A BILL FOR AN ACT

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

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at [http://leg.colorado.gov](http://leg.colorado.gov).)

The bill:

- Increases the statewide base per pupil funding for the 2023-24 budget year by $598.25, to account for inflation;
- Sets as the new statewide base per pupil funding amount of $8,076.41 for the 2023-24 budget year; and
- Sets the target number for the 2023-24 budget year at not
less than $9,070,933,129.

Current law includes a 5-year averaging provision, which determines a district's pupil count for each budget year by determining the greater of the funded pupil count for the applicable budget year or an average of one to 4 of the prior budget years. The bill provides a similar averaging provision for the institute charter schools on a per-school basis.

For the 2023-24 budget year, the bill distributes $30 million to large rural districts and small rural districts, including district charter schools and each institute charter school whose accounting district is a large or small rural district. Large rural districts receive 55% of the appropriation, and small rural districts receive 45% of the appropriation. The bill uses the districts' funded pupil count for the 2022-23 budget year.

The bill amends eligibility criteria for the mill levy override match program to exclude an otherwise eligible school district from receiving a state-funded override mill match if the sum of the district's override mills is equal to or greater than the district's override mill capacity, as defined by statute. For the 2023-24 budget year, the bill requires the transfer of $23,376,536 from the state education fund to the mill levy override match fund and finds that the override mill match is a program for accountable education reform.

The bill requires the general assembly to appropriate $300,000 from the state education fund to the department of education (department) for the purpose of reimbursing schools for expenses related to replacing an American Indian mascot, and finds that reimbursing schools for these expenses is a program for accountable education reform.

The bill requires the general assembly to appropriate from the state education fund the amount necessary to provide universal screening to identify gifted children through second grade by the 2027-28 budget year and finds that universal screening is a program for accountable education reform.

The bill specifies that for the purpose of any law, with certain exceptions, that applies to or exempts a public entity or a public official, a charter school has the same status as a school district, and certain persons affiliated with the charter school have the same status as a complementary counterpart in a school district. Furthermore, the bill clarifies the application of certain laws to charter schools.

The bill permits the department of education (department), school districts, and institute charter schools to consider life-cycle costs when contracting for technology.

Under current law, every 3 years, the department is required to prepare a report and evaluation on the successes or failures of charter schools, school reform efforts, and suggested changes to laws affecting charter schools. The bill makes this an annual requirement starting in the 2023-24 budget year.

Under current law, a new at-risk measure in the public school
funding formula must be implemented in the 2023-24 budget year. The bill extends the implementation of this requirement to the 2024-25 budget year, and requires the department to conduct pre-implementation modeling and testing of total program funding using the new at-risk factor, and report modeling and testing findings to the education committees and joint budget committee.

The bill creates a public school finance task force for the purpose of examining and making recommendations concerning school finance. The task force is required to submit a report to the education committees of the senate and house of representatives and the joint budget committee by December 15, 2023. Furthermore, the task force is required to set parameters to examine the adequacy of school finance in Colorado, and the department is required to contract with two independent entities to report their findings by January 1, 2025.

The bill extends child nutrition school lunch protection program funding to be used to offset the costs incurred by a facility school in providing lunch to students who are placed in the facility and eligible to participate in the program.

The bill excludes the costs associated with providing for an independent evaluation from the 20% of the money appropriated to the Colorado imagination library program to be used by the contractor for operating costs.

The bill appropriates $2.5 million to the mill levy equalization fund from the general fund for the 2023-24 budget year.

The bill appropriates $500,000 to the department of education for the purpose of translating individualized education program documents if House Bill 23-1263 becomes law.

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

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

(a) The annual total program funding of Colorado's schools is a collaborative effort between school districts and the state;

(b) In recent years, the stabilization of the state budget has required a reduction in the amount of the annual appropriation to fund the state's share of total program funding for all school districts and institute charter schools. This reduction is commonly referred to as the "budget stabilization factor".
(c) The school districts' share of total program funding is primarily derived from nonresidential and residential property tax revenue.

(d) Colorado's current economic conditions are mixed. While property values have grown significantly, inflation has grown at its quickest pace in at least forty years. Because the school finance formula grows based upon inflation, there exists increasing state obligations to fund total program due to inflation that do not include a full buy-down of the budget stabilization factor. Furthermore, there is an expectation that inflation will not normalize until 2024, resulting in above normal per-pupil funding growth until the 2025-26 budget year.

(e) Colorado's current economic conditions have also limited the amount of state education funds available to the state for the 2023-24 budget year. Colorado's wage growth is currently slowing, and the latest office of state planning and budgeting forecast predicts job losses in the 2023-24 budget year. Consequently, there is an expectation that income revenue will decline for the 2023-24 budget year, which impacts the money available for diversion from the state education fund.

(f) There is, however, a great deal of uncertainty concerning the continuity and longevity of these current economic conditions. Most economists consider the risk of recession to be elevated. A recession would further limit money available for diversion in the state education fund and reduce available general fund resources. Furthermore, a recession would negatively impact the revenue available for total program from local share, due to potential declining property valuations, which consequently would increase the amount of money required of the state to fully fund total program, despite a decrease in state revenue.
(2) Therefore, the general assembly declares that it is committed to continuing the efforts to reduce the budget stabilization factor in subsequent budget years to the degree possible, subject to the economic landscape. By embracing a more measured approach, the state can avoid reinstituting a budget stabilization factor if the economic environment takes a more negative turn than what is currently forecasted.

SECTION 2. In Colorado Revised Statutes, 22-54-104, amend (5)(g)(I) introductory portion, (5)(g)(II) introductory portion, (5)(g)(III) introductory portion, (5)(g)(IV), and (5)(g)(V); and add (5)(a)(XXX), (5)(g)(I)(N), (5)(g)(II.7), and (5)(g)(VIII) as follows:

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

(a) (XXX) For the 2023-24 budget year, the statewide base per pupil funding is $8,076.41, which is an amount equal to $7,478.16, supplemented by $598.25 to account for inflation.

(g) (I) For the 2010-11 budget year and each budget year thereafter through the 2023-24 budget year, the general assembly determines that stabilization of the state budget requires a reduction in the amount of the annual appropriation to fund the state's share of total program funding for all districts and the funding for institute charter schools. The department of education shall implement the reduction in total program funding through the application of a budget stabilization factor as provided in this subsection (5)(g)(I). For the 2010-11 budget year and each budget year thereafter through the 2023-24 budget year, the department of education and the staff of the legislative council shall determine, based on budget projections, the amount of such reduction to ensure the following:
(N) That, for the 2023-24 budget year, the sum of the total program funding for all districts, including the funding for institute charter schools, after application of the budget stabilization factor, is not less than nine billion one hundred one million six hundred thousand nine hundred twenty-two dollars ($9,101,600,922); 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 but not limited to actual pupil enrollment, assessed valuations, and specific ownership tax revenue from the prior year, to determine any necessary changes in the amount of the reduction to maintain a total program funding amount for the applicable budget year that is consistent with this subsection (5)(g)(I)(N). For the 2024-25 budget year, the difference between calculated statewide total program funding and actual statewide total program funding must not exceed the difference between calculated statewide total program funding and actual statewide total program funding for the 2023-24 budget year.

(II) For the 2010-11 budget year and each budget year thereafter through the 2023-24 budget year, the department of education shall:

(II.7) For the 2024-25 budget year and each budget year thereafter, the department of education shall not reduce total program funding through the application of a budget stabilization factor.

