AN ACT

CONCERNING THE EXTENSION OF THE DEADLINE FOR REPORTING OF THE STUDY OF SCHOOL DISTRICT SETTING CATEGORIES.

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

SECTION 1. 22-53-105.5, Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-53-105.5. Study of setting categories. (1) The legislative council shall conduct a study of the setting categories for school districts established in section 22-53-105 for purposes of this part 1. Said study shall:

(a) Evaluate the categorization of each school district to determine if such school district is in the appropriate setting category;

(b) Examine the factors used in the establishment of the setting categories, as set forth in section 22-53-105 (1), and make recommendations as to whether the use of such factors constitutes a reasonable basis for distinguishing between school districts for school finance purposes and whether there should be any modifications made to the factors so considered; and

(c) Examine the characteristics of the current setting categories, as set forth in section 22-53-105, and make recommendations as to whether said characteristics are appropriate for distinguishing between school districts for school finance purposes and whether there should be any modifications made to said characteristics.

(2) For purposes of determining characteristics of each school district pursuant to
subsection (1) of this section, the legislative council shall utilize:

(a) Digitized census data from the bureau of the census, United States department of commerce, including, but not limited to: Levels of income; the number of single-parent households; housing values; the dominant language spoken in households; the level of educational attainment of parents; age stratification; and housing costs; and

(b) Data regarding reduced and free meals provided pursuant to the "National School Lunch Act", 42 U.S.C. sec. 1751 et seq.

(3) As part of the study, the legislative council shall conduct an analysis of:

(a) Additional funding sources available to school districts in each setting category; and

(b) The per pupil operating costs of school districts in each setting category.

(4) Based upon the analysis, findings, and conclusions of the portion of the study contained in subsections (1) and (3) of this section, the legislative council staff shall also include in the study:

(a) Recommendations concerning the determination of funding component values which reflect cost-of-living regions and the determination of enrollment-based instructional unit funding ratios which can then be calibrated to recognize the extent to which a school district’s enrollment is comprised of "at-risk" pupils;

(b) Recommendations concerning the collection of additional data, including, but not limited to, student mobility rates, fee and tuition revenue, percentage of student population comprised of special education students, and assessed valuation per pupil, to improve the existing school finance database which can then be used to further analyze school finance issues and to develop a future school finance policy which is less reliant on wealth-based factors;

(c) Recommendations concerning the equalization of additional revenue available to school districts.

(5) The study shall also include an evaluation of the impacts of section 20 of article X of the state constitution on school district setting categories including, but not limited to:

(a) Because the definition of fiscal year spending under section 20 of article X of the state constitution includes spending from all school district funding sources, consideration of how the criteria for setting categories would be impacted if the different funding sources were combined for purposes of this article. For purposes of this paragraph (a), "school district funding sources" includes state equalization support, state categorical program support, school district property taxes, specific ownership taxes, federal funds not specifically tied to an
EDUCATIONAL PROGRAM, AND OTHER LOCAL SUPPORT, EXCLUDING GIFTS, AS DEFINED IN SECTION 24-77-102 (6), C.R.S.

(b) CONSIDERATION OF THE IMPACT OF INCLUDING FEDERAL REVENUES RECEIVED BY SCHOOL DISTRICTS WHEN DETERMINING THE FUNDING FOR PUBLIC EDUCATION IN THIS STATE;

(c) RECOMMENDED PROCEDURES FOR MODIFYING SETTING CATEGORIES AND FOR REASSIGNING DISTRICTS BETWEEN CATEGORIES AND FOR THE IMPLEMENTATION OF SUCH MODIFICATIONS AND REASSIGNMENTS CONSISTENT WITH SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION;

(d) A RECOMMENDATION ON HOW A BASE PER PUPIL FUNDING COMPONENT WOULD BE ESTABLISHED AND SUGGESTIONS FOR CRITERIA THAT SHOULD BE CONSIDERED IN SETTING SUCH A COMPONENT; AND

(e) CONSIDERATION OF THE IMPACTS OF CATEGORICAL FUNDS NOT FULLY REIMBURSED BY THE STATE.

The legislative council shall conduct the study within existing appropriations. and shall report its findings made pursuant to this section to the general assembly no later than December 1, 1992. A FINAL REPORT OF THE FINDINGS AND RESULTS OF THE STUDY SHALL BE PRESENTED TO THE LEGISLATIVE COUNCIL, AND TO ANY OTHER COMMITTEE DESIGNATED BY THE COUNCIL, NO LATER THAN AUGUST 1, 1993.

SECTION 2. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: April 29, 1993