

CHAPTER 154

EDUCATION - PUBLIC SCHOOLS

HOUSE BILL 94-1001

BY REPRESENTATIVES Anderson, Acquafresca, Adkins, Blue, Chlouber, Clark, Eisenach, Entz, Epps, George, Greenwood, Hagedorn, Kaufman, Keller, Lyle, Martin, Mattingly, May, Moellenberg, Morrison, Nichol, Pierson, Ratterree, Reeser, Reeves, Romero, Shoemaker, and Williams;
also SENATORS Wells, Norton, Rizzuto, Casey, Cassidy, Pastore, and L. Powers.

AN ACT

**CONCERNING THE FINANCING OF PUBLIC SCHOOLS, AND, IN CONNECTION THEREWITH,
ENACTING THE "PUBLIC SCHOOL FINANCE ACT OF 1994" AND MAKING APPROPRIATIONS FOR
THE FINANCING OF PUBLIC SCHOOLS.**

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

SECTION 1. Part 1 of article 53 of title 22, Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

22-53-107.4. Additional increase in equalization program funding for 1993-94 budget year. (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT SCHOOL FINANCE FUNDING FOR THE 1994-95 BUDGET YEAR AND BUDGET YEARS THEREAFTER UNDER THE NEW "PUBLIC SCHOOL FINANCE ACT OF 1994", ARTICLE 54 OF THIS TITLE, IS AFFECTED BY THE LIMITS ON THE GROWTH OF SPENDING FOR SCHOOLS IMPOSED BY SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION FOR THE 1993-94 BUDGET YEAR. THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT INCREASES IN FUNDING UNDER THE NEW SCHOOL FINANCE ACT FOR CERTAIN DISTRICTS MAY NOT BE POSSIBLE IF DISTRICT SPENDING LIMITS HAVE BEEN PERMANENTLY REDUCED BY THE OPERATION OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION. TO AVOID PERMANENT REDUCTIONS IN ALLOWABLE FISCAL YEAR SPENDING LIMITS THEREBY ALLOWING INCREASES IN FUNDING UNDER THE NEW SCHOOL FINANCE ACT, THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT THE EQUALIZATION PROGRAM FUNDING OF CERTAIN ELIGIBLE SCHOOL DISTRICTS SHALL BE INCREASED FOR THE

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

1993-94 BUDGET YEAR PURSUANT TO THE PROVISIONS OF THIS SECTION.

(2) A DISTRICT SHALL BE ELIGIBLE FOR AN ADDITIONAL INCREASE IN ITS 1993-94 EQUALIZATION PROGRAM FUNDING IF THE DISTRICT'S 1994-95 FORMULA TOTAL PROGRAM WILL BE GREATER THAN ITS 1994-95 ALLOWABLE TOTAL FUNDING.

(3) THE EQUALIZATION PROGRAM FUNDING OF AN ELIGIBLE DISTRICT SHALL BE INCREASED FOR THE 1993-94 BUDGET YEAR BY THE LESSER OF:

(a) EIGHTY PERCENT OF THE DIFFERENCE BETWEEN THE DISTRICT'S 1993-94 ALLOWABLE TOTAL FUNDING AND THE DISTRICT'S 1993-94 EQUALIZATION PROGRAM FUNDING; OR

(b) THE DIFFERENCE BETWEEN THE DISTRICT'S 1994-95 FORMULA TOTAL PROGRAM AND THE DISTRICT'S 1993-94 ACTUAL TOTAL FUNDING; OR

(c) THE AMOUNT OF STATE AID THAT WILL BE RECEIVED BY THE DISTRICT PURSUANT TO SECTION 22-54-106 FOR THE 1994-95 BUDGET YEAR.

(4) (a) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION (4), THE AMOUNT OF INCREASE TO A DISTRICT'S EQUALIZATION PROGRAM FUNDING SHALL BE FUNDED THROUGH AN INCREASE IN STATE AID PAYABLE TO THE DISTRICT.

(b) ANY DISTRICT THAT HAS PROPERTY TAX REVENUE CARRIED FORWARD UNDER THE PROVISIONS OF SECTION 22-44-103.5 SHALL NOT BE ELIGIBLE TO RECEIVE ADDITIONAL STATE AID PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (4) BUT MAY INCREASE THE DISTRICT'S EQUALIZATION PROGRAM FUNDING THROUGH THE USE OF SUCH PROPERTY TAX REVENUE BY THE AMOUNT DETERMINED PURSUANT TO SUBSECTION (3) OF THIS SECTION. IF THE DISTRICT ADVISES THE STATE BOARD OF SUCH INCREASE IN FUNDING, THE AMOUNT OF THE INCREASE SHALL BE SUBTRACTED FROM THE AMOUNT OF EXCESS PROPERTY TAX REVENUE OF THE DISTRICT WHICH MUST BE OFFSET AGAINST STATE AID AND CATEGORICAL SUPPORT FUNDS PURSUANT TO SECTION 22-44-103.5 (2) (b) (III) (B) AND (2) (c) (III).