(III) For the 2010-11 budget year and each budget year thereafter through the 2023-24 budget year, except as otherwise provided in
subparagraphs (IV) and (V) of this paragraph (g) SUBSECTIONS (5)(g)(IV) AND (5)(g)(V) OF THIS SECTION, a district's total program shall be is the greater of:

(IV) For the 2010-11 budget year and each budget year thereafter THROUGH THE 2023-24 BUDGET YEAR, the total program funding for a district that levies the number of mills calculated pursuant to section 22-54-106 (2)(a)(II), (2.1)(b)(I)(C), or (2.1)(c)(I), whichever is applicable, is the amount calculated pursuant to subsection (2) of this section for the applicable budget year. Any such district shall use the revenues generated by the number of mills that the district levies pursuant to section 22-54-106 (2)(a)(II), (2.1)(b)(I)(C), or (2.1)(c)(I), whichever is applicable, to replace any categorical program support funds that the district would otherwise be eligible to receive from the state; except that the amount of categorical program support funds that the district is required to replace must not exceed an amount equal to the district's reduction amount. The department shall use the amount of categorical program support funds replaced by property tax revenue pursuant to this subsection (5)(g)(IV) to make payments of categorical program support funds to eligible districts as specified in section 22-54-107 (4).

(V) For the 2010-11 budget year and each budget year thereafter THROUGH THE 2023-24 BUDGET YEAR, if a district levies the number of mills calculated pursuant to section 22-54-106 (2)(a)(I), (2.1)(b)(I)(A), (2.1)(b)(I)(B), or (2.1)(b)(II), or (2.1)(c)(II), (2.1)(c)(III),or (2.1)(c)(IV), whichever is applicable, and the district's reduction amount exceeds the district's state share of total program funding, such district's total program funding is the amount calculated pursuant to subsection (2) of this section for the applicable budget year, minus the district's state aid. Any such
district shall use the revenues generated by the number of mills that the
district levies pursuant to section 22-54-106 (2)(a)(I), (2.1)(b)(I)(A),
(2.1)(b)(I)(B), or (2.1)(b)(II), or (2.1)(c)(II), (2.1)(c)(III), or (2.1)(c)(IV),
whichever is applicable, to replace any categorical program support funds
that the district would otherwise be eligible to receive from the state;
except that the amount of categorical program support funds that the
district is required to replace must not exceed an amount equal to the
remainder of the district's reduction amount after the reduction to the
district's total program has been applied pursuant to this subsection
(5)(g)(V). The department of education shall use the amount of
categorical program support funds replaced by property tax revenue
pursuant to this subsection (5)(g)(V) to make payments of categorical
program support funds to eligible districts as specified in section
22-54-107 (4).

(VIII) This subsection (5)(g) is repealed, effective July 1, 2024.

SECTION 3. In Colorado Revised Statutes, 22-54-103, amend
(7)(f)(II) and (7)(f)(III); and add (7)(f)(II.5) and (7)(f)(II.6) as follows:

22-54-103. Definitions. As used in this article 54, unless the
c context otherwise requires:
(7) "Funded pupil count" means:
(f) (II) Notwithstanding any provision of law to the contrary, for
purposes of subsection (7)(f)(I) of this section, a district's funded pupil
count includes the certified pupil enrollment and online pupil enrollment
of each operating institute charter school for which the district is the
accounting district, as provided pursuant to subsections (7)(f)(II.5)
and (7)(f)(II.6) of this section. 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 section 22-54-104.

(II.5) For purposes of subsection (7)(f)(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;

(B) the average of the operating institute charter school's pupil enrollment for the applicable budget year and the operating institute charter school's pupil enrollment for the immediately preceding budget year;

(C) the average of the operating institute charter school's pupil enrollment for the applicable budget year and the operating institute charter school's pupil enrollment for the two immediately preceding budget years;

(D) the average of the operating institute charter school's pupil enrollment for the applicable budget year and the operating institute charter school's pupil enrollment for the three immediately preceding budget years; or

(E) the average of the operating institute charter school's pupil enrollment for the applicable budget year and the operating institute charter school's pupil enrollment for the four immediately preceding budget years.

(II.6) Notwithstanding any provision of law to the contrary, for purposes of subsection (7)(f)(II.5) of this section, an operating institute charter school's pupil enrollment
INCLUDES ITS ONLINE PUPIL ENROLLMENT, EXCEPT FOR MULTI-DISTRICT
ONLINE SCHOOL PUPIL ENROLLMENT.

(III) The general assembly finds and declares that for the purposes
of section 17 of article IX of the state constitution, averaging a district's
pupil enrollment for the applicable budget year and the district's pupil
enrollment for the four immediately preceding budget years pursuant to
subsection (7)(f)(I)(E) of this section, AND THE AVERAGING OF AND
OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT AND
ONLINE PUPIL ENROLLMENT PURSUANT TO SUBSECTIONS (7)(f)(II.5) AND
(7)(f)(II.6), 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.

SECTION 4. In Colorado Revised Statutes, add 22-54-145 as
follows:

22-54-145. Additional funding for rural schools - 2023-24
budget year - definitions - repeal. (1) AS USED IN THIS SECTION, UNLESS
THE CONTEXT OTHERWISE REQUIRES:

(a) "ELIGIBLE INSTITUTE CHARTER SCHOOL" MEANS AN INSTITUTE
CHARTER SCHOOL THAT HAS A SMALL RURAL DISTRICT OR A LARGE RURAL
DISTRICT AS ITS ACCOUNTING DISTRICT.

(b) "LARGE RURAL DISTRICT" MEANS A DISTRICT THAT THE
DEPARTMENT OF EDUCATION DETERMINES IS A RURAL DISTRICT, BASED ON
THE GEOGRAPHIC SIZE OF THE DISTRICT AND THE DISTANCE OF THE
DISTRICT FROM THE NEAREST LARGE, URBANIZED AREA, AND THAT HAD A
FUNDED PUPIL COUNT FOR THE 2022-23 BUDGET YEAR OF AT LEAST ONE
THOUSAND BUT FEWER THAN SIX THOUSAND FIVE HUNDRED PUPILS IN
KINDERGARTEN THROUGH TWELFTH GRADE.
(c) "PER PUPIL DISTRIBUTION AMOUNT" MEANS:

(I) FOR A LARGE RURAL DISTRICT, AN AMOUNT EQUAL TO THIRTY MILLION DOLLARS MULTIPLIED BY THE PERCENTAGE SPECIFIED IN SUBSECTION (2)(a)(I) OF THIS SECTION DIVIDED BY THE SUM OF THE TOTAL FUNDED PUPIL COUNT FOR THE 2022-23 BUDGET YEAR OF ALL LARGE RURAL DISTRICTS AND THE TOTAL STUDENT ENROLLMENT FOR THE 2022-23 BUDGET YEAR OF ALL ELIGIBLE INSTITUTE CHARTER SCHOOLS THAT HAVE A LARGE RURAL DISTRICT AS THE ACCOUNTING DISTRICT; OR

(II) FOR A SMALL RURAL DISTRICT, AN AMOUNT EQUAL TO THIRTY MILLION DOLLARS MULTIPLIED BY THE PERCENTAGE SPECIFIED IN SUBSECTION (2)(a)(II) OF THIS SECTION DIVIDED BY THE SUM OF THE TOTAL FUNDED PUPIL COUNT FOR THE 2022-23 BUDGET YEAR OF ALL SMALL RURAL DISTRICTS AND THE TOTAL STUDENT ENROLLMENT FOR THE 2022-23 BUDGET YEAR OF ALL ELIGIBLE INSTITUTE CHARTER SCHOOLS THAT HAVE A SMALL RURAL DISTRICT AS THE ACCOUNTING DISTRICT.

(d) "SMALL RURAL DISTRICT" MEANS A DISTRICT THAT THE DEPARTMENT OF EDUCATION DETERMINES IS A RURAL DISTRICT, BASED ON THE GEOGRAPHIC SIZE OF THE DISTRICT AND THE DISTANCE OF THE DISTRICT FROM THE NEAREST LARGE, URBANIZED AREA, AND THAT HAD A FUNDED PUPIL COUNT FOR THE 2022-23 BUDGET YEAR OF FEWER THAN ONE THOUSAND PUPILS IN KINDERGARTEN THROUGH TWELFTH GRADE.

