2026-27 BUDGET YEAR INSTEAD OF DISTRICT ENGLISH LANGUAGE LEARNER PUPIL ENROLLMENT AS USED FUNDING PURSUANT TO SECTIONS 22-54-103.5 (7) AND 22-54-104 (4.3); AND

(D) USE THE CHARTER SCHOOL'S SPECIAL EDUCATION PUPIL ENROLLMENT FOR THE 2026-27 BUDGET YEAR INSTEAD OF DISTRICT SPECIAL EDUCATION PUPIL ENROLLMENT AS USED PURSUANT TO SECTION 22-54-103.5 (10).

(II) (A) IN ADDITION TO THE DISTRIBUTION DESCRIBED IN SUBSECTION (2)(c.5)(III) OF THIS SECTION, A CHARTER SCHOOL IN A DISTRICT DESCRIBED IN SECTION 22-54-103.5 (12)(c) MUST RECEIVE A PER PUPIL AMOUNT OF THE AMOUNT DESCRIBED IN SECTION 22-54-103.5 (12)(c) FOR EACH STUDENT IN THE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE 2026-27 BUDGET YEAR.

(B) IN ADDITION TO THE DISTRIBUTION DESCRIBED IN SUBSECTION (2)(c.5)(III) OF THIS SECTION, A CHARTER SCHOOL IN A DISTRICT DESCRIBED IN SECTION 22-54-104 (4.9) MUST RECEIVE A PER PUPIL AMOUNT OF THE AMOUNT DESCRIBED IN SECTION 22-54-104 (4.9) FOR EACH STUDENT IN THE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE 2026-27 BUDGET YEAR.

(III) FOR THE 2026-27 BUDGET YEAR, A SCHOOL DISTRICT SHALL DISTRIBUTE TO EACH OF ITS CHARTER SCHOOLS AN AMOUNT EQUAL TO THE GREATER OF:

(A) THE AMOUNT OF DISTRICT TOTAL PROGRAM RECEIVED BY THE CHARTER SCHOOL FOR THE 2025-26 BUDGET YEAR PLUS ONE PERCENT OF THE AMOUNT OF DISTRICT TOTAL PROGRAM RECEIVED BY THE CHARTER SCHOOL FOR THE 2025-26 BUDGET YEAR; OR

(B) THE CHARTER SCHOOL'S PHASE-IN AMOUNT OF DISTRICT TOTAL PROGRAM FOR THE 2026-27 BUDGET YEAR DETERMINED PURSUANT TO SUBSECTION (2)(c.5)(I) OF THIS SECTION.

(IV) THIS SUBSECTION (2)(c.5) IS REPEALED, EFFECTIVE JULY 1, 2028.

(c.7) (I) FOR EACH BUDGET YEAR BEGINNING WITH THE 2027-28 BUDGET YEAR THROUGH THE 2030-31 BUDGET YEAR, A SCHOOL DISTRICT SHALL DETERMINE EACH OF ITS CHARTER SCHOOLS' PHASE-IN AMOUNTS OF DISTRICT TOTAL PROGRAM. EACH CHARTER SCHOOL'S PHASE-IN AMOUNT OF DISTRICT TOTAL PROGRAM IS THE AMOUNT CALCULATED BY THE SCHOOL DISTRICT USING THE CALCULATION DESCRIBED IN SECTION 22-54-103.3 (3)(c) FOR THE APPLICABLE BUDGET YEAR; EXCEPT THAT, WHEN MAKING THE CALCULATIONS, THE SCHOOL DISTRICT SHALL:

(A) USE THE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR INSTEAD OF FUNDED PUPIL COUNT AS DETERMINED PURSUANT TO SECTIONS 22-54-103.5 (4) AND 22-54-104 (7);

(B) USE THE CHARTER SCHOOL'S AT-RISK PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR INSTEAD OF DISTRICT AT-RISK PUPIL ENROLLMENT AND USE THE CHARTER SCHOOL'S PERCENTAGE OF AT-RISK PUPILS INSTEAD OF DISTRICT PERCENTAGE OF AT-RISK PUPILS AS USED PURSUANT TO SECTIONS 22-54-103.5 (6)(a) AND 22-54-104 (4); EXCEPT THAT THE SCHOOL DISTRICT SHALL USE THE CHARTER SCHOOL'S AT-RISK PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR INSTEAD OF DISTRICT AT-RISK PUPIL ENROLLMENT AS USED IN THE FORMULA IN SECTION 22-54-103.5 (6)(b) IF: THE DISTRICT'S FUNDED PUPIL COUNT IS LESS THAN SEVEN THOUSAND, THE DISTRICT PERCENTAGE OF AT-RISK PUPILS IS SEVENTY PERCENT OR GREATER, AND THE CHARTER SCHOOL'S AT-RISK PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR IS SEVENTY PERCENT OR GREATER;

(C) USE THE CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR INSTEAD OF DISTRICT ENGLISH LANGUAGE LEARNER PUPIL ENROLLMENT AS USED PURSUANT TO SECTIONS 22-54-103.5 (7) AND 22-54-104 (4.3); AND

(D) USE THE CHARTER SCHOOL'S SPECIAL EDUCATION PUPIL ENROLLMENT FOR

THE APPLICABLE BUDGET YEAR INSTEAD OF DISTRICT SPECIAL EDUCATION PUPIL ENROLLMENT AS USED PURSUANT TO SECTION 22-54-103.5 (10).

(II) FOR EACH BUDGET YEAR BEGINNING WITH THE 2027-28 BUDGET YEAR THROUGH THE 2030-31 BUDGET YEAR, A SCHOOL DISTRICT SHALL DETERMINE EACH OF ITS CHARTER SCHOOLS' OLD FORMULA AMOUNTS OF DISTRICT TOTAL PROGRAM. EACH CHARTER SCHOOL'S OLD FORMULA AMOUNT OF DISTRICT TOTAL PROGRAM IS THE AMOUNT CALCULATED BY THE SCHOOL DISTRICT USING THE CALCULATION DESCRIBED IN SECTION 22-54-104 FOR THE APPLICABLE BUDGET YEAR FOR EACH OF ITS CHARTER SCHOOLS; EXCEPT THAT, WHEN MAKING THE CALCULATIONS, THE SCHOOL DISTRICT SHALL:

(A) USE THE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR INSTEAD OF FUNDED PUPIL COUNT AS DETERMINED PURSUANT TO SECTION 22-54-104 (7);

(B) USE THE CHARTER SCHOOL'S AT-RISK PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR INSTEAD OF DISTRICT AT-RISK PUPIL ENROLLMENT AS USED PURSUANT TO 22-54-104 (4); AND

(C) USE THE CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR INSTEAD OF DISTRICT ENGLISH LANGUAGE LEARNER PUPIL ENROLLMENT AS USED PURSUANT TO SECTION 22-54-104 (4.3).

(III) (A) IN ADDITION TO THE DISTRIBUTION DESCRIBED IN SUBSECTION (2)(c.7)(IV) OF THIS SECTION, A CHARTER SCHOOL IN A DISTRICT DESCRIBED IN SECTION 22-54-103.5 (12)(c) MUST RECEIVE A PER PUPIL AMOUNT OF THE AMOUNT DESCRIBED IN SECTION 22-54-103.5 (12)(c) FOR EACH STUDENT IN THE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR.

(B) IN ADDITION TO THE DISTRIBUTIONS DESCRIBED IN SUBSECTION (2)(c.7)(IV) OF THIS SECTION, A CHARTER SCHOOL IN A DISTRICT DESCRIBED IN SECTION 22-54-104 (4.9) MUST RECEIVE A PER PUPIL AMOUNT OF THE AMOUNT DESCRIBED IN SECTION 22-54-104 (4.9) FOR EACH STUDENT IN THE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR.

(IV) FOR EACH BUDGET YEAR BEGINNING WITH THE 2027-28 BUDGET YEAR THROUGH THE 2030-31 BUDGET YEAR, A SCHOOL DISTRICT SHALL DISTRIBUTE TO EACH OF ITS CHARTER SCHOOLS AN AMOUNT EQUAL TO THE GREATER OF:

(A) THE CHARTER SCHOOL'S PHASE-IN AMOUNT OF DISTRICT TOTAL PROGRAM FOR THE APPLICABLE BUDGET YEAR DETERMINED PURSUANT TO SUBSECTION (2)(c.7)(I) OF THIS SECTION; OR

(B) THE CHARTER SCHOOL'S OLD FORMULA AMOUNT OF DISTRICT TOTAL PROGRAM FOR THE APPLICABLE BUDGET YEAR DETERMINED PURSUANT TO SUBSECTION (2)(c.7)(II) OF THIS SECTION, PLUS ONE PERCENT OF THE CHARTER SCHOOL'S OLD FORMULA AMOUNT OF DISTRICT TOTAL PROGRAM FOR THE APPLICABLE BUDGET YEAR.