(c) THE MONEYS RECEIVED AS ADDITIONAL STATE AID RECEIVED BY A DISTRICT PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (4) OR THE AMOUNT OF PROPERTY TAX REVENUE USED TO INCREASE FUNDING PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (4) SHALL BE APPROPRIATED OR OTHERWISE CREDITED TO A SPECIAL DISTRICT RESERVE PRIOR TO THE END OF THE 1993-94 BUDGET YEAR SO THAT THE RESERVE INCREASE IS INCLUDED IN THE DISTRICT'S 1993-94 FISCAL YEAR SPENDING. THE MONEYS IN THE SPECIAL DISTRICT RESERVE SHALL NOT BE EXPENDED IN THE 1993-94 BUDGET YEAR BUT MAY BE EXPENDED IN THE 1994-95 BUDGET YEAR TO REPLACE STATE AID THAT THE DISTRICT WILL NOT RECEIVE AS A RESULT OF INCLUSION OF THE MONEYS IN THE SPECIAL DISTRICT RESERVE IN THE CALCULATION OF STATE AID IN THE 1994-95 BUDGET YEAR PURSUANT TO SECTION 22-54-106 (1) (a) (II).

(5) FOR PURPOSES OF THIS SECTION:

(a) "1992-93 ACTUAL TOTAL FUNDING" MEANS THE DISTRICT'S EQUALIZATION PROGRAM FUNDING FOR THE 1992-93 BUDGET YEAR AS DETERMINED PURSUANT TO SECTION 22-53-107.

(b) "1993-94 ACTUAL TOTAL FUNDING" SHALL INCLUDE THE DISTRICT'S EQUALIZATION PROGRAM FUNDING AND INCREASING ENROLLMENT FUNDING RECEIVED FOR THE 1993-94 BUDGET YEAR PURSUANT TO SECTIONS 22-53-107 AND 22-53-116, PLUS ANY ADDITIONAL FUNDING RECEIVED FOR THE 1993-94 BUDGET YEAR PURSUANT TO THE PROVISIONS OF SECTION 22-53-107.3 OR SECTION 22-44-105 (1) (e), PLUS THE AMOUNT OF SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE DISTRICT FOR THE 1993-94 BUDGET YEAR.

(c) "1993-94 ALLOWABLE TOTAL FUNDING" MEANS THE AMOUNT DETERMINED BY MULTIPLYING THE DISTRICT'S 1992-93 ACTUAL TOTAL FUNDING BY 100% PLUS THE DISTRICT'S MAXIMUM ANNUAL PERCENTAGE CHANGE IN 1993-94 FISCAL YEAR SPENDING.

(d) "1993-94 EQUALIZATION PROGRAM FUNDING" INCLUDES THE DISTRICT'S EQUALIZATION PROGRAM FUNDING FOR THE 1993-94 BUDGET YEAR, AS DETERMINED PURSUANT TO SECTION 22-53-107, PLUS ANY ADDITIONAL FUNDING RECEIVED FOR THE 1993-94 BUDGET YEAR PURSUANT TO THE PROVISIONS OF SECTION 22-44-105 (1) (e).

(e) "1994-95 ALLOWABLE TOTAL FUNDING" MEANS THE AMOUNT DETERMINED BY MULTIPLYING THE DISTRICT'S 1993-94 ACTUAL TOTAL FUNDING BY 100% PLUS THE DISTRICT'S MAXIMUM ANNUAL PERCENTAGE CHANGE IN 1994-95 FISCAL YEAR SPENDING.

(f) "1994-95 FORMULA TOTAL PROGRAM" MEANS THE DISTRICT'S TOTAL PROGRAM FOR THE 1994-95 BUDGET YEAR AS CALCULATED PURSUANT TO SECTION 22-54-104 (2) OR (6).

(g) "MAXIMUM ANNUAL PERCENTAGE CHANGE IN 1993-94 FISCAL YEAR SPENDING" MEANS THE PERCENTAGE CHANGE ALLOWED BY SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION BASED UPON THE DEFINITION OF INFLATION FOUND IN SAID SECTION 20 AND BASED UPON THE DEFINITION OF LOCAL GROWTH AS THE PERCENTAGE CHANGE BETWEEN THE DISTRICT'S 1992 FUNDED PUPIL COUNT AND THE DISTRICT'S 1993 FUNDED PUPIL COUNT.