(2) (a) FOR THE 2023-24 BUDGET YEAR, THE GENERAL ASSEMBLY SHALL APPROPRIATE THIRTY MILLION DOLLARS TO THE DEPARTMENT OF EDUCATION TO PROVIDE ADDITIONAL FUNDING FOR LARGE RURAL DISTRICTS, SMALL RURAL DISTRICTS, AND INSTITUTE CHARTER SCHOOLS. THE DEPARTMENT OF EDUCATION SHALL DISTRIBUTE:

(I) FIFTY-FIVE PERCENT OF THE MONEY APPROPRIATED TO LARGE
RURAL DISTRICTS AND TO ELIGIBLE INSTITUTE CHARTER SCHOOLS THAT
HAVE A LARGE RURAL DISTRICT AS THEIR ACCOUNTING DISTRICT AS
PROVIDED IN THIS SECTION; AND

(II) FORTY-FIVE PERCENT OF THE MONEY APPROPRIATED TO SMALL
RURAL DISTRICTS AND TO ELIGIBLE INSTITUTE CHARTER SCHOOLS THAT
HAVE A SMALL RURAL DISTRICT AS THEIR ACCOUNTING DISTRICT AS
PROVIDED IN THIS SECTION.

(b) LARGE RURAL DISTRICTS, SMALL RURAL DISTRICTS, DISTRICT
CHARTER SCHOOLS, AND ELIGIBLE INSTITUTE CHARTER SCHOOLS THAT
RECEIVE MONEY PURSUANT TO THIS SECTION MAY USE THE MONEY ONLY
FOR NONRECURRING EXPENSES FOR THE PURPOSE OF IMPROVING STUDENT
LEARNING AND THE EDUCATIONAL ENVIRONMENT, INCLUDING, BUT NOT
LIMITED TO, INITIATIVES THAT HELP ATTRACT EDUCATOR EMPLOYEES,
INITIATIVES TO IMPROVE EDUCATOR TRAINING, INITIATIVES TO RETAIN
EDUCATORS, LOAN FORGIVENESS FOR EDUCATORS AND STAFF, AND
TECHNOLOGY.

(3) (a) THE DEPARTMENT OF EDUCATION SHALL DISTRIBUTE TO
EACH LARGE RURAL DISTRICT AND EACH SMALL RURAL DISTRICT AN
AMOUNT EQUAL TO THE APPLICABLE PER PUPIL DISTRIBUTION AMOUNT
MULTIPLIED BY THE LARGE RURAL DISTRICT'S OR SMALL RURAL DISTRICT'S
FUNDED PUPIL COUNT FOR THE 2022-23 BUDGET YEAR.

(b) EACH LARGE RURAL DISTRICT AND EACH SMALL RURAL
DISTRICT THAT IS THE AUTHORIZER FOR A CHARTER SCHOOL SHALL
DISTRIBUTE TO THE CHARTER SCHOOL ONE HUNDRED PERCENT OF AN
AMOUNT EQUAL TO THE AMOUNT RECEIVED PURSUANT TO SUBSECTION
(3)(a) OF THIS SECTION DIVIDED BY THE FUNDED PUPIL COUNT OF THE
LARGE RURAL DISTRICT OR SMALL RURAL DISTRICT FOR THE 2022-23
BUDGET YEAR MULTIPLIED BY THE NUMBER OF STUDENTS ENROLLED IN THE CHARTER SCHOOL FOR THE 2022-23 BUDGET YEAR.

(4) THE DEPARTMENT OF EDUCATION SHALL CALCULATE FOR EACH ELIGIBLE INSTITUTE CHARTER SCHOOL AND DISTRIBUTE TO THE STATE CHARTER SCHOOL INSTITUTE AN AMOUNT EQUAL TO THE APPLICABLE PER PUPIL DISTRIBUTION AMOUNT MULTIPLIED BY THE NUMBER OF STUDENTS ENROLLED IN THE ELIGIBLE INSTITUTE CHARTER SCHOOL FOR THE 2022-23 BUDGET YEAR. THE STATE CHARTER SCHOOL INSTITUTE SHALL DISTRIBUTE TO EACH ELIGIBLE INSTITUTE CHARTER SCHOOL ONE HUNDRED PERCENT OF THE AMOUNT RECEIVED FOR THE ELIGIBLE INSTITUTE CHARTER SCHOOL PURSUANT TO THIS SUBSECTION (4).

(5) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2025.

SECTION 5. In Colorado Revised Statutes, add 22-54-146 as follows:


(2) IF, PURSUANT TO SUBSECTION (1) OF THIS SECTION, A DISTRICT'S AT-RISK FUNDING AMOUNT FOR THE 2022-23 BUDGET YEAR WAS GREATER THAN THE DISTRICT'S AT-RISK FUNDING AMOUNT FOR THE 2023-24 BUDGET YEAR, ANY ADDITIONAL AMOUNT OWED TO THAT DISTRICT FOR AT-RISK FUNDING FOR THE 2023-24 BUDGET YEAR MUST BE PAID AFTER MID-YEAR REVISIONS ARE MADE TO REPLACE PROJECTIONS WITH ACTUAL FIGURES.
SECTION 6. In Colorado Revised Statutes, 22-54-107.9, add (7) and (8) as follows:

22-54-107.9. Override mill levy match - calculation - distribution - fund created - legislative declaration - definitions. (7)

(a) On July 1, 2023, the state treasurer shall transfer twenty-three million three hundred seventy-six thousand five hundred thirty-six dollars from the state education fund to the mill levy override match fund.

(b) The general assembly finds and declares that for the purposes of section 17 of article IX of the state constitution, providing eligible school districts and eligible institute charter schools an override mill match pursuant to this section 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.

(8) Notwithstanding any provision of this section to the contrary, for the 2022-23 budget year and budget years thereafter, the department of education shall not calculate and distribute to an eligible district or an eligible institute charter school an override mill match amount as provided in this section if the sum of the district's override mills is equal to or greater than the district's override mill capacity.

SECTION 7. In Colorado Revised Statutes, 22-1-133, add (7) as follows:

22-1-133. Prohibition on use of American Indian mascots - exemptions - definitions. (7) (a) A public school that is identified
TO BE IN VIOLATION OF SUBSECTION (2) OF THIS SECTION FOR USING AN
AMERICAN INDIAN MASCOT MAY APPLY TO THE DEPARTMENT OF
EDUCATION FOR REIMBURSEMENT OF EXPENSES INCURRED FOR THE
2021-22 BUDGET YEAR THROUGH THE 2023-24 BUDGET YEAR THAT WERE
NECESSARY TO COMPLY WITH THIS SECTION.

(b) (I) On or after July 1, 2023, the Department of
Education shall distribute funds for reimbursement of expenses
incurred for the 2021-22 budget year and the 2022-23 budget
year that were necessary to comply with this section. The
Department of Education shall fully fund all requests for
reimbursement; except that if insufficient funds exist pursuant
to the appropriation made pursuant to this subsection (7), the
Department shall reimburse expenses proportionately.

(II) On or after July 1, 2024, the Department of Education
shall distribute funds for reimbursement of expenses incurred
for the 2023-24 budget year that were necessary to comply with
this section. The Department of Education shall fully fund all
requests for reimbursement; except that if insufficient funds
exist pursuant to the appropriation made pursuant to this
subsection (7), the Department shall reimburse expenses
proportionately.

(III) The Department of Education shall establish a
process and deadlines for receiving requests for reimbursement
pursuant to this subsection (7), the timing for disbursements, and
any parameters necessary to determine proportionate
reimbursement.

(c) The Department of Education shall not reimburse
EXPENSES INCURRED BY A PUBLIC SCHOOL FOR PAYING THE FINE
PURSUANT TO SUBSECTION (3) OF THIS SECTION.

(d) For the 2023-24 budget year, the General Assembly
shall appropriate three hundred thousand dollars from the
state education fund for the purpose of this subsection (7). Any
unexpended money remaining at the end of the 2023-24 budget
year may be used by the Department of Education through the
2024-25 budget year without further appropriation and must not
be used for any other purpose other than the purposes set forth
in this subsection (7).