~~(3) (a) (I) For the 1999-2000 budget year, notwithstanding subsection (2) of this section, the proportionate share of state and federal resources generated by students with disabilities or staff serving them shall be directed to charter schools enrolling such students by their school districts or administrative units. The proportionate share of moneys generated under other federal or state categorical aid programs shall be directed to charter schools serving students eligible for such aid.~~

~~(II) For the 2000-01 budget year through the 2025-26 budget year, If the charter school and the school district have negotiated to allow the charter school to provide federally required educational services pursuant to subsection (2)(a.8) of this section, the proportionate share of state and federal resources generated by students receiving the federally required educational services or staff serving them is directed by the school district or administrative unit to the charter school enrolling such THE students.~~

~~(III) (A) For the 2000-01 budget year through the 2025-26 budget year, The proportionate share of money generated under federal or state categorical aid programs, other than federally required educational services, is directed to charter schools serving students eligible for such aid; except for district special education pupil funding calculated pursuant to section 22-54-103.5 (10).~~

~~(11) (a) Notwithstanding any provision of this section to the contrary, a district charter school that converts from an institute charter school pursuant to section 22-30.5-504 (10) continues to receive, as calculated pursuant to section 22-30.5-513, the accounting district's adjusted per pupil revenues and at-risk supplemental aid as the funding applied to the converted school before the conversion; except that this subsection (11) does not apply if the converted school is authorized by a small rural school district, as described in section 22-54-108 (3)(b)(IV).~~

(12) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT FOR PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, PROVISIONS INTENDED TO HOLD DISTRICTS HARMLESS AS A RESULT OF CHANGING TOTAL PROGRAM DISTRIBUTION FROM THE SCHOOL DISTRICT TO THE CHARTER SCHOOL PURSUANT TO SUBSECTIONS (2)(c.5) AND (2)(c.7) OF THIS SECTION ARE A PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND THEREFORE MAY RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

SECTION 7. In Colorado Revised Statutes, **repeal** 22-30.5-112.1.

SECTION 8. In Colorado Revised Statutes, **amend** 22-30.5-112.7 as follows:

22-30.5-112.7. Charter school funding - greater than minimum.

An authorizing district or accounting district may provide funding that is greater than the minimum amount determined pursuant to section 22-30.5-112, ~~22-30.5-112.1~~, 22-30.5-112.6, or 22-30.5-513.

SECTION 9. In Colorado Revised Statutes, 22-30.5-504, **amend** (5)(a)(I)(B) as follows:

22-30.5-504. Institute chartering authority - institute charter schools - exclusive authority - retention - recovery - revocation.

(5) (a) The state board shall grant to a local board of education exclusive authority to authorize charter schools within the geographic boundaries of the school district if the state board determines, after adequate notice and in a public hearing and after receiving input from any charter schools authorized by the local board of education, that the local board can show a recent pattern of providing fair and equitable treatment to its charter schools through the local board's demonstration of:

(I) Full compliance with the provisions of the "Charter Schools Act", part 1 of this article, which includes, at a minimum:

(B) Compliance with ~~sections~~ SECTION 22-30.5-112 ~~and 22-30.5-112.1~~, which ~~permit~~ PERMITS a charter school to purchase, at its discretion, certain services or a combination of services;

SECTION 10. In Colorado Revised Statutes, 22-30.5-513, **amend** (1)(j)(II), (2)(b), (4)(a)(I), (4)(a)(I.5) introductory portion, (5.5)(a), and (10)(a); **repeal** (4)(c) and (11); and **add** (2)(f), (2)(g), (2)(h), and (12) as follows:

22-30.5-513. Institute charter schools - funding - at-risk supplemental aid - legislative declaration - definitions - repeal.

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

(j) "Online pupil enrollment" means:

(II) ~~For the 2008-09 budget year through the 2025-26 budget year,~~ The number of pupils, on the pupil enrollment count day within the applicable budget year, enrolled in, attending, and actively participating in a multi-district online school, as defined in section 22-30.7-102 (6), created pursuant to article 30.7 of this ~~title~~ TITLE 22 by the institute charter school.

(2) (b) ~~For the 2004-05 budget year through the 2025-26 budget year, each institute charter school and the institute shall negotiate funding under the charter contract at a minimum of ninety-five percent of the institute charter school's accounting district's adjusted per pupil revenues for each pupil enrolled in the institute charter school who is not an online pupil and ninety-five percent of the institute charter school's accounting district's per pupil online funding for each online pupil enrolled in the institute charter school. The institute may retain three percent of the accounting district's adjusted per pupil revenues for each pupil, who is not an online pupil, enrolled in the institute charter school and three percent of the accounting district's per pupil online funding for each online pupil enrolled in the institute charter school.~~

(f) FOR PURPOSES OF SUBSECTIONS (2)(g) AND (2)(h) OF THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(I) "CHARTER SCHOOL'S AT-RISK PUPILS" MEANS THE NUMBER OF PUPILS ENROLLED IN THE CHARTER SCHOOL WHO ARE AT-RISK PUPILS, AS DEFINED IN SECTION 22-54-103 (1.5).

(II) "CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER PUPILS" MEANS THE NUMBER OF PUPILS ENROLLED IN THE CHARTER SCHOOL WHO ARE ENGLISH LANGUAGE LEARNER PUPILS, AS DEFINED IN SECTION 22-54-103 (6.5).

(III) "CHARTER SCHOOL'S PERCENTAGE OF AT-RISK PUPILS" MEANS THE NUMBER OF AT-RISK PUPILS ENROLLED IN THE CHARTER SCHOOL, DIVIDED BY THE CHARTER SCHOOL'S PUPIL ENROLLMENT.

(IV) "CHARTER SCHOOL'S PUPIL ENROLLMENT" MEANS THE NUMBER OF PUPILS ENROLLED IN THE CHARTER SCHOOL WHO ARE PART OF PUPIL ENROLLMENT, AS DEFINED IN SECTION 22-54-103 (10).

(V) "CHARTER SCHOOL'S SPECIAL EDUCATION PUPIL ENROLLMENT" MEANS THE NUMBER OF PUPILS ENROLLED IN THE CHARTER SCHOOL WHO ARE SPECIAL EDUCATION PUPILS, AS DEFINED IN SECTION 22-54-103 (10.8).

(g) (I) FOR THE 2026-27 BUDGET YEAR, THE INSTITUTE SHALL DETERMINE EACH OF ITS CHARTER SCHOOLS' PHASE-IN AMOUNTS OF TOTAL PROGRAM. EACH CHARTER SCHOOL'S PHASE-IN AMOUNT OF TOTAL PROGRAM IS THE AMOUNT CALCULATED BY THE INSTITUTE USING THE CALCULATION DESCRIBED IN SECTION 22-54-103.3 (3)(b) FOR EACH OF ITS CHARTER SCHOOLS; EXCEPT THAT, WHEN MAKING THE CALCULATIONS, THE INSTITUTE SHALL:

(A) USE THE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE 2026-27 BUDGET YEAR INSTEAD OF FUNDED PUPIL COUNT AS DETERMINED PURSUANT TO SECTIONS 22-54-103.5 (4) AND 22-54-104 (7);

(B) USE THE CHARTER SCHOOL'S AT-RISK PUPIL ENROLLMENT FOR THE 2026-27 BUDGET YEAR INSTEAD OF THE ACCOUNTING DISTRICT'S AT-RISK PUPIL ENROLLMENT AND USE THE CHARTER SCHOOL'S PERCENTAGE OF AT-RISK PUPILS INSTEAD OF THE ACCOUNTING DISTRICT'S PERCENTAGE OF AT-RISK PUPILS AS USED PURSUANT TO SECTIONS 22-54-103.5 (6)(a) AND 22-54-104 (4); EXCEPT THAT THE INSTITUTE SHALL USE THE CHARTER SCHOOL'S AT-RISK PUPIL ENROLLMENT FOR THE 2026-27 BUDGET YEAR INSTEAD OF ACCOUNTING DISTRICT'S AT-RISK PUPIL ENROLLMENT AS USED IN THE FORMULA IN SECTION 22-54-103.5 (6)(b) IF: THE ACCOUNTING DISTRICT'S FUNDED PUPIL COUNT IS LESS THAN SEVEN THOUSAND, THE ACCOUNTING DISTRICT'S PERCENTAGE OF AT-RISK PUPILS IS SEVENTY PERCENT OR GREATER, AND THE CHARTER SCHOOL'S AT-RISK PUPIL ENROLLMENT FOR THE 2026-27 BUDGET YEAR IS SEVENTY PERCENT OR GREATER;

(C) USE THE CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER PUPIL ENROLLMENT FOR THE 2026-27 BUDGET YEAR INSTEAD OF THE ACCOUNTING DISTRICT'S ENGLISH LANGUAGE LEARNER PUPIL ENROLLMENT AS USED PURSUANT TO SECTIONS 22-54-103.5 (7) AND 22-54-104 (4.3); AND

(D) USE THE CHARTER SCHOOL'S SPECIAL EDUCATION PUPIL ENROLLMENT FOR

THE 2026-27 BUDGET YEAR INSTEAD OF THE ACCOUNTING DISTRICT'S SPECIAL EDUCATION PUPIL ENROLLMENT AS USED PURSUANT TO SECTION 22-54-103.5 (10).

(II) (A) IN ADDITION TO THE DISTRIBUTION DESCRIBED IN SUBSECTION (2)(g)(III) OF THIS SECTION, A CHARTER SCHOOL WHOSE ACCOUNTING DISTRICT IS A SCHOOL DISTRICT DESCRIBED IN SECTION 22-54-103.5 (12)(c) MUST RECEIVE A PER PUPIL AMOUNT OF THE AMOUNT DESCRIBED IN SECTION 22-54-103.5 (12)(c) FOR EACH STUDENT IN THE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE 2026-27 BUDGET YEAR.

(B) IN ADDITION TO THE DISTRIBUTION DESCRIBED IN SUBSECTION (2)(g)(III) OF THIS SECTION, A CHARTER SCHOOL WHOSE ACCOUNTING DISTRICT IS A SCHOOL DISTRICT DESCRIBED IN SECTION 22-54-104 (4.9) MUST RECEIVE A PER PUPIL AMOUNT OF THE AMOUNT DESCRIBED IN SECTION 22-54-104 (4.9) FOR EACH STUDENT IN THE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE 2026-27 BUDGET YEAR.