(h) "MAXIMUM ANNUAL PERCENTAGE CHANGE IN 1994-95 FISCAL YEAR SPENDING" MEANS THE PERCENTAGE CHANGE ALLOWED BY SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION BASED UPON THE DEFINITION OF INFLATION FOUND IN SAID SECTION 20 AND BASED UPON THE DEFINITION OF LOCAL GROWTH AS THE PERCENTAGE CHANGE BETWEEN THE DISTRICT'S OCTOBER 1993 FUNDED PUPIL COUNT AND THE DISTRICT'S OCTOBER 1994 FUNDED PUPIL COUNT.

SECTION 2. Title 22, Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW ARTICLE CONTAINING RELOCATED PROVISIONS, WITH AMENDMENTS, to read:

ARTICLE 54

Public School Finance Act of 1994

22-54-101. Short title. THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "PUBLIC SCHOOL FINANCE ACT OF 1994".

22-54-102. Legislative declaration - statewide applicability. (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT THIS ARTICLE IS ENACTED IN FURTHERANCE OF THE GENERAL ASSEMBLY'S DUTY UNDER SECTION 2 OF ARTICLE IX OF THE STATE CONSTITUTION TO PROVIDE FOR A THOROUGH AND UNIFORM SYSTEM OF PUBLIC SCHOOLS THROUGHOUT THE STATE; THAT A THOROUGH AND UNIFORM SYSTEM REQUIRES THAT ALL SCHOOL DISTRICTS OPERATE UNDER THE SAME FINANCE FORMULA; AND THAT EQUITY CONSIDERATIONS DICTATE THAT ALL DISTRICTS BE SUBJECT TO THE EXPENDITURE AND MAXIMUM LEVY PROVISIONS OF THIS ARTICLE. ACCORDINGLY, THE PROVISIONS OF THIS ARTICLE CONCERNING THE FINANCING OF PUBLIC SCHOOLS FOR BUDGET YEARS BEGINNING ON AND AFTER JULY 1, 1994, SHALL APPLY TO ALL SCHOOL DISTRICTS ORGANIZED UNDER THE LAWS OF THIS STATE.

(2) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT IN ENACTING THIS ARTICLE IT HAS ADOPTED A FORMULA FOR THE SUPPORT OF SCHOOLS FOR THE 1994-95 BUDGET YEAR AND BUDGET YEARS THEREAFTER; HOWEVER, THE ADOPTION OF SUCH FORMULA IN NO WAY REPRESENTS A COMMITMENT ON THE PART OF THE GENERAL ASSEMBLY CONCERNING THE LEVEL OF TOTAL FUNDING FOR SCHOOLS FOR THE 1995-96 BUDGET YEAR OR ANY BUDGET YEAR THEREAFTER.

22-54-103. Definitions. AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) (a) "AT-RISK PUPILS" MEANS:

(I) FOR THE 1994-95 BUDGET YEAR, THE GREATER OF:

(A) THE NUMBER OF DISTRICT PUPILS ELIGIBLE FOR FREE LUNCH; OR

(B) THE NUMBER OF PUPILS CALCULATED IN ACCORDANCE WITH THE FOLLOWING FORMULA:

$$\text{DISTRICT PUPILS ELIGIBLE FOR FREE LUNCH} + 25\% \times ((\text{DISTRICT PERCENTAGE OF PUPILS ELIGIBLE FOR FREE LUNCH} \times \text{DISTRICT PUPIL ENROLLMENT}) - \text{DISTRICT PUPILS ELIGIBLE FOR FREE LUNCH})$$

(II) FOR THE 1995-96 BUDGET YEAR AND BUDGET YEARS THEREAFTER, THE NUMBER OF PUPILS CALCULATED IN ACCORDANCE WITH THE FOLLOWING FORMULA:

$$\text{DISTRICT PERCENTAGE OF PUPILS ELIGIBLE FOR FREE LUNCH} \times \text{DISTRICT PUPIL ENROLLMENT}$$

(b) FOR PURPOSES OF THIS SUBSECTION (1):

(I) "DISTRICT PERCENTAGE OF PUPILS ELIGIBLE FOR FREE LUNCH" MEANS THE DISTRICT PUPILS ELIGIBLE FOR FREE LUNCH IN GRADES ONE THROUGH EIGHT DIVIDED BY THE DISTRICT PUPIL ENROLLMENT IN GRADES ONE THROUGH EIGHT.