(e) The General Assembly finds and declares that for the
purposes of section 17 of article IX of the State Constitution,
providing reimbursement of expenses pursuant to this subsection
(7) that were incurred in order to comply with this section 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.

SECTION 8. In Colorado Revised Statutes, 22-1-135, add (3) as
follows:

22-1-135. Terms and conditions in public school contracts -
definitions. (3) (a) For contracts executed on or after July 1,
2023, when reviewing proposals received and for selecting the
entity to provide technology, in accordance with the
procurement laws applicable to the Department, School District,
or Institute Charter School, the Department, School District, or
Institute Charter School may consider life-cycle cost.

(b) For the purpose of this subsection (3), unless the
CONTEXT OTHERWISE REQUIRE:

(I) "LIFE-CYCLE COST" MEANS THE PURCHASE COST OF
TECHNOLOGY MINUS THE RESALE VALUE AT THE END OF THE
TECHNOLOGY'S EXPECTED USEFUL LIFE, IN ADDITION TO THE
MAINTENANCE INCURRED DURING THE TECHNOLOGY'S EXPECTED USEFUL
LIFE.

(II) "TECHNOLOGY" MEANS ANY DEVICE, COMPUTER, HARDWARE,
SOFTWARE, OR RELATED ACCESSORY.

SECTION 9. In Colorado Revised Statutes, 22-20-114, add (8)
as follows:

22-20-114. Funding of programs - legislative declaration -
repeal. (8)(a) FOR THE 2023-24 BUDGET YEAR, THE GENERAL ASSEMBLY
SHALL APPROPRIATE TEN MILLION DOLLARS TO THE DEPARTMENT FROM
THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX
OF THE STATE CONSTITUTION TO BE DISTRIBUTED PURSUANT TO THE
REQUIREMENTS SET FORTH IN SUBSECTION (8)(b) OF THIS SECTION TO
PRESCHOOL PROVIDERS THAT ARE A SCHOOL OF A SCHOOL DISTRICT,
DISTRICT CHARTER SCHOOL, OR AN INSTITUTE CHARTER SCHOOL.

(b) A PRESCHOOL PROVIDER THAT IS A SCHOOL OF A SCHOOL
DISTRICT, DISTRICT CHARTER SCHOOL, OR AN INSTITUTE CHARTER SCHOOL
MUST ONLY RECEIVE FUNDING PURSUANT TO THIS SUBSECTION (8) IF THE
DEPARTMENT DETERMINES THAT, EVEN WITH THE FUNDING RECEIVED
PURSUANT TO SECTION 26.5-4-208, THE ELIGIBLE PRESCHOOL PROVIDER
IS PROJECTED, BASED ON ELIGIBLE CHILDREN ENROLLED IN THE UNIVERSAL
PRESCHOOL PROGRAM CREATED IN SECTION 26.5-4-204, TO RECEIVE LESS
THAN THE PRESCHOOL PROVIDER'S TOTAL PRESCHOOL FUNDING FOR ALL
PRESCHOOL POSITIONS IN THE 2022-23 FISCAL YEAR. THIS FUNDING IS
INTENDED TO ENSURE THAT ADMINISTRATIVE UNITS CAN MEET THE
FEDERAL MAINTENANCE OF EFFORT REQUIREMENTS PURSUANT TO THE
IDEA. IF THE TOTAL AMOUNT OF FUNDING DISTRIBUTED TO ELIGIBLE
PRESCHOOL PROVIDERS IS LESS THAN TEN MILLION DOLLARS, THE
DEPARTMENT SHALL TRANSFER THE DIFFERENCE BETWEEN THE
DISTRIBUTED AMOUNT AND THE TEN MILLION DOLLARS TO THE STATE
TREASURER WHO SHALL CREDIT THE MONEY RECEIVED TO THE STATE
EDUCATION FUND.

(c) THIS SUBSECTION (8) IS REPEALED, EFFECTIVE JULY 1, 2024.

SECTION 10. In Colorado Revised Statutes, 22-20-205, add (5)
as follows:

22-20-205. Gifted education - funding - legislative declaration.

(5) (a) BEGINNING IN THE 2023-24 BUDGET YEAR, THE GENERAL
ASSEMBLY SHALL APPROPRIATE FROM THE STATE EDUCATION FUND THE
AMOUNT NECESSARY EACH BUDGET YEAR TO PROVIDE BY THE 2027-28
BUDGET YEAR FULL UNIVERSAL SCREENING OF ENROLLED STUDENTS NO
LATER THAN SECOND GRADE TO IDENTIFY GIFTED CHILDREN AND A
SECOND SCREENING OF GIFTED CHILDREN IN CONJUNCTION WITH THE
CREATION OF EACH CHILD’S INDIVIDUAL CAREER AND ACADEMIC PLAN,
AND QUALIFIED PERSONNEL NECESSARY TO PROVIDE THE SCREENINGS.

(b) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT FOR THE
PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION,
PROVIDING FUNDS FOR UNIVERSAL SCREENING FOR THE PURPOSE OF
PROVIDING UNIVERSAL SCREENING OF ENROLLED STUDENTS NO LATER
THAN SECOND GRADE TO IDENTIFY GIFTED CHILDREN AND A SECOND
SCREENING OF GIFTED CHILDREN IN CONJUNCTION WITH THE CREATION OF
EACH CHILD’S INDIVIDUAL CAREER AND ACADEMIC PLAN, AND QUALIFIED
PERSONNEL NECESSARY TO PROVIDE THE SCREENINGS, PURSUANT TO THIS
SECTION 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.

SECTION 11. In Colorado Revised Statutes, add 22-30.5-104.9
as follows:

22-30.5-104.9. Charter schools - status as public entities -
requirements - charter school boards of directors and school leaders
- duties - conflicts - applicable law - definitions. (1) AS USED IN THIS
SECTION:

(a) "CHARTER SCHOOL" MEANS A CHARTER SCHOOL CREATED AND
OPERATING PURSUANT TO THIS PART 1, AN INSTITUTE CHARTER SCHOOL
CREATED AND OPERATING PURSUANT TO PART 5 OF THIS ARTICLE 30.5, A
CHARTER SCHOOL NETWORK CREATED AND OPERATING PURSUANT TO
SECTION 22-30.5-104.7, A CHARTER SCHOOL COLLABORATIVE CREATED
AND OPERATING PURSUANT TO PART 6 OF THIS ARTICLE 30.5, OR A
CHARTER SCHOOL CREATED AND OPERATED BY THE COLORADO SCHOOL
FOR THE DEAF AND BLIND PURSUANT TO SECTION 22-80-102 (4)(b).

(b) "PUBLIC ENTITY" MEANS A PUBLIC BODY, LOCAL PUBLIC BODY,
PUBLIC CORPORATION, BODY POLITICAL AND CORPORATE, POLITICAL
SUBDIVISION, PUBLIC UNIT, OR ANY OTHER DEFINED TERM IN LAW IN
WHICH SCHOOL DISTRICTS, INCLUDING CHARTER SCHOOLS, ARE EXPRESSLY
INCLUDED IN OR EXEMPT FROM THE PUBLIC SECTOR IN THE DEFINITION OR
APPLICATION OF THE DEFINED TERM.

(2) FOR THE PURPOSE OF ANY LAW, EXCLUDING TITLE 1, TITLE 7,
AND THIS TITLE 22, THAT APPLIES TO OR EXEMPTS A PUBLIC ENTITY OR
THAT APPLIES TO OR EXEMPTS A PUBLIC OFFICIAL:

(a) A CHARTER SCHOOL HAS THE SAME PUBLIC STATUS AS A PUBLIC
SCHOOL THAT IS GEOGRAPHICALLY LOCATED IN THE SAME SCHOOL
DISTRICT;

(b) BOARD DIRECTORS AND SCHOOL LEADERS, BY VIRTUE OF THEIR
ROLES WITHIN A PUBLIC CHARTER SCHOOL, ARE DEEMED PUBLIC
SERVANTS; AND

(c) A SCHOOL LEADER OF A CHARTER SCHOOL HAS THE SAME OR
SIMILAR AUTHORITY AS A SCHOOL DISTRICT SUPERINTENDENT.