(III) FOR THE 2026-27 BUDGET YEAR, THE INSTITUTE SHALL DISTRIBUTE TO EACH OF ITS CHARTER SCHOOLS AN AMOUNT EQUAL TO THE GREATER OF:

(A) THE AMOUNT OF TOTAL PROGRAM RECEIVED BY THE CHARTER SCHOOL FOR THE 2025-26 BUDGET YEAR PLUS ONE PERCENT OF THE AMOUNT OF TOTAL PROGRAM RECEIVED BY THE CHARTER SCHOOL FOR THE 2025-26 BUDGET YEAR; OR

(B) THE CHARTER SCHOOL'S PHASE-IN AMOUNT OF TOTAL PROGRAM FOR THE 2026-27 BUDGET YEAR DETERMINED PURSUANT TO SUBSECTION (2)(g)(I) OF THIS SECTION.

(IV) THIS SUBSECTION (2)(g) IS REPEALED, EFFECTIVE JULY 1, 2028.

(h) (I) FOR EACH BUDGET YEAR BEGINNING WITH THE 2027-28 BUDGET YEAR THROUGH THE 2030-31 BUDGET YEAR, THE INSTITUTE SHALL DETERMINE EACH OF ITS CHARTER SCHOOLS' PHASE-IN AMOUNTS OF TOTAL PROGRAM. EACH CHARTER SCHOOL'S PHASE-IN AMOUNT OF TOTAL PROGRAM IS THE AMOUNT CALCULATED BY THE INSTITUTE USING THE CALCULATION DESCRIBED IN SECTION 22-54-103.3 (3)(c) FOR THE APPLICABLE BUDGET YEAR; EXCEPT THAT, WHEN MAKING THE CALCULATIONS, THE INSTITUTE SHALL:

(A) USE THE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR INSTEAD OF FUNDED PUPIL COUNT AS DETERMINED PURSUANT TO SECTIONS 22-54-103.5 (4) AND 22-54-104 (7);

(B) USE THE CHARTER SCHOOL'S AT-RISK PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR INSTEAD OF THE ACCOUNTING DISTRICT'S AT-RISK PUPIL ENROLLMENT AND USE THE CHARTER SCHOOL'S PERCENTAGE OF AT-RISK PUPILS INSTEAD OF THE ACCOUNTING DISTRICT'S PERCENTAGE OF AT-RISK PUPILS AS USED PURSUANT TO SECTIONS 22-54-103.5 (6)(a) AND 22-54-104 (4); EXCEPT THAT THE INSTITUTE SHALL USE THE CHARTER SCHOOL'S AT-RISK PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR INSTEAD OF ACCOUNTING DISTRICT'S AT-RISK PUPIL ENROLLMENT AS USED IN THE FORMULA IN SECTION 22-54-103.5 (6)(b) IF: THE ACCOUNTING DISTRICT'S FUNDED PUPIL COUNT IS LESS THAN SEVEN THOUSAND, THE

ACCOUNTING DISTRICT'S PERCENTAGE OF AT-RISK PUPILS IS SEVENTY PERCENT OR GREATER, AND THE CHARTER SCHOOL'S AT-RISK PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR IS SEVENTY PERCENT OR GREATER;

(C) USE THE CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR INSTEAD OF DISTRICT ENGLISH LANGUAGE LEARNER PUPIL ENROLLMENT AS USED PURSUANT TO SECTIONS 22-54-103.5 (7) AND 22-54-104 (4.3); AND

(D) USE THE CHARTER SCHOOL'S SPECIAL EDUCATION PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR INSTEAD OF DISTRICT SPECIAL EDUCATION PUPIL ENROLLMENT AS USED PURSUANT TO SECTION 22-54-103.5 (10).

(II) FOR EACH BUDGET YEAR BEGINNING WITH THE 2027-28 BUDGET YEAR THROUGH THE 2030-31 BUDGET YEAR, THE INSTITUTE SHALL DETERMINE EACH OF ITS CHARTER SCHOOLS' OLD FORMULA AMOUNTS OF TOTAL PROGRAM. EACH CHARTER SCHOOL'S OLD FORMULA AMOUNT OF TOTAL PROGRAM IS THE AMOUNT CALCULATED BY THE INSTITUTE USING THE CALCULATION DESCRIBED IN SECTION 22-54-104 FOR THE APPLICABLE BUDGET YEAR FOR EACH OF ITS CHARTER SCHOOLS; EXCEPT THAT, WHEN MAKING THE CALCULATIONS, THE INSTITUTE SHALL:

(A) USE THE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR INSTEAD OF THE ACCOUNTING DISTRICT'S FUNDED PUPIL COUNT AS DETERMINED PURSUANT 22-54-104 (7);

(B) USE THE CHARTER SCHOOL'S AT-RISK PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR INSTEAD OF THE ACCOUNTING DISTRICT'S AT-RISK PUPIL ENROLLMENT AS USED PURSUANT TO 22-54-104 (4);

(C) USE THE CHARTER SCHOOL'S ENGLISH LANGUAGE LEARNER PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR INSTEAD OF ACCOUNTING DISTRICT'S ENGLISH LANGUAGE LEARNER PUPIL ENROLLMENT AS USED PURSUANT TO SECTION 22-54-104 (4.3).

(III) (A) IN ADDITION TO THE DISTRIBUTION DESCRIBED IN SUBSECTION (2)(h)(IV) OF THIS SECTION, A CHARTER SCHOOL WHOSE ACCOUNTING DISTRICT IS A SCHOOL DISTRICT DESCRIBED IN SECTION 22-54-103.5 (12)(c) MUST RECEIVE A PER PUPIL AMOUNT OF THE AMOUNT DESCRIBED IN SECTION 22-54-103.5 (12)(c) FOR EACH STUDENT IN THE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR.

(B) IN ADDITION TO THE DISTRIBUTION DESCRIBED IN SUBSECTIONS (2)(h)(IV) OF THIS SECTION, A CHARTER SCHOOL WHOSE ACCOUNTING DISTRICT IS DESCRIBED IN SECTION 22-54-104 (4.9) MUST RECEIVE A PER PUPIL AMOUNT OF THE AMOUNT DESCRIBED IN SECTION 22-54-104 (4.9) FOR EACH STUDENT IN THE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR.

(IV) FOR EACH BUDGET YEAR BEGINNING WITH THE 2027-28 BUDGET YEAR THROUGH THE 2030-31 BUDGET YEAR, THE INSTITUTE SHALL DISTRIBUTE TO EACH OF ITS CHARTER SCHOOLS, AN AMOUNT EQUAL TO THE GREATER OF:

(A) THE CHARTER SCHOOL'S PHASE-IN AMOUNT OF TOTAL PROGRAM FOR THE APPLICABLE BUDGET YEAR DETERMINED PURSUANT TO SUBSECTION (2)(h)(I) OF THIS SECTION; OR

(B) THE CHARTER SCHOOL'S OLD FORMULA AMOUNT OF TOTAL PROGRAM FOR THE APPLICABLE BUDGET YEAR, DETERMINED PURSUANT TO SUBSECTION (2)(h)(II) OF THIS SECTION, PLUS ONE PERCENT OF THE CHARTER SCHOOL'S OLD FORMULA AMOUNT OF TOTAL PROGRAM FOR THE APPLICABLE BUDGET YEAR.

~~(4) (a) (I) For each budget year through the 2025-26 budget year,~~ each institute charter school, the department shall withhold from the state equalization payments of the institute charter school's accounting district an amount equal to one hundred percent of the accounting district's adjusted per pupil revenues multiplied by the number of pupils enrolled in the institute charter school who are not online pupils plus an amount equal to one hundred percent of the accounting district's per pupil online funding multiplied by the number of online pupils enrolled in the institute charter school. The department shall forward to the institute the amount withheld minus an amount not to exceed one percent of the amount withheld that the department may retain as reimbursement for the reasonable and necessary costs to the department to implement the provisions of this part 5.

~~(1.5) For each budget year through the 2025-26 budget year,~~ The institute shall forward to each institute charter school an amount equal to the institute charter school's pupil enrollment multiplied by the accounting district's adjusted per pupil revenues of the institute charter school's accounting district, minus:

~~(c) For budget years 2004-05 through 2010-11, the amount of funding specified in paragraph (a) of this subsection (4) shall reflect the one-percent increase in the statewide base per pupil funding for state fiscal years 2001-02 through 2010-11 received by school districts as required by section 17 of article IX of the state constitution.~~

(5.5) (a) Notwithstanding any provision of this section to the contrary, if a district charter school converts to an institute charter school pursuant to section 22-30.5-510, the converted school's per pupil revenues or adjusted per pupil revenues, whichever is applicable, and at-risk supplemental aid continue to be calculated pursuant to section 22-30.5-112, or 22-30.5-112.1 whichever is applicable, and section 22-30.5-112.2, TOTAL PROGRAM FUNDING as the funding applied to the converted school before the conversion; except that this subsection (5.5) does not apply if the converted school was authorized by a small rural school district, as described in section 22-54-108 (3)(b)(IV), before the conversion.

~~(10) (a) On or before December 1, 2009, and on or before December 1 each year, thereafter,~~ a representative from the governing board of each institute charter school and the institute board shall meet to review the level of funding received by the institute as a result of the money withheld by the institute for the amount of actual costs incurred by the institute in providing necessary administration, oversight, and management services to the institute charter schools. The institute charter school representatives and the institute board shall, at a minimum, review, for each budget year, ~~beginning with the 2004-05 budget year through the 2025-26 budget year,~~ the

amount of money annually appropriated to the institute, the amount of costs incurred by the institute, and the services provided by the institute.

~~(11) (a) For the 2022-23 budget year, the general assembly shall appropriate three hundred seventy-five thousand dollars from the general fund to the institute to distribute to eligible institute charter schools.~~

~~(b) As used in this subsection (11), "eligible institute charter school" means an institute charter school, at least fifty percent of the student population of which receives special education services through the administrative unit of the institute.~~

(12) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT FOR PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, PROVISIONS INTENDED TO HOLD DISTRICTS HARMLESS AS A RESULT OF CHANGING TOTAL PROGRAM DISTRIBUTION FROM THE INSTITUTE TO THE CHARTER SCHOOL PURSUANT TO SUBSECTIONS (2)(g) AND (2)(h) OF THIS SECTION ARE A PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND THEREFORE MAY RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

SECTION 11. In Colorado Revised Statutes, 22-33-203, **amend** (2)(d) as follows:

22-33-203. Educational alternatives for expelled students.

(2) (d) If an expelled student is receiving educational services delivered by a school district other than the expelling school district, by a charter school in a school district other than the expelling school district, by a board of cooperative services, or by a nonpublic school, pursuant to an agreement entered into pursuant to subsection (2)(c)(I) of this section, the expelling school district shall transfer ninety-five percent of the district per-pupil revenues ~~as defined in section 22-30.5-112 (2)(a.5)(II)~~ to the school district, charter school, nonpublic school, or board of cooperative services that is providing educational services, reduced in proportion to the amount of time remaining in the school year at the time the student begins receiving educational services.

SECTION 12. In Colorado Revised Statutes, 22-43.7-110.3, **amend** (2)(b)(I) as follows:

22-43.7-110.3. Department - charter school facilities assistance account - distribution - definitions.

(2) (b) (I) Each school district that provides funding pursuant to section 22-30.5-112 ~~or 22-30.5-112.1~~ to at least one qualified charter school in a fiscal year shall, for that fiscal year, receive an amount equal to the percentage of the total certified charter school pupil enrollment for all qualified charter schools statewide for the applicable fiscal year that is attributable to the district's certified charter school pupil enrollment, multiplied by the amount credited to the charter school facilities assistance account for the applicable fiscal year.

SECTION 13. In Colorado Revised Statutes, 24-33.5-2706, **amend as it will become effective if the office receives fifty thousand dollars of gifts, grants, or donations (5)(a)(II)(B)** as follows:

24-33.5-2706. Trauma-informed practices for school safety drills - work group - creation - purpose - membership - notice to revisor of statutes - definitions - repeal.

(5) (a) (II) The work group consists of the following voting members:

(B) Two school principals, one of whom must represent either a district charter school ~~as defined in section 22-30.5-112.1~~, or an institute charter school, as defined in section 22-30.5-502, each appointed by the minority leader of the house of representatives, on the advice of a statewide association that represents school administrators;

SECTION 14. In Colorado Revised Statutes, **repeal 22-30.5-112.2.**

SECTION 15. In Colorado Revised Statutes, 22-44-105, **amend (6)(d)(II)** as follows:

22-44-105. Budget - contents - mandatory- repeal.

(6) (d) (II) ~~This subsection (6) is~~ SUBSECTIONS (6)(a) AND (6)(b) OF THIS SECTION AND THIS SUBSECTION (6)(d) ARE repealed, effective July 1, 2026.

SECTION 16. In Colorado Revised Statutes, 22-54-103.3, **amend (3)(b)** as follows:

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

(3) (b) (I) For the 2026-27 budget year, a district's total program is the greater of the district's total program determination for the 2024-25 budget year or the amount calculated pursuant to section 22-54-104 plus an amount equal to thirty percent of the difference between the district's total program calculation pursuant to section 22-54-103.5 and the district's total program calculation pursuant to section 22-54-104.

(II) WHEN DETERMINING A DISTRICT'S TOTAL PROGRAM PURSUANT TO SUBSECTION (3)(b)(I) OF THIS SECTION, IF THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-103.5 IS LESS THAN THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-104, THEN NOTWITHSTANDING SUBSECTION (3)(b)(I) OF THIS SECTION, THE DISTRICT'S TOTAL PROGRAM IS THE GREATER OF THE DISTRICT'S TOTAL PROGRAM DETERMINATION FOR THE 2024-25 BUDGET YEAR OR THE AMOUNT CALCULATED PURSUANT TO SECTION 22-54-104.

SECTION 17. In Colorado Revised Statutes, 22-54-117, **amend (1)(a)** introductory portion and (1)(a)(IX) as follows:

22-54-117. Contingency reserve - fund - repeal.

(1) (a) ~~For the 2007-08 fiscal year and fiscal years thereafter,~~ The general assembly shall annually determine the amount to appropriate to the contingency reserve fund, which is created in the state treasury. In deciding the amount to appropriate to the contingency reserve fund, the general assembly may take into consideration any recommendations made by the department of education, but nothing in this section obligates the general assembly to provide supplemental assistance to all districts that are found to be in need or to fully fund the total amount of such need. The state board may approve and order payments from the contingency reserve fund for supplemental assistance to districts determined to be in need as the result of any or all of the following circumstances:

(IX) (A) ~~For the 2021-22, 2022-23, and 2023-24 budget years,~~ Unusual financial burden caused by the withholding of local property taxes pursuant to section 29-1-606 (5) for a rural or small rural school district, as defined in section 22-7-1211 (4), because of a delay in filing the audit report due to extraordinary problems that could not have been reasonably foreseen or prevented by the rural or small rural school district.

~~(B) This subsection (1)(a)(IX) is repealed, effective July 1, 2026.~~

SECTION 18. In Colorado Revised Statutes, 24-51-1101, **amend** (1.9)(a)(I), (1.9)(a)(II)(B), (1.9)(a)(II)(C), and (1.9)(h) as follows:

24-51-1101. Employment after service retirement - report - definitions - repeal.

(1.9) (a) (I) Subject to subsection (1.9)(h) of this section, a service retiree who is a superintendent, AN ASSISTANT SUPERINTENDENT, a principal, A VICE PRINCIPAL OR ASSISTANT PRINCIPAL, a teacher, a school bus driver, a school food services cook, a school nurse, or a paraprofessional, as defined in section 22-60.3-201, and is hired pursuant to subsection (1.9)(b) of this section by an employer in the school division of the association that satisfies the criteria specified in subsection (1.9)(a)(II) of this section may receive salary without reduction in benefits for any length of employment in a calendar year if the service retiree has not worked for an employer, as defined in section 24-51-101 (20), during the month of the effective date of retirement. A service retiree described in this subsection (1.9)(a) who works for an employer, as defined in section 24-51-101 (20), during the month of the effective date of retirement is subject to a reduction in benefits as provided in section 24-51-1102 (2).

(II) The provisions of this subsection (1.9) apply only if:

(B) The school district, board of cooperative services, or charter school hires the service retiree for the purpose of providing classroom instruction or school bus transportation to students enrolled by the district, enrolled by one or more of the districts served by the board of cooperative services, or enrolled by the charter school, or for the purpose of being a superintendent, AN ASSISTANT SUPERINTENDENT, a principal, A VICE PRINCIPAL OR ASSISTANT PRINCIPAL, a school

food services cook, a school nurse, or a paraprofessional, as defined in section 22-60.3-201; and

(C) The school district, board of cooperative services, or charter school determines that there is a critical shortage of qualified superintendents, ASSISTANT SUPERINTENDENTS, principals, VICE PRINCIPALS OR ASSISTANT PRINCIPALS, teachers, school bus drivers, school food services cooks, school nurses, or paraprofessionals, as defined in section 22-60.3-201, as applicable, and that the service retiree has specific experience, skills, or qualifications that would benefit the district, board of cooperative services, or charter school.

(h) A teacher, school bus driver, school food services cook, school nurse, superintendent, ASSISTANT SUPERINTENDENT, principal, VICE PRINCIPAL OR ASSISTANT PRINCIPAL, or qualified paraprofessional who retires before ~~he or she has~~ THEY HAVE met the age and service credit requirements for full service retirement benefits pursuant to section 24-51-602 shall not be employed after retirement pursuant to this subsection (1.9) by the employer in the school division that was the teacher's, school bus driver's, school food services cook's, school nurse's, superintendent's, ASSISTANT SUPERINTENDENT'S, principal's, VICE PRINCIPAL'S OR ASSISTANT PRINCIPAL'S, or qualified paraprofessional's last employer until two years after the teacher's, school bus driver's, school food services cook's, school nurse's, superintendent's, ASSISTANT SUPERINTENDENT'S, principal's, VICE PRINCIPAL'S OR ASSISTANT PRINCIPAL'S, or qualified paraprofessional's date of retirement.

SECTION 19. In Colorado Revised Statutes, 22-7-1013, **add** (6.5) as follows:

22-7-1013. Local education provider - preschool through elementary and secondary education standards - adoption - academic acceleration - definition.