(3) A CHARTER SCHOOL THAT IS OPERATING ON THE EFFECTIVE
DATE OF THIS SECTION SHALL PROVIDE THE INFORMATION REQUIRED FOR
AN INVENTORY OF LOCAL GOVERNMENT PURSUANT TO SECTION 24-32-116
TO THE DEPARTMENT OF LOCAL AFFAIRS WITHIN NINETY DAYS AFTER THE
EFFECTIVE DATE OF THIS SECTION. A CHARTER SCHOOL THAT BEGINS
OPERATING AFTER THE EFFECTIVE DATE OF THIS SECTION SHALL PROVIDE
SUCH INFORMATION TO THE DEPARTMENT OF LOCAL AFFAIRS WITHIN
NINETY DAYS AFTER BECOMING A CHARTER SCHOOL AS DETERMINED
PURSUANT TO SUBSECTION (7) OF THIS SECTION.

(4) A PERSON WHO IS A DIRECTOR ON A CHARTER SCHOOL BOARD
OF DIRECTORS ON THE EFFECTIVE DATE OF THIS SECTION SHALL TAKE,
SIGN, AND FILE AN OATH OF OFFICE PURSUANT TO SECTION 24-12-101
WITHIN EIGHTY DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION. A
PERSON WHO BECOMES A DIRECTOR ON A CHARTER SCHOOL BOARD OF
DIRECTORS AFTER THE EFFECTIVE DATE OF THIS SECTION SHALL TAKE,
SIGN, AND FILE AN OATH OF OFFICE PURSUANT TO SECTION 24-12-101 NO
LATER THAN EIGHTY DAYS AFTER BECOMING A DIRECTOR ON THE CHARTER
SCHOOL BOARD OF DIRECTORS.
(5) Notwithstanding any other provision of law and unless otherwise stated in Title 7, if there is a conflict between a law that is specifically applicable to charter schools and any provision in articles 30 or 121 through 137 of Title 7, and any statute incorporated by reference therein, the law that is specifically applicable to charter schools controls.

(6) Notwithstanding the provisions of subsection (2) of this section, each charter school is subject to the provisions of section 1-45-117 as a political subdivision of the state.

(7) For purposes of any law that is made applicable to charter schools pursuant to this section, a charter school applicant is deemed to have become a charter school on July 1 following the execution of a contract by the applicant.

SECTION 12. In Colorado Revised Statutes, 22-30.5-113, amend (1) and (2) as follows:

22-30.5-113. State board - department of education - duties - charter schools - evaluation - report. (1) Notwithstanding section 24-1-136 (11)(a)(I), beginning in the 2004-05 budget year, and at least every three years thereafter through the 2021-22 budget year, the department shall prepare a report and evaluation for the governor and the house and senate committees on education on the success or failure of charter schools and of institute charter schools authorized pursuant to part 5 of this article 30.5, their relationship to other school reform efforts, and suggested changes in state law necessary to strengthen or change the charter school program described in this article 30.5. The department is authorized to collect information as necessary to prepare the report. Beginning in the 2023-24 budget year, the department
SHALL ANNUALLY PREPARE A REPORT AND EVALUATION DESCRIBED IN THIS SUBSECTION (1).

(2) The state board shall compile evaluations of charter schools received from local boards of education and evaluations of institute charter schools prepared by the state charter school institute created in section 22-30.5-503. The state board shall review AND REPORT ON information regarding the statutes, regulations, and policies GOVERNING CHARTER SCHOOL OVERSIGHT AND SUPPORT AND STATUTES, REGULATIONS, AND POLICIES from which charter schools were released pursuant to section 22-30.5-105 and from which institute charter schools were released pursuant to section 22-30.5-508 to determine if the releases assisted or impeded the charter schools or the institute charter schools in meeting their stated goals and objectives.

SECTION 13. In Colorado Revised Statutes, 22-54-104.6, amend (3) introductory portion, (4), (10)(b), and (12); and add (11.3), (11.5), and (11.7) as follows:

22-54-104.6. Implementation of at-risk measure - working group - creation - department duties - reports - legislative declaration - definitions - repeal. (3) Beginning in the 2023-24 2024-25 budget year, there is created a new at-risk measure in the public school funding formula for identifying students who are at risk of below-average academic outcomes because of socioeconomic disadvantage or poverty. The new at-risk measure replaces the at-risk measure in effect for the 2022-23 2023-24 budget year. The new at-risk measure is designed to allocate financial resources to public schools to serve the needs of at-risk students. The new at-risk measure includes:

(4) On or before August 15, 2022, the commissioner shall
convene a working group to prepare for the implementation in the 2023-24 2024-25 budget year of the new at-risk measure created in subsection (3) of this section.

(10) Not later than January 31, 2023, the commissioner shall submit a report to the legislative interim committee on school finance, the joint budget committee, and the education committees of the house of representatives and the senate, or any successor committees, including:

(b) Findings and recommendations of the working group for implementation of the new at-risk measure, for the 2023-24 budget year including recommendations for any legislation necessary to implement the new at-risk measure, as well as financial resources needed to administer the new at-risk measure;

(11.3) The department of education shall collect data necessary to identify individual student census block groups.

(11.5) (a) In order to prepare for the implementation of the new at-risk measure for the 2024-25 budget year, the department of education shall conduct pre-implementation modeling and testing of the new at-risk measure. At a minimum, the department shall simulate 2024-25 budget year total program calculations, including the new at-risk measure recommended by the working group instead of the at-risk measure in effect for the 2023-24 budget year.

(b) Not later than January 5, 2024, the commissioner of education shall submit a report to the education committees of the senate and house of representatives, or any successor committees, and the joint budget committee, including:

(I) A summary of the outcomes of the modeling and testing
USING THE NEW AT-RISK MEASURE, AND THE ANTICIPATED EFFECTS ON THE
COST OF TOTAL PROGRAM FUNDING;

(II) AN IDENTIFICATION OF ISSUES ENCOUNTERED IN THE
MODELING AND TESTING USING THE NEW AT-RISK MEASURE; AND

(III) RECOMMENDATIONS FOR ANY LEGISLATION NECESSARY TO
IMPLEMENT THE NEW AT-RISK MEASURE FOR THE 2024-25 BUDGET YEAR,
AS WELL AS FINANCIAL RESOURCES NEEDED TO ADMINISTER THE NEW
AT-RISK MEASURE.

(11.7) PURSUANT TO HOUSE BILL 22-1202, FOR THE 2022-23
BUDGET YEAR, THE GENERAL ASSEMBLY APPROPRIATED ONE HUNDRED
SIXTY-THREE THOUSAND THREE HUNDRED THIRTY-EIGHT DOLLARS FROM
THE GENERAL FUND FOR THE PURPOSES OF THIS SECTION. ANY
UNEXPENDED MONEY REMAINING AT THE END OF THE 2022-23
BUDGET YEAR FROM THIS APPROPRIATION MAY BE USED BY THE
DEPARTMENT IN THE 2023-24 BUDGET YEAR WITHOUT FURTHER
APPROPRIATION FOR THE PURPOSES OF THIS SECTION.

(12) This section is SUBSECTIONS (4) TO (11) OF THIS SECTION ARE
repealed, effective July 1, 2025.