(6.5) FOR THE 2026-27 SCHOOL YEAR, AND EACH SCHOOL YEAR THEREAFTER, A LOCAL EDUCATION PROVIDER MAY REQUEST THAT THE DEPARTMENT OF EDUCATION APPROVE THE LOCAL EDUCATION PROVIDER'S USE OF PENCIL AND PAPER TO COMPLETE ANY OR EVERY PORTION OF A STATE ASSESSMENT ADMINISTERED PURSUANT TO SECTION 22-7-1006.3 (1)(a) FOR GRADE THREE OR FOUR. FOR THE 2026-27 SCHOOL YEAR, THE DEPARTMENT OF EDUCATION SHALL ESTABLISH THE TESTING SCHEDULE FOR THE ADMINISTRATION OF PENCIL AND PAPER ASSESSMENTS AND INCLUDE A DEADLINE FOR THE RETURN OF COMPLETED PAPER AND PENCIL MATERIALS FOR SCORING. FOR THE 2027-28 SCHOOL YEAR, THE DEPARTMENT OF EDUCATION SHALL ESTABLISH A DEADLINE FOR THE SUBMISSION OF REQUESTS FOR THE USE OF PENCIL AND PAPER ASSESSMENTS. THE LOCAL EDUCATION PROVIDER IS RESPONSIBLE FOR COSTS OWED TO A VENDOR THAT ARE ASSOCIATED WITH THE ADMINISTRATION OF PENCIL AND PAPER ASSESSMENTS; EXCEPT THAT IF THE LOCAL EDUCATION PROVIDER IS A SCHOOL, THEN THE SCHOOL IS RESPONSIBLE FOR COSTS ASSOCIATED WITH THE ADMINISTRATION OF PENCIL AND PAPER ASSESSMENTS.

SECTION 20. In Colorado Revised Statutes, 22-20-107.5, **add** (1.5) as follows:

22-20-107.5. District of residence of a child with a disability - jurisdiction - rules.

(1.5) THE STATE BOARD SHALL ADOPT RULES THAT ARE NECESSARY TO DETERMINE A CHILD'S DISTRICT OF RESIDENCE FOR A CIRCUMSTANCE THAT IS NOT DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

SECTION 21. In Colorado Revised Statutes, 22-20-114, **amend** (1) introductory portion, (1)(a), (1)(b), and (1.3); and **add** (9) as follows:

22-20-114. Funding of programs - application for reimbursement - rules - legislative declaration - definition - repeal.

(1) Subject to ~~the provisions of subsection (3) of this section, for the 2005-06 budget year and each budget year thereafter~~ the total amount appropriated to the department for the payment of costs incurred by administrative units for the provision, OR EXPENSES RELATED TO THE PROVISION, of special education programs must be distributed to each administrative unit that provides, OR PAYS FOR THE PROVISION OF, educational services for children with disabilities as follows:

(a) ~~(I) Five hundred thousand dollars to administrative units that enroll children with disabilities~~ FOR THE 2026-27 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, ONE MILLION DOLLARS TO FUND REIMBURSEMENTS FOR ADMINISTRATIVE UNITS THAT PAY TUITION OR EDUCATION EXPENSES THAT ENSURE A FREE APPROPRIATE PUBLIC EDUCATION FOR A STUDENT IN OUT-OF-HOME PLACEMENT, AS DEFINED IN SECTION 22-32-138 (1)(h), IF:

(A) ~~For whom tuition is paid by the administrative units for the children to receive educational services at approved facility schools; and~~ THE STUDENT HAS AN INDIVIDUALIZED EDUCATION PROGRAM;

(B) ~~For whom parental rights have been relinquished by the parents or terminated by a court, the parents of whom are incarcerated, the parents of whom cannot be located, the parents of whom reside out of the state but the department of human services has placed the children within the administrative unit, or children with disabilities who are legally emancipated.~~ THE STUDENT DOES NOT HAVE A PARENT OR LEGAL GUARDIAN, AS DESCRIBED IN SECTION 22-20-103 (19.7)(a)(I), (19.7)(a)(II), OR (19.7)(a)(III), WHO IS AVAILABLE OR AUTHORIZED TO MAKE DECISIONS CONCERNING EDUCATION FOR THE STUDENT; AND

(C) THE STUDENT IS PLACED BY A PUBLIC AGENCY, AS DEFINED IN SECTION 22-20-103 (20), IN A RESIDENTIAL CHILD CARE FACILITY OR RESIDENTIAL TREATMENT FACILITY THAT IS LOCATED OUT OF STATE OR IN AN APPROVED FACILITY SCHOOL, AS DEFINED IN SECTION 22-2-402.

(II) ~~The moneys appropriated pursuant to subparagraph (I) of this paragraph (a) shall be distributed in each budget year to administrative units based upon each administrative unit's share of the aggregate number of children with disabilities who are specified in subparagraph (I) of this paragraph (a); except that an administrative unit shall not receive an amount that exceeds the aggregate amount of tuition paid by that administrative unit for the specified children with disabilities to receive educational services at approved facility schools during the immediately preceding budget year. For purposes of this paragraph (a), the number of children with disabilities that are specified in subparagraph (I) of this paragraph (a) shall be based~~

~~upon the count taken in December of the immediately preceding budget year.~~ IN THE 2026-27 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, THE DEPARTMENT SHALL DISTRIBUTE THE APPROPRIATION DESCRIBED IN SUBSECTION (1)(a)(I) OF THIS SECTION PURSUANT TO AN APPLICATION FOR REIMBURSEMENT PROCESS. THE STATE BOARD SHALL ADOPT RULES RELATED TO THE APPLICATION FOR REIMBURSEMENT PROCESS.

~~(b) (I) For the budget years preceding the 2022-23 budget year, an amount equal to one thousand two hundred fifty dollars for each child with disabilities receiving special education services from the administrative unit;~~

~~(II) Except as specified in subsection (1.3) of this section, for the 2022-23 budget year and each budget year thereafter, an amount equal to one thousand seven hundred fifty dollars for each child with disabilities receiving special education services from the administrative unit; and~~

~~(1.3) For the 2024-25 budget year and budget years thereafter, The dollar amounts set forth in subsections (1)(b)(II) and (1)(c)(III) SUBSECTIONS (1)(b) AND (1)(c)(III) of this section are annually increased by the rate of inflation. The amounts must be rounded to the nearest dollar. As used in this subsection (1.3), "inflation" means the annual percentage change in the United States department of labor bureau of labor statistics consumer price index for Denver-Aurora-Lakewood for all items paid by all urban consumers, or its applicable successor index.~~

(9)(a) THE DEPARTMENT SHALL ENGAGE STAKEHOLDERS ON THE ISSUE OF PUBLIC PLACEMENTS IN FACILITY SCHOOLS AND WHETHER TO MAKE RECOMMENDATIONS TO THE STATE BOARD REGARDING RULES OR TO THE GENERAL ASSEMBLY REGARDING STATUTES RELATED TO PUBLIC PLACEMENTS IN FACILITIES. THE STAKEHOLDERS THAT THE DEPARTMENT SHALL ENGAGE WITH INCLUDE, BUT ARE NOT LIMITED TO, ADMINISTRATIVE UNITS, MEDICAID MANAGED CARE ENTITIES, ORGANIZATIONS THAT REPRESENT LICENSED RESIDENTIAL CHILD CARE FACILITIES, AND OTHER PUBLIC ENTITIES.

(b) THIS SUBSECTION (9) IS REPEALED, EFFECTIVE JULY 1, 2027.

SECTION 22. In Colorado Revised Statutes, 22-82.9-205, **amend** (1), (2), (3), and (4); and **add** (6) as follows:

22-82.9-205. Local food purchasing grant - amount - advisory committee - verification of invoices - definition.

(1) (a) Subject to subsection (5) of this section, each participating school food authority OR CHARTER SCHOOL THAT OPERATES UNDER A PARTICIPATING CHARTER SCHOOL FOOD AUTHORITY that commits to operating an advisory committee as described in subsection (3) of this section is eligible to receive a local food purchasing grant pursuant to this section to purchase Colorado grown, raised, or processed products. It is the general assembly's intent that these grants be used primarily to support small- and medium-sized farms and ranches.

(b) On or before August 1 of the first full budget year in which this section is effective as provided in subsection (5) of this section and on or before August 1 of

each budget year thereafter, each participating ~~school food authority~~ GRANTEE shall track and report to the department for the preceding budget year:

(I) The total amount spent in purchasing all products used in preparing meals and how much of that total was attributable to the local food purchasing grant the participating ~~school food authority~~ GRANTEE received;

(II) The total amount spent to purchase Colorado grown, raised, or processed products and how much of that total was attributable to the local food purchasing grant the participating ~~school food authority~~ GRANTEE received;

(III) The total amount spent to purchase value-added processed products and how much of that total was attributable to the local food purchasing grant the participating ~~school food authority~~ GRANTEE received; and

(IV) The total number of eligible meals the participating ~~school food authority~~ GRANTEE provided to students.

(2) (a) Subject to subsection (2)(b) of this section, at the beginning of each budget year the department, subject to available appropriations, shall distribute to each participating ~~school food authority~~ GRANTEE that is eligible to receive a grant pursuant to this section an amount established pursuant to section 22-82.9-211 (3). The participating ~~school food authority~~ GRANTEE shall use the money received pursuant to this section to purchase only Colorado grown, raised, or processed products and as provided in subsection (3)(b) of this section and shall not use more than twenty-five percent of the amount received to purchase value-added processed products. In addition, a ~~school food authority~~ PARTICIPATING GRANTEE may use up to ten percent of the money received pursuant to this section to pay allowable costs, as identified by rules of the state board, incurred in complying with this section.

(b) At the beginning of each budget year, each participating ~~school food authority~~ GRANTEE shall submit to the department an estimate of the amount it expects to spend to purchase Colorado grown, raised, or processed products for the budget year; a description of the items and amounts it expects to purchase; and a list of the suppliers from which it expects to purchase the items. If, based on the information provided, the department determines that a participating ~~school food authority~~ GRANTEE is unlikely to spend the full amount of the grant described in subsection (2)(a) of this section, the department shall reduce the amount of the grant accordingly. The department shall distribute to other participating ~~school food authorities~~ GRANTEES that are eligible to receive grants pursuant to this section any amount that is retained pursuant to this subsection (2)(b). The department shall distribute the additional amounts to the participating ~~school food authorities~~ GRANTEES for which the grant amount calculated pursuant to subsection (2)(a) of this section is less than twenty-five thousand dollars, prioritized based on the highest identified student percentages and greatest financial need.

(3) (a) To receive a local food purchasing grant pursuant to this section, a participating ~~school food authority~~ GRANTEE must have or establish an advisory committee made up of students and parents of students enrolled in the public schools served by the participating school food authority. In selecting students and parents to serve on the advisory committee, the participating ~~school food authority~~

GRANTEE shall ensure that the membership of the advisory committee reflects the racial, ethnic, and socioeconomic demographics of the student population enrolled by the participating ~~school food authority~~ GRANTEE. The advisory committee shall advise the participating ~~school food authority~~ GRANTEE concerning the selection of foods to ensure that meals are culturally relevant, healthy, and appealing to all ages of the student population.

(b) A participating ~~school food authority~~ GRANTEE may use up to twelve percent of the amount received pursuant to subsection (2) of this section to support implementation of the advisory committee required in subsection (3)(a) of this section.

(c) A ~~school food authority~~ GRANTEE that provided one million or fewer lunches in the 2023-24 school year may, subject to approval by the department, work with other ~~school food authorities~~ GRANTEES to implement an advisory committee that collaborates with multiple school food authorities.

(d) An advisory committee established pursuant to this subsection (3) is not limited to, but may:

(I) Schedule and hold meetings as necessary for the advisory committee to have ongoing collaboration with the participating ~~school food authority~~ GRANTEE and achieve the advisory committee's goals;

(II) Through student surveys or other methods as necessary, gather student feedback on meals and meal preferences;

(III) Suggest the types of purchases of local ingredients to the ~~school food authority~~ GRANTEE that would support local farmers and ranchers in the school food authority's region;

(IV) Inform the school food authority of recipes that are both nutritious and reflect the cultures of the student population enrolled by the participating ~~school food authority~~ GRANTEE;

(V) Taste test healthy meal options;

(VI) Develop solutions to reduce food waste;

(VII) Assist the ~~school food authority~~ GRANTEE in developing plans to support more scratch cooking;

(VIII) Assist the ~~school food authority~~ PARTICIPATING GRANTEE in obtaining the necessary resources to provide meals that are culturally relevant, healthy, and appealing to all ages of the student population;

(IX) Inform the ~~school food authority~~ GRANTEE of, and assist in the implementation of, strategies to maximize the collection and completion of household income application forms for national school lunch programs;

(X) Evaluate the effectiveness of the advisory committee in supporting the ~~school food authority~~ PARTICIPATING GRANTEE in improving meal quality and student satisfaction with the meals provided by the ~~school food authority~~ GRANTEE; and

(XI) Learn from a ~~school food authority~~ GRANTEE about the logistics of local food procurement, menu requirements, and operational management to support the advisory committee in suggesting realistic and attainable changes to school meals.

(e) A ~~school food authority~~ GRANTEE may contract with an external nonprofit organization to convene and facilitate an advisory committee pursuant to this subsection (3).

(4) The department shall annually require a selected group of participating ~~school food authorities~~ GRANTEES that received a grant pursuant to this section in the preceding budget year to submit to the department a representative sample of the invoices for the products purchased using the grant money. No later than September 1 of the second budget year in which this section is effective as provided in subsection (5) of this section, and no later than September 1 of each year thereafter, the department shall review the invoices to verify that the products purchased met the requirements specified in this section. If the department finds that a participating school food authority used a significant portion of the grant money, as determined by rule of the state board, to purchase products that did not meet the requirements of this section, the participating ~~school food authority~~ GRANTEE is ineligible to receive a grant pursuant to this section for the next budget year following the budget year in which the department completes the review.

(6) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES, "GRANTEE" MEANS A PARTICIPATING SCHOOL FOOD AUTHORITY OR CHARTER SCHOOL THAT OPERATES UNDER A PARTICIPATING SCHOOL FOOD AUTHORITY DESCRIBED IN SUBSECTION (1) OF THIS SECTION THAT IS ELIGIBLE FOR AND RECEIVES A LOCAL FOOD PURCHASING GRANT PROGRAM PURSUANT TO THIS SECTION.

SECTION 23. In Colorado Revised Statutes, 22-82.9-206, **amend** (1) as follows:

22-82.9-206. School meals food preparation and service employees - wage increase or stipend.

(1) Subject to subsection (2) of this section, in addition to the amounts received pursuant to sections 22-82.9-204 and 22-82.9-205, a participating school food authority OR CHARTER SCHOOL THAT OPERATES UNDER A PARTICIPATING CHARTER SCHOOL FOOD AUTHORITY may receive an amount described in section 22-82.9-211 (3), so long as the participating school food authority OR CHARTER SCHOOL THAT OPERATES UNDER A PARTICIPATING CHARTER SCHOOL FOOD AUTHORITY uses one hundred percent of the amount received pursuant to this section to increase wages or provide stipends for individuals whom the participating school food authority employs to directly prepare and serve food for school meals. To receive the amount described in this section, a participating school food authority OR CHARTER SCHOOL THAT OPERATES UNDER A PARTICIPATING CHARTER SCHOOL FOOD AUTHORITY must submit documentation to the department as required by rules of the state board to demonstrate that the increase in wages or provision of stipends using the amount

received pursuant to this section is implemented for the budget year in which the amount is received.

SECTION 24. In Colorado Revised Statutes, **add 22-5-124** as follows:

22-5-124. Limitations on authority.

(1) A BOCES IS NOT A STATEWIDE AUTHORIZER OF PROGRAMS OR SCHOOLS, EXCEPT AS PERMITTED IN SECTION 22-33-104.3 OR 22-30.7-106. A BOCES IS A PUBLIC ENTITY, AND A SCHOOL OR PROGRAM OPERATED BY A BOCES IS CONSIDERED PUBLIC.

(2) STARTING WITH THE 2026-27 FISCAL YEAR, A BOCES SHALL NOT OPERATE A SCHOOL, PROGRAM, SUBPROGRAM, OR CAMPUS OUTSIDE THE GEOGRAPHIC BOUNDARIES OF ITS SCHOOL DISTRICT MEMBERS, EXCEPT AS PERMITTED THROUGH THE PROCESSES SET FORTH IN SECTION 22-33-104.3 OR 22-30.7-106.

(3) UPON REQUEST FROM THE DEPARTMENT OF EDUCATION, A BOCES SHALL PROVIDE A COPY OF ANY AGREEMENT THAT DEMONSTRATES CURRENT MEMBERSHIP OR TERMS OF SERVICE FOR THE BOCES TO THE DEPARTMENT OF EDUCATION.

(4) THIS SECTION DOES NOT IMPACT THE STATEWIDE SUPPLEMENTAL ONLINE AND BLENDED LEARNING PROGRAM CREATED IN SECTION 22-5-119.

SECTION 25. In Colorado Revised Statutes, **add 22-33-104.3** as follows:

22-33-104.3. Part-time programs for homeschool students - rules - definitions - repeal.

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

(a) "LOCAL EDUCATION PROVIDER" MEANS A SCHOOL DISTRICT, A CHARTER SCHOOL AUTHORIZED BY A SCHOOL DISTRICT PURSUANT TO PART 1 OF ARTICLE 30.5 OF THIS TITLE 22, A CHARTER SCHOOL AUTHORIZED BY THE STATE CHARTER SCHOOL INSTITUTE PURSUANT TO PART 5 OF ARTICLE 30.5 OF THIS TITLE 22, OR A BOARD OF COOPERATIVE SERVICES CREATED AND OPERATING PURSUANT TO ARTICLE 5 OF THIS TITLE 22.

(b) "PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS" MEANS A PROGRAM OFFERED BY OR ON BEHALF OF A LOCAL EDUCATION PROVIDER THAT SERVES HOMESCHOOL STUDENTS ENROLLED ON A PART-TIME BASIS AND FUNDED PURSUANT TO SECTION 22-33-104.5 (6)(a), WHETHER OR NOT THE PROGRAM HAS A SCHOOL CODE ISSUED BY THE DEPARTMENT OF EDUCATION. "PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS" INCLUDES ALL SUBPROGRAMS, CAMPUSES, MICROSCHOOLS, OR OTHER COMPONENTS OF THE SAME PART-TIME PROGRAM THAT PROVIDE INSTRUCTION TO HOMESCHOOL STUDENTS.

(2) (a) A LOCAL EDUCATION PROVIDER MAY OFFER ONE OR MORE PART-TIME PROGRAMS FOR HOMESCHOOL STUDENTS IF EACH PROGRAM:

(I) COMPLIES WITH THE STANDARDS AND REQUIREMENTS ESTABLISHED IN THIS SECTION AND RULES ADOPTED BY THE STATE BOARD; AND

(II) COMPLIES WITH ALL LEGAL REQUIREMENTS FOR PART-TIME PROGRAMS FOR HOMESCHOOL STUDENTS FOR THE LOCAL EDUCATION PROVIDER THAT AUTHORIZES THE PART-TIME PROGRAMS FOR HOMESCHOOL STUDENTS.