SECTION 14. In Colorado Revised Statutes, add 22-54-104.7 as
follows:

22-54-104.7. Public school finance - task force - creation -
duties - report - definitions - repeal. (1) THE COMMISSIONER SHALL
CREATE AND CONVENE THE PUBLIC SCHOOL FINANCE TASK FORCE. THE
PURPOSE OF THE TASK FORCE IS TO EXAMINE AND MAKE
RECOMMENDATIONS CONCERNING MAKING THE SCHOOL FINANCE
FORMULA SIMPLER, LESS REGRESSIVE, AND MORE ADEQUATE,
UNDERSTANDABLE, TRANSPARENT, EQUITABLE, AND STUDENT-CENTERED.
(a) The task force membership consists of the following voting members:

(I) Appointed by the President of the Senate:

(A) One member who is a superintendent of a school district whose district percentage of at-risk pupils is greater than the statewide average percentage of at-risk pupils;

(B) One member who is a chief financial officer of a school district whose district percentage of English language learner pupils is greater than the statewide average percentage of English language learner pupils;

(C) One member who represents an organization that represents teachers;

(D) One member who represents an organization with expertise in school finance; and

(E) One member who is a principal;

(II) Appointed by the minority leader of the Senate:

(A) One member who is a superintendent of a school district whose average assessed property value is less than the statewide average of assessed property value;

(B) One member who is a school leader of a charter school whose percentage of at-risk pupils is greater than the statewide average percentage of at-risk pupils;

(C) One member who represents an organization with expertise in school finance; and

(D) One member who represents an organization that represents children and families;

(III) Appointed by the speaker of the House of
(A) One member who is a superintendent of a rural school district or small rural school district;

(B) One member who is a school leader of a charter school with a percentage of English language learner pupils that is greater than the statewide average percentage of English language learner pupils in charter schools;

(C) Two members who represent organizations with expertise in school finance; and

(D) One member who is a teacher;

(IV) Appointed by the minority leader of the House of Representatives:

(A) One member who is a chief financial officer of a small rural school district;

(B) One member who represents the charter school institute; and

(C) One member who represents an organization with expertise in business and kindergarten through twelfth grade education.

(b) The task force membership consists of the following non-voting members:

(I) The director of the Legislative Council staff, or the director's designee;

(II) The director of the Joint Budget Committee staff, or the director's designee; and

(III) The commissioner's designee from the Department of Education who has technical expertise in school finance.
(3) The task force shall meet at the call of the chair not more than eight times following the first meeting from July 2023 through December 2023. Meetings may be held in person, through the use of audio-visual communication technology, or both. The task force is a state public body for purposes of section 24-6-402, and meetings of the task force are subject to section 24-6-402.

The task force is subject to the provisions of the "Colorado Open Records Act", part 2 of article 72 of title 24.

(4)(a) The task force members serve without compensation but may be reimbursed for expenses directly relating to their service on the task force.

(b) If a vacancy occurs, the original appointing authority shall promptly appoint a new member who meets the same requirements as the member who vacated the task force.

(5)(a) The department of education shall provide to the task force staff support, meeting space, and audio-visual communication technology resources, upon request of the chair.

(b) The department shall contract with a third-party entity with expertise in task force facilitation and stakeholder input to assist with the administration of the task force and drafting the report pursuant to subsection (7) of this section.

(6) The task force shall make findings and recommendations regarding the following changes to the school finance formula to occur for the 2024-25 budget year:

(a) Eliminating the use of multiplicative indexes for cost of living, personnel and non-personnel costs, and district size;

(b) Recalibrating the cost of living factor, capping the
COST OF LIVING FACTOR, OR ALTERNATIVE METHODS TO ACCOUNT FOR THE 
COST OF LIVING, INCLUDING THROUGH CATEGORICAL FUNDING. A 
RECOMMENDATION CONCERNING A REVISED COST OF LIVING FACTOR MUST 
BE ABLE TO REGULARLY CHANGE AS A RESULT OF THE BIENNIAL COST OF 
LIVING STUDY.

(c) PRIORITIZING STUDENT NEEDS IN THE FORMULA, INCLUDING 
MEASURES, TO THE EXTENT POSSIBLE, THAT ALIGN THE AT-RISK FACTOR, 
ENGLISH LANGUAGE LEARNER FACTOR, AND SPECIAL EDUCATION 
CATEGORICAL FUNDING BASED UPON AVAILABLE EVIDENCE-BASED 
RESEARCH ON STUDENT-CENTERED FUNDING THAT HAS A DIRECT IMPACT 
ON STUDENT OUTCOMES;

(d) REVISIONS THE SIZE FACTOR TO INCORPORATE CONSIDERATIONS 
OTHER THAN OR IN ADDITION TO STUDENT ENROLLMENT, INCLUDING THE 
REMOTENESS OF A SCHOOL DISTRICT; AND

(e) SECURING EQUALIZATION IN MILL LEVY OVERRIDES FOR 
INSTITUTE CHARTER SCHOOLS BASED UPON THE SCHOOL DISTRICT WHERE 
THE INSTITUTE CHARTER SCHOOL IS GEOGRAPHICALLY LOCATED, 
INCLUDING CONSIDERATIONS FOR STUDENTS WHO DO NOT RESIDE IN THE 
SCHOOL DISTRICT WHERE THE INSTITUTE CHARTER SCHOOL IS 
GEOGRAPHICALLY LOCATED, MULTI-DISTRICT ONLINE PROGRAMS, AND 
TOTAL PROGRAM FUNDING.

(7) (a) NOT LATER THAN JANUARY 31, 2024, THE TASK FORCE 
SHALL SUBMIT A REPORT OF ITS FINDINGS AND RECOMMENDATIONS TO THE 
EDUCATION COMMITTEES OF THE SENATE AND HOUSE OF 
REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES, AND THE JOINT 
BUDGET COMMITTEE.

(b) THE TASK FORCE’S REPORT MUST INCLUDE FINDINGS OF ACTUAL
OUTCOMES ON SCHOOL DISTRICTS AND INSTITUTE CHARTER SCHOOLS IF THE RECOMMENDATIONS WERE ADOPTED.

(8) (a) **THE TASK FORCE SHALL DEVELOP THE PARAMETERS FOR A STUDY TO EXAMINE AND MAKE RECOMMENDATIONS CONCERNING THE COMPONENTS AND COSTS NECESSARY TO ADEQUATELY PROVIDE COLORADO STUDENTS A FREE AND UNIFORM PUBLIC EDUCATION.**

(b) **THE DEPARTMENT OF EDUCATION SHALL CONTRACT WITH TWO INDEPENDENT ENTITIES, EACH OF WHOM SHALL CONDUCT A STUDY AND PUBLISH A REPORT CONCERNING THE PARAMETERS DEVELOPED BY THE TASK FORCE PURSUANT TO SUBSECTION (8)(a) OF THIS SECTION.**

(c) In selecting the two independent entities, the Department of Education shall select entities that represent different perspectives concerning school finance for the purpose of generating different examinations and recommendations concerning the components and costs necessary to adequately provide Colorado students a free and uniform public education.

(d) **Not later than January 3, 2025, the two independent entities shall submit their reports of findings and recommendations to the task force. Not later than January 3, 2025, the commissioner shall submit the reports to the education committees of the Senate and House of Representatives, or any successor committees, and the joint budget committee.**

(9) **Any money appropriated for the 2023-24 budget year by the General Assembly to the Department of Education for the purposes of this section that remains unspent at the end of the 2023-24 budget year may be used by the Department of Education**
THROUGH THE 2024-25 BUDGET YEAR WITHOUT FURTHER APPROPRIATION
AND MUST NOT BE USED FOR ANY OTHER PURPOSE THAN THE PURPOSES SET
FORTH IN THIS SECTION.

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

(a) "COMMISSIONER" MEANS THE COMMISSIONER OF EDUCATION
APPOINTED PURSUANT TO SECTION 1 OF ARTICLE IX OF THE STATE
CONSTITUTION.