(b) THE STATE BOARD SHALL ADOPT RULES AS NECESSARY FOR THE REGULATION OF PART-TIME PROGRAMS FOR HOMESCHOOL STUDENTS AND FOR THE IMPLEMENTATION OR ADMINISTRATION OF THIS SECTION.

(3) A PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS:

(a) SHALL NOT, DIRECTLY OR INDIRECTLY, FUND, REIMBURSE, OR SUBSIDIZE A PRIVATE ACTIVITY OR PRIVATE PURCHASE FOR A STUDENT OR A STUDENT'S PARENT OR LEGAL GUARDIAN. A PRIVATE ACTIVITY OR PURCHASE INCLUDES, BUT IS NOT LIMITED TO, ACTIVITIES, SUPPLIES, ITEMS, OR MATERIALS OF PERSONAL VALUE THAT ARE GENERALLY NOT AVAILABLE TO STUDENTS IN A LOCAL EDUCATION PROVIDER'S REGULAR FULL-TIME PROGRAMS OR SCHOOLS.

(b) SHALL NOT ENROLL STUDENTS WHO SATISFY THEIR COMPULSORY SCHOOL ATTENDANCE REQUIREMENTS THROUGH AN INDEPENDENT OR A PAROCHIAL SCHOOL, AS DESCRIBED IN SECTION 22-33-104 (2)(b).

(c) SHALL VERIFY THE STUDENT'S ELIGIBILITY FOR PUPIL ENROLLMENT BY REQUIRING A COPY OF THE NOTIFICATION REQUIRED PURSUANT TO SECTION 22-33-104.5 (3)(e), RETAINING A COPY OF THE NOTIFICATION, AND MAKING A COPY OF THE NOTIFICATION AVAILABLE TO THE DEPARTMENT OF EDUCATION UPON REQUEST. IF THE LOCAL EDUCATION PROVIDER IS NOT A SCHOOL DISTRICT, THE LOCAL EDUCATION PROVIDER SHALL FULFILL THE REQUIREMENTS OF THIS SUBSECTION (3)(c) IN COORDINATION WITH ITS AUTHORIZER OR ITS MEMBER DISTRICTS.

(4) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, A LOCAL EDUCATION PROVIDER THAT IS:

(a) A SCHOOL DISTRICT OR DISTRICT CHARTER SCHOOL SHALL NOT OPERATE A PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS OUTSIDE OF THE GEOGRAPHIC BOUNDARIES OF THE SCHOOL DISTRICT;

(b) AN INSTITUTE CHARTER SCHOOL SHALL NOT OPERATE A PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS OUTSIDE OF THE GEOGRAPHIC BOUNDARIES OF THE SCHOOL DISTRICT WHERE THE INSTITUTE CHARTER SCHOOL IS PHYSICALLY LOCATED;

(c) A BOARD OF COOPERATIVE SERVICES SHALL NOT OPERATE A PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS OUTSIDE OF THE GEOGRAPHIC BOUNDARIES OF THE BOARD OF COOPERATIVE SERVICES' MEMBER SCHOOL DISTRICTS.

(5) A LOCAL EDUCATION PROVIDER MAY RECEIVE AUTHORIZATION TO OPERATE A PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS OUTSIDE THE GEOGRAPHIC

BOUNDARIES DESCRIBED IN SUBSECTION (4) OF THIS SECTION, AS APPLICABLE, THROUGH ONE OF THE FOLLOWING:

(a) THE STATE BOARD MAY AUTHORIZE A LOCAL EDUCATION PROVIDER TO OPERATE OUTSIDE THE GEOGRAPHIC BOUNDARIES DESCRIBED IN SUBSECTION (4) OF THIS SECTION, AS APPLICABLE, PURSUANT TO ELIGIBILITY AND PROCEDURAL REQUIREMENTS FOR CERTIFICATION ADOPTED BY STATE BOARD RULE. THE STATE BOARD SHALL ADOPT RULES REGARDING THE ELIGIBILITY AND PROCEDURAL REQUIREMENTS FOR CERTIFICATION PURSUANT TO THIS SUBSECTION (5)(a) NO LATER THAN DECEMBER 31, 2026, THAT WILL APPLY FOR CERTIFICATION FOR THE 2027-28 SCHOOL YEAR AND FOR EACH SCHOOL YEAR THEREAFTER. THE CERTIFICATION PROCESS RULES MUST INCLUDE CRITERIA AND QUALITY STANDARDS FOR PART-TIME PROGRAMS FOR HOMESCHOOL STUDENTS THAT ADDRESS ACCOUNTABILITY AND TRANSPARENCY AND INCLUDE REPORTING OBLIGATIONS FOR LOCAL EDUCATION PROVIDERS AS ARE REASONABLY NECESSARY FOR THE IMPLEMENTATION OF THIS SECTION. A CERTIFICATION PURSUANT TO THIS SUBSECTION (5)(a) IS VALID FOR TWO YEARS AND MAY BE SUBSEQUENTLY RENEWED FOR TWO-YEAR TERMS.

(b) A LOCAL BOARD OF EDUCATION MAY AUTHORIZE, IN WRITING, A LOCAL EDUCATION PROVIDER TO OPERATE A PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS IN THE GEOGRAPHIC BOUNDARIES OF THE LOCAL BOARD OF EDUCATION'S SCHOOL DISTRICT IF THE PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS OTHERWISE OPERATES OUTSIDE OF THE GEOGRAPHIC BOUNDARIES OF THE LOCAL EDUCATION PROVIDER. IN ITS WRITTEN AUTHORIZATION, THE LOCAL BOARD OF EDUCATION SHALL CERTIFY, IN A FORM DEVELOPED BY THE DEPARTMENT OF EDUCATION, THAT THE PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS SATISFIES THE CRITERIA DESCRIBED IN SUBSECTION (2) OF THIS SECTION. IF THE LOCAL BOARD OF EDUCATION HAS PROVIDED THE WRITTEN AUTHORIZATION AND CERTIFICATION, THE SCHOOL DISTRICT OR CHARTER SCHOOL INSTITUTE MAY SUBMIT STUDENTS WHO ARE ENROLLED IN THE PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS PURSUANT TO ITS PUPIL ENROLLMENT, AS DEFINED IN SECTION 22-54-103 (10). A WRITTEN AUTHORIZATION PURSUANT TO THIS SUBSECTION (5)(b) IS VALID FOR A TERM NOT GREATER THAN TWO YEARS AND MAY BE SUBSEQUENTLY RENEWED. THE WRITTEN AUTHORIZATION DESCRIBED IN THIS SUBSECTION (5)(b) MUST BE OBTAINED FROM ALL DISTRICTS WHERE THE PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS PROVIDES INSTRUCTION TO STUDENTS.

(6) (a) FOR THE 2026-27 SCHOOL YEAR, A LOCAL EDUCATION PROVIDER MAY RECEIVE AUTHORIZATION TO OPERATE A PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS OUTSIDE THE GEOGRAPHIC BOUNDARIES DESCRIBED IN SUBSECTION (4) OF THIS SECTION, AS APPLICABLE, THROUGH ONE OF THE FOLLOWING:

(I) THE DEPARTMENT OF EDUCATION MAY PROVISIONALLY AUTHORIZE A LOCAL EDUCATION PROVIDER TO OPERATE OUTSIDE THE GEOGRAPHIC BOUNDARIES DESCRIBED IN SUBSECTION (4) OF THIS SECTION, AS APPLICABLE. THE DEPARTMENT OF EDUCATION SHALL PUBLISH AN APPLICATION TIMELINE AND REQUIREMENTS NO LATER THAN JUNE 15, 2026. THE DEPARTMENT OF EDUCATION SHALL PROVISIONALLY AUTHORIZE A LOCAL EDUCATION PROVIDER IF THE PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS:

(A) WAS IN OPERATION FOR THE 2025-26 SCHOOL YEAR;

(B) CERTIFIES THAT IT WILL NOT ENROLL MORE STUDENTS DURING THE 2026-27 SCHOOL YEAR THAN IT ENROLLED DURING THE 2025-26 SCHOOL YEAR; AND

(C) SATISFIES THE CRITERIA DESCRIBED IN SUBSECTION (2) OF THIS SECTION; OR

(II) A LOCAL BOARD OF EDUCATION MAY AUTHORIZE, IN WRITING, A LOCAL EDUCATION PROVIDER TO OPERATE A PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS IN THE GEOGRAPHIC BOUNDARIES OF THE LOCAL BOARD OF EDUCATION'S SCHOOL DISTRICT IF THE PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS OTHERWISE OPERATES OUTSIDE OF THE GEOGRAPHIC BOUNDARIES OF THE LOCAL EDUCATION PROVIDER. IN ITS WRITTEN AUTHORIZATION, THE LOCAL BOARD OF EDUCATION SHALL CERTIFY, IN A FORM DEVELOPED BY THE DEPARTMENT OF EDUCATION, THAT THE PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS SATISFIES THE CRITERIA DESCRIBED IN SUBSECTIONS (2), (6)(a)(I)(A), AND (6)(a)(I)(B) OF THIS SECTION. IF THE LOCAL BOARD OF EDUCATION HAS PROVIDED THE WRITTEN AUTHORIZATION AND CERTIFICATION, THE SCHOOL DISTRICT OR CHARTER SCHOOL INSTITUTE MAY SUBMIT STUDENTS WHO ARE ENROLLED IN THE PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS PURSUANT TO ITS PUPIL ENROLLMENT, AS DEFINED IN SECTION 22-54-103 (10). A WRITTEN AUTHORIZATION PURSUANT TO THIS SUBSECTION (6)(a)(II) IS VALID FOR A TERM NOT GREATER THAN TWO YEARS AND MAY BE SUBSEQUENTLY RENEWED. THE WRITTEN AUTHORIZATION DESCRIBED IN THIS SUBSECTION (6)(a)(II) MUST BE OBTAINED FROM ALL DISTRICTS WHERE THE PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS PROVIDES INSTRUCTION TO STUDENTS.