(b) "RURAL SCHOOL DISTRICT" MEANS A SCHOOL DISTRICT IN
COLORADO THAT THE DEPARTMENT OF EDUCATION DETERMINES IS RURAL,
BASED ON THE GEOGRAPHIC SIZE OF THE DISTRICT AND THE DISTANCE
FROM THE NEAREST LARGE, URBANIZED AREA, AND THAT HAD A FUNDED
PUPIL COUNT FOR THE PRIOR BUDGET YEAR OF ONE THOUSAND PUPILS OR
MORE BUT LESS THAN SIX THOUSAND FIVE HUNDRED PUPILS.

(c) "SMALL RURAL SCHOOL DISTRICT" MEANS A SCHOOL DISTRICT
IN COLORADO THAT THE DEPARTMENT OF EDUCATION DETERMINES IS
SMALL RURAL, BASED ON THE GEOGRAPHIC SIZE OF THE DISTRICT AND THE
DISTANCE FROM THE NEAREST LARGE, URBANIZED AREA, AND THAT HAD
A FUNDED PUPIL COUNT FOR THE PRIOR BUDGET YEAR OF LESS THAN ONE
THOUSAND PUPILS.

(d) "TASK FORCE" MEANS THE PUBLIC SCHOOL FINANCE TASK
FORCE CREATED PURSUANT TO THIS SECTION.

(11) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2025.

SECTION 15. In Colorado Revised Statutes, 22-43.7-109,
amend (9)(c) as follows:

22-43.7-109. Financial assistance for public school capital
construction - application requirements - evaluation criteria - local
match requirements - technology grants - career and technical
education capital construction grants - rules - definitions - repeal.

(9) Except as otherwise provided in subsections (10) and (15) of this
section, the board may recommend and the state board may approve
financial assistance that does not involve a financed purchase of an asset
or certificate of participation agreement for or recommend to the capital
development committee the approval of financial assistance that involves
a financed purchase of an asset or certificate of participation agreement
for a public school facility capital construction project only if the
applicant provides matching money in an amount equal to a percentage
of the total financing for the project determined by the board after
consideration of the applicant's financial capacity, as determined by the
following factors:

   (c) (I) With respect to a charter school's application for financial
assistance, AND SUBJECT TO ADJUSTMENT PURSUANT TO SUBSECTIONS (II)
THROUGH (V) OF THIS SUBSECTION:

   (I) The weighted average of the match percentages for the school
districts of residence for the students enrolled in a district charter school
or fifty percent of the average of the match percentages for all school
districts in the state for an institute charter school;

   (A) FOR A DISTRICT CHARTER SCHOOL THAT IS OCCUPYING A
DISTRICT FACILITY AND PAYING ONLY THE DIRECT COSTS OF OCCUPANCY
FOR ITS FACILITY PURSUANT TO SECTION 22-30.5-104 (7)(c), THE MATCH
PERCENTAGE OF THE DISTRICT CHARTER SCHOOL'S AUTHORIZING DISTRICT;

   (B) FOR DISTRICT CHARTER SCHOOLS THAT ARE NOT INCLUDED IN
SUBSECTION (9)(c)(I)(A) OF THIS SECTION, SEVENTY-FIVE PERCENT OF THE
MATCH PERCENTAGE OF THE DISTRICT CHARTER SCHOOL'S AUTHORIZING
SCHOOL DISTRICT; OR

(C) FIFTY PERCENT OF THE AVERAGE MATCH PERCENTAGES FOR ALL SCHOOL DISTRICTS IN THE STATE FOR AN INSTITUTE CHARTER SCHOOL;

(II) Whether the DISTRICT charter school's authorizer retains no more than ten percent of its capacity to issue bonds pursuant to article 42 of this title;

(III) Whether the charter school is operating in a district-owned facility at the time it submits its application;

(IV) In the ten years preceding the year in which the charter school submits the application, the number of times the charter school has attempted to obtain or has obtained SOUGHT OR BEEN AFFORDED:

(A) Bond proceeds pursuant to section 22-30.5-404 through inclusion in a ballot measure submitted by the charter school's authorizer to the registered electors of the school district;

(B) Proceeds from a special mill levy for capital needs pursuant to section 22-30.5-405;

(C) Grant funding for capital needs from a source other than the assistance fund; and

(D) Funding, INCLUDING FINANCING, for capital construction, OTHER THAN STATE AID PURSUANT TO SECTION 22-54-124 from bonds issued on its behalf by the Colorado educational and cultural facilities authority created and existing pursuant to section 23-15-104 (1)(a), C.R.S., or from some ANY other source of financing;

(V) If the charter school is a district charter school, the student enrollment of the DISTRICT charter school as a percentage of the student enrollment of the charter school's authorizing school district; AND

(VI) The percentage of students enrolled in the charter school...
who are eligible for the federal free and reduced-cost lunch program in
relation to the overall percentage of students enrolled in the public
schools in the state who are eligible for the federal free and reduced-cost
lunch program.

(VII) The percentage of the per pupil revenue received by the
charter school that the charter school spends on facility costs other than
facilities operation and maintenance; and

(VIII) The charter school's unreserved fund balance as a
percentage of its annual budget.

SECTION 16. In Colorado Revised Statutes, 22-82.9-103, add
(1.5) as follows:

22-82.9-103. Definitions. As used in this part 1, unless the
context otherwise requires:

(1.5) "FACILITY SCHOOL" MEANS AN EDUCATIONAL PROGRAM
THAT IS OPERATED BY A FACILITY TO PROVIDE EDUCATIONAL SERVICES TO
STUDENTS PLACED IN THE FACILITY AND THAT, PURSUANT TO SECTION
22-2-407 (2), HAS BEEN PLACED ON THE LIST OF FACILITY SCHOOLS THAT
ARE APPROVED TO RECEIVE REIMBURSEMENT FOR PROVIDING
EDUCATIONAL SERVICES TO STUDENTS PLACED IN A FACILITY.

SECTION 17. In Colorado Revised Statutes, 22-82.9-104, amend
(4)(a) as follows:

22-82.9-104. Child nutrition school lunch protection program
- creation - administration - objectives. (4) The objectives of the
program are to:

(a) Eliminate the reduced price paid by Colorado students who are
enrolled in state-subsidized early childhood education programs
administered by public schools or in kindergarten through twelfth grade
and who are participating in the school lunch program, AND TO ELIMINATE
THE REDUCED PRICE PAID BY COLORADO STUDENTS WHO ARE RECEIVING
EDUCATIONAL SERVICES FROM A FACILITY SCHOOL AND WHO ARE
PARTICIPATING IN THE SCHOOL LUNCH PROGRAM;

SECTION 18. In Colorado Revised Statutes, 22-82.9-105, amend (1) as follows:

22-82.9-105. Program funding. (1) For each fiscal year, the
general assembly shall make an appropriation by separate line item in the
annual general appropriation bill to allow school food authorities to
provide lunches at no charge for children in state-subsidized early
childhood education programs administered by public schools or in
kindergarten through twelfth grade, participating in the school lunch
program, who would otherwise be required to pay a reduced price for
lunch AND TO OFFSET THE COSTS INCURRED BY A FACILITY SCHOOL IN
PROVIDING LUNCH TO STUDENTS WHO ARE PLACED IN THE FACILITY AND
ARE ELIGIBLE TO PARTICIPATE IN THE SCHOOL LUNCH PROGRAM. The
appropriation to the department for the program must be in addition to
any appropriation made by the general assembly pursuant to section
22-54-123 or 22-54-123.5 (1). The department may expend not more than
two percent of the money annually appropriated for the program to offset
the direct and indirect costs incurred by the department in implementing
the program pursuant to this part 1.

SECTION 19. In Colorado Revised Statutes, amend 22-82.9-106 as follows:

22-82.9-106. Program - procedures. The department shall
develop procedures to allocate and disburse the moneys in the program
among participating school food authorities AND FACILITY SCHOOLS each
year, in an equitable manner and in compliance with the requirements of
the federal "Richard B. Russell National School Lunch Act", 42 U.S.C.
sec. 1751 et seq.

SECTION 20. In Colorado Revised Statutes, 24-32-116, amend
(1)(d); and add (3)(c) as follows:

24-32-116. Inventory of local governmental entities -
information required - definitions. (1) As used in this section, unless
the context otherwise requires:

(d) "Local governmental entity" means a city, county, city and
county, special district, school district, INCLUDING A CHARTER SCHOOL AS
DEFINED IN SECTION 22-30.5-104.9, or other unit of local government.

(3) (c) NOTWITHSTANDING THE DATE SPECIFIED IN SUBSECTION
(3)(a) OF THIS SECTION, A LOCAL GOVERNMENTAL ENTITY THAT IS A
CHARTER SCHOOL SHALL SUBMIT THE INFORMATION REQUIRED IN
SUBSECTIONS (3)(a)(I) TO (3)(a)(V) OF THIS SECTION TO THE DEPARTMENT
OF LOCAL AFFAIRS NO LATER THAN THE DATE SPECIFIED IN SECTION
22-30.5-104.9 OR NO LATER THAN NINETY DAYS AFTER BECOMING A
CHARTER SCHOOL PURSUANT TO SECTION 22-30.5-104.9 (7) AND SHALL
UPDATE SUCH INFORMATION PURSUANT TO SUBSECTION (3)(b) OF THIS
SECTION.

SECTION 21. In Colorado Revised Statutes, 24-90-120, amend
(6)(c) as follows:

24-90-120. Colorado imagination library program - creation
- request for proposal - state librarian duties - report - legislative
declaration - definitions. (6) (c) Twenty percent of money appropriated
for the 2021-22 state fiscal year, and each fiscal year thereafter, may be
used for the contractor operating the program for duties set forth in
subsections (2)(a) to (2)(f) (2)(d) AND (2)(f) of this section.

SECTION 22. In Colorado Revised Statutes, 22-30.5-513.1, amend (2) as follows:

22-30.5-513.1. Mill levy equalization - fund created - legislative declaration - definitions. (2) (a) The mill levy equalization fund, referred to in this section as the "fund", is hereby created in the state treasury. The fund consists of any amount that the general assembly may appropriate APPROPRIATES TO THE FUND PURSUANT TO SUBSECTION (2)(a.5) OF THIS SECTION OR MAY ADDITIONALLY APPROPRIATE or transfer to the fund. The state treasurer shall credit to the fund all interest and income derived from the deposit and investment of money in the fund.

(a.5) (I) BEGINNING IN THE 2024-25 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, THE GENERAL ASSEMBLY SHALL APPROPRIATE FROM THE GENERAL FUND THE AMOUNT NECESSARY EACH BUDGET YEAR TO FUND FULL MILL LEVY EQUALIZATION FOR ALL INSTITUTE CHARTER SCHOOLS FOR THE APPLICABLE BUDGET YEAR.

(II) THE AMOUNT REQUIRED TO FUND MILL LEVY EQUALIZATION FOR ALL INSTITUTE CHARTER SCHOOLS IS DETERMINED IN ACCORDANCE WITH THE FOLLOWING FORMULA:

\[
\text{THE ACCOUNTING DISTRICT'S TOTAL ADDITIONAL MILL LEVY REVENUE} / \text{THE ACCOUNTING DISTRICT'S FUNDED PUPIL COUNT} \times \text{EACH INSTITUTE CHARTER SCHOOL'S FUNDED PUPIL COUNT}
\]

(III) AS USED IN THIS SUBSECTION (2)(a.5), UNLESS THE CONTEXT OTHERWISE REQUIRES:

(A) "ACCOUNTING DISTRICT'S FUNDED PUPIL COUNT" HAS THE SAME MEANING SET FORTH IN SECTION 22-30.5-513 (1)(e).

(B) "ADDITIONAL MILL LEVY REVENUE" HAS THE SAME MEANING
SET FORTH IN SECTION 22-32-108.5 (2)(a).

(b) Subject to annual appropriation by the general assembly The institute shall annually distribute the money appropriated or transferred to the fund to the institute charter schools on an equal per-pupil basis; except that, in any budget year, an institute charter school shall not receive a per pupil amount that is greater than the total amount of additional mill levy revenue, as defined in section 22-32-108.5, that the accounting district for the institute charter school is authorized to collect, divided by the funded pupil count, as defined in section 22-54-103, of the accounting district for the applicable budget year. The money distributed pursuant to this section is in addition to money distributed to institute charter schools pursuant to section 22-30.5-513. THE INSTITUTE HAS CONTINUOUS SPENDING AUTHORITY OF ALL INTEREST AND INCOME IN THE FUND.

SECTION 23. Appropriation. (1) For the 2023-24 state fiscal year, $2,500,000 is appropriated to the mill levy equalization fund created in section 22-30.5-513.1 (2)(a), C.R.S. This appropriation is from the general fund. The department of education is responsible for accounting related to this appropriation.

(2) For the 2023-24 state fiscal year, $2,500,000 is appropriated to the department of education. This appropriation is from reappropriated funds in the mill levy equalization fund pursuant to subsection (1) of this section. To implement this act, the department may use the appropriation for charter school institute mill levy equalization.

SECTION 24. Appropriation. For the 2023-24 state fiscal year, $10,000,000 is appropriated to the department of education. This appropriation is from the state education fund created in section 17 (4) of
article IX of the state constitution. To implement this act, the department may use this appropriation for state aid for charter school facilities.

SECTION 25. Appropriation. For the 2023-24 state fiscal year, $500,000 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 special education programs for children with disabilities for the implementation of section 22-20-108 (4.8), C.R.S.

SECTION 26. Appropriation. (1) For the 2023-24 state fiscal year, $220,256,759 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) $188,490,019 for the state share of districts' total program funding;

(b) $30,000,000 for additional funding for rural districts and institute charter schools;

(c) $1,058,115 for special education programs for gifted and talented children to support universal screening pursuant to section 22-20-205 (5)(a), C.R.S.;

(d) $408,625 for administration related to public school finance for the implementation of section 22-54-104.7, C.R.S., which amount is based on an assumption that the department will require an additional 0.7 FTE; and

(e) $300,000 for distributions to eligible schools pursuant to section 22-1-133 (7)(b)(II), C.R.S.
(2) Any money appropriated in subsection (1)(d) not expended prior to July 1, 2024, is further appropriated to the department for the 2024-25 state fiscal year for the same purpose.

SECTION 27. Appropriation. For the 2023-24 state fiscal year, $23,376,536 is appropriated to the department of education. This appropriation is from the mill levy override match fund created in section 22-54-107.9 (6), C.R.S. To implement this act, the department may use this appropriation for mill levy override matching pursuant to section 22-54-107.9, C.R.S.

SECTION 28. Appropriation to the department of education for the fiscal year beginning July 1, 2023. Section 2 of SB 23-214, amend Part IV (3)(A) Footnote 10, as follows:

Section 2. Appropriation.

Department of Education, School District Operations, Public School Finance, State Share of Districts' Total Program Funding -- Pursuant to Section 22-35-108.5 (2)(b)(II), C.R.S., the purpose of this footnote is to specify what portion of this appropriation is intended to be available for the Teacher Recruitment Education and Preparation (TREP) Program for FY 2023-24. It is the General Assembly's intent that the Department of Education be authorized to utilize up to $2,348,000 of this appropriation to fund qualified students designated as TREP Program participants. This amount is calculated based on an estimated 250 FTE TREP Program participants funded at a rate of $8,686 per FTE pursuant to Section 22-54-104 (4.7), C.R.S.

SECTION 29. Appropriation. For the 2023-24 state fiscal year, $10,000,000 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 distributions to eligible
preschool providers pursuant to section 22-20-114 (8)(b), C.R.S.

SECTION 30. Effective date. (1) Except as otherwise provided
in this section, this act takes effect upon passage.

(2) Section 25 of this act takes effect only if House Bill 23-1263
becomes law.

SECTION 31. Safety clause. The general assembly hereby finds,
determines, and declares that this act is necessary for the immediate
preservation of the public peace, health, or safety.