(b) THIS SUBSECTION (6) IS REPEALED, EFFECTIVE JULY 1, 2027.

(7) NOTHING IN THIS SECTION LIMITS A LOCAL EDUCATION PROVIDER'S DISCRETION TO ALLOW A CHILD PARTICIPATING IN A NONPUBLIC HOME-BASED EDUCATIONAL PROGRAM TO ATTEND A PUBLIC SCHOOL FOR A PORTION OF THE DAY PURSUANT TO SECTION 22-33-104.5 (6)(a) IF THE ATTENDANCE IS IN THE LOCAL EDUCATION PROVIDER'S REGULAR ON-SITE PROGRAM RATHER THAN IN A PART-TIME PROGRAM FOR HOMESCHOOL STUDENTS. THIS SUBSECTION (7) DOES NOT APPLY TO ONLINE SCHOOLS OR PROGRAMS.

SECTION 26. In Colorado Revised Statutes, 22-54-103, **add** (10)(j) and (10)(k) as follows:

22-54-103. Definitions - repeal.

As used in this article 54, unless the context otherwise requires:

(10) (j) "PUPIL ENROLLMENT" DOES NOT INCLUDE A STUDENT WHO ENROLLS IN PUBLIC SCHOOL ON A PART-TIME BASIS WHILE THE STUDENT IS ALSO ENROLLED IN AN INDEPENDENT OR PAROCHIAL SCHOOL, AS DESCRIBED IN SECTION 22-33-104 (2)(b).

(k) A DISTRICT THAT ENROLLS STUDENTS PURSUANT TO SECTION 22-33-104.5 (6)(a) SHALL, PRIOR TO A STUDENT'S ENROLLMENT, COLLECT A CURRENT COPY OF THE WRITTEN NOTIFICATION PURSUANT TO SECTION 22-33-104.5 (3)(e) ESTABLISHING ELIGIBILITY.

SECTION 27. In Colorado Revised Statutes, 22-30.7-105, **add** (6) as follows:

22-30.7-105. Program criteria - guidelines - quality standards - records - rules - definition.

(6) (a) AN AUTHORIZER MAY CHOOSE TO CONTRACT WITH AN EDUCATION MANAGEMENT PROVIDER TO OPERATE AN ONLINE PROGRAM OR ONLINE SCHOOL. AN AUTHORIZER CONTRACTING WITH AN EDUCATION MANAGEMENT PROVIDER SHALL MAINTAIN APPROPRIATE INDEPENDENCE FROM, AND OVERSIGHT OF, THE EDUCATION MANAGEMENT PROVIDER.

(b) AN EDUCATION MANAGEMENT PROVIDER SHALL PROVIDE THE FOLLOWING INFORMATION TO THE AUTHORIZER:

(I) A SUMMARY OF THE PERFORMANCE DATA FOR ALL OF THE ONLINE SCHOOLS THE EDUCATION MANAGEMENT PROVIDER IS MANAGING AT THE TIME OF THE APPLICATION OR HAS MANAGED PREVIOUSLY, INCLUDING DOCUMENTATION OF ACADEMIC ACHIEVEMENT AND ONLINE SCHOOL MANAGEMENT SUCCESS;

(II) AN EXPLANATION OF, AND EVIDENCE DEMONSTRATING, THE EDUCATION MANAGEMENT PROVIDER'S CAPACITY FOR SUCCESSFUL EXPANSION WHILE MAINTAINING QUALITY IN THE SCHOOLS THAT THE EDUCATION MANAGEMENT PROVIDER IS MANAGING;

(III) AN EXPLANATION OF ANY EXISTING OR POTENTIAL CONFLICTS OF INTEREST BETWEEN THE AUTHORIZER AND THE EDUCATION MANAGEMENT PROVIDER; AND

(IV) A COPY OF THE ACTUAL OR PROPOSED PERFORMANCE CONTRACT BETWEEN THE AUTHORIZER AND THE EDUCATION MANAGEMENT PROVIDER THAT SPECIFIES, AT A MINIMUM, THE FOLLOWING MATERIAL TERMS:

(A) PERFORMANCE EVALUATION MEASURES;

(B) THE METHODS OF CONTRACT OVERSIGHT AND ENFORCEMENT THAT THE AUTHORIZER WILL UTILIZE;

(C) THE COMPENSATION STRUCTURE AND ALL FEES THAT THE AUTHORIZER WILL PAY TO THE EDUCATION MANAGEMENT PROVIDER; AND

(D) THE CONDITIONS FOR CONTRACT RENEWAL AND TERMINATION.

(c) AS USED IN THIS SUBSECTION (6), "EDUCATION MANAGEMENT PROVIDER" MEANS A FOR-PROFIT, NONPROFIT, OR NOT-FOR-PROFIT ENTITY THAT CONTRACTS WITH AN AUTHORIZER TO PROVIDE, MANAGE, OR OVERSEE ALL OR A SUBSTANTIAL PORTION OF THE EDUCATIONAL SERVICES PROVIDED BY AN ONLINE PROGRAM OR ONLINE SCHOOL.

SECTION 28. In Colorado Revised Statutes, 22-32-122, **add** (6) as follows:

22-32-122. Contract services, equipment, and supplies.

(6) (a) THIS SECTION DOES NOT AUTHORIZE THE CREATION OF A CONTRACT SCHOOL THAT IS A FULL-TIME COMPLETE EDUCATIONAL PROGRAM BEING OFFERED EXCLUSIVELY BY A PRIVATE ENTITY PURSUANT TO A CONTRACT WITH THE PUBLIC ENTITY. IF A SCHOOL DISTRICT, BOARD OF COOPERATIVE SERVICES, CHARTER SCHOOL, OR THE CHARTER SCHOOL INSTITUTE SEEKS TO OPERATE OR ENROLL STUDENTS IN A FULL-TIME COMPLETE EDUCATIONAL PROGRAM PURSUANT TO A CONTRACT WITH A PRIVATE ENTITY, THE SCHOOL DISTRICT, BOARD OF COOPERATIVE SERVICES, CHARTER SCHOOL, OR THE CHARTER SCHOOL INSTITUTE SHALL UTILIZE ANOTHER PROVISION OF LAW, INCLUDING THE "CHARTER SCHOOLS ACT", PART 1 OF ARTICLE 30.5 OF THIS TITLE 22; THE "INNOVATION SCHOOLS ACT OF 2008", ARTICLE 32.5 OF THIS TITLE 22; OR SECTION 22-30.7-105. THE GENERAL ASSEMBLY INTENDS FOR THIS SUBSECTION (6) TO PROVIDE CLARIFICATION OF THIS SECTION AND NOT TO MAKE A SUBSTANTIVE CHANGE.

(b) THIS SUBSECTION (6) DOES NOT PROHIBIT CONTRACTS WITH AN APPROVED FACILITY SCHOOL, AS DEFINED IN SECTION 22-2-402, AND DOES NOT PROHIBIT CONTRACTS REQUIRED BY THE FEDERAL "INDIVIDUALS WITH DISABILITIES EDUCATION ACT", 20 U.S.C. SEC. 1400 ET SEQ., AS AMENDED, OR SECTION 504 OF THE FEDERAL "REHABILITATION ACT OF 1973", 29 U.S.C. SEC. 794, AS AMENDED, IN ORDER TO PROVIDE THE FULL CONTINUUM OF PLACEMENTS TO A STUDENT WITH A DISABILITY OR AS NECESSARY TO PROVIDE A FREE APPROPRIATE PUBLIC EDUCATION TO A STUDENT WITH A DISABILITY.

SECTION 29. Appropriation. For the 2025-26 state fiscal year, \$3,755,558 is appropriated to the department of education. This appropriation is from the state education fund created in section 17 (4)(a) of article IX of the state constitution. To implement this act, the department may use this appropriation for state share of districts' total program funding.

SECTION 30. Appropriation - adjustments to 2026 long bill. To implement this act, the cash funds appropriation from the state education fund created in section 17 (4)(a) of article IX of the state constitution, made in the annual general appropriation act for the 2026-27 state fiscal year to the department of education for the state share of districts' total program funding is decreased by \$8,502,195.

SECTION 31. Appropriation. (1) For the 2026-27 state fiscal year, \$313,395 is appropriated to the department of education. This appropriation is from the state education fund created in section 17 (4)(a) of article IX of the state constitution. To implement this act, the department may use this appropriation as follows:

(a) \$48,200 for use by management and administration for information technology services; and

(b) \$265,195 for use by school district operations for administration related to public school finance, which amount is based on an assumption that the division will require an additional 2.3 FTE.

SECTION 32. Appropriation. For the 2026-27 state fiscal year, \$3,385,203 is appropriated to the department of education for use by school district operations. This appropriation is from the state education fund created in section 17 (4)(a) of

article IX of the state constitution. To implement this act, the department may use this appropriation for charter school hold harmless.

SECTION 33. Appropriation - adjustments to 2026 long bill. To implement this act, the cash funds appropriation from the state education fund created in section 17 (4)(a) of article IX of the state constitution made in the annual general appropriation act for the 2026-27 state fiscal year to the department of education for use by school district operations for at-risk supplemental aid is decreased by \$3,504,995.

SECTION 34. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Approved: May 28, 2026