(II) "DISTRICT PUPIL ENROLLMENT" MEANS THE PUPIL ENROLLMENT OF THE DISTRICT, AS DETERMINED IN ACCORDANCE WITH SUBSECTION (10) OF THIS SECTION, MINUS THE NUMBER OF PUPILS ENROLLED IN DISTRICT PRESCHOOL PROGRAMS PURSUANT TO ARTICLE 28 OF THIS TITLE AND THE NUMBER OF THREE- OR FOUR-YEAR-OLD PUPILS WITH DISABILITIES RECEIVING EDUCATIONAL PROGRAMS PURSUANT TO ARTICLE 20 OF THIS TITLE.

(III) "DISTRICT PUPILS ELIGIBLE FOR FREE LUNCH" MEANS THE NUMBER OF PUPILS INCLUDED IN THE DISTRICT PUPIL ENROLLMENT WHO ARE ELIGIBLE FOR FREE LUNCH PURSUANT TO THE PROVISIONS OF THE FEDERAL "NATIONAL SCHOOL LUNCH ACT", WHICH WERE IN EFFECT ON JULY 1, 1994.

(c) FOR PURPOSES OF THIS SUBSECTION (1), "AT-RISK PUPILS" SHALL BE COUNTED IN THE SAME MANNER AS PUPILS ARE COUNTED PURSUANT TO SUBSECTION (10) OF THIS SECTION.

(2) "BOARD OF EDUCATION" MEANS THE BOARD OF EDUCATION OF A DISTRICT.

(3) "BUDGET YEAR" MEANS THE PERIOD BEGINNING ON JULY 1 OF EACH YEAR AND ENDING ON THE FOLLOWING JUNE 30 FOR WHICH A BUDGET FOR A DISTRICT IS ADOPTED.

(4) "DEPARTMENT OF EDUCATION" MEANS THE DEPARTMENT OF EDUCATION CREATED IN SECTION 24-1-115, C.R.S.

(5) "DISTRICT" MEANS ANY PUBLIC SCHOOL DISTRICT ORGANIZED UNDER THE LAWS OF COLORADO, EXCEPT A JUNIOR COLLEGE DISTRICT.

(5.5) "DISTRICT PERCENTAGE OF AT-RISK PUPILS" MEANS THE NUMBER OF AT-RISK PUPILS IN THE DISTRICT, AS DETERMINED IN ACCORDANCE WITH SUBSECTION (1) OF THIS SECTION, DIVIDED BY THE PUPIL ENROLLMENT OF THE DISTRICT, AS DETERMINED IN ACCORDANCE WITH SUBSECTION (10) OF THIS SECTION; EXCEPT THAT PUPIL ENROLLMENT SHALL NOT INCLUDE THE NUMBER OF PUPILS ENROLLED IN DISTRICT PRESCHOOL PROGRAMS PURSUANT TO ARTICLE 28 OF THIS TITLE AND THE NUMBER OF THREE- OR FOUR-YEAR-OLD PUPILS WITH DISABILITIES RECEIVING EDUCATIONAL PROGRAMS PURSUANT TO ARTICLE 20 OF THIS TITLE.

(6) "DISTRICT'S TOTAL PROGRAM" MEANS THE FUNDING FOR A DISTRICT AS DETERMINED PURSUANT TO SECTION 22-54-104 WHICH REPRESENTS THE FINANCIAL BASE OF SUPPORT FOR PUBLIC EDUCATION IN THAT DISTRICT.

(7) "FUNDED PUPIL COUNT" MEANS THE GREATER OF:

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

(b) THE AVERAGE OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE IMMEDIATELY PRECEDING BUDGET YEAR.

(8) "JOINT DISTRICT" MEANS A DISTRICT WHICH IS LOCATED IN MORE THAN ONE

COUNTY.

(9) "PER PUPIL OPERATING REVENUES" MEANS THE DISTRICT'S TOTAL PROGRAM FOR ANY BUDGET YEAR DIVIDED BY THE DISTRICT'S FUNDED PUPIL COUNT FOR SAID BUDGET YEAR, MINUS THE MINIMUM AMOUNT PER PUPIL REQUIRED BY SECTION 22-54-105 TO BE TRANSFERRED FOR THE CAPITAL RESERVE FUND, THE INSURANCE RESERVE FUND, OR ANY OTHER FUND FOR THE MANAGEMENT OF RISK-RELATED ACTIVITIES.

(10) (a) "PUPIL ENROLLMENT" MEANS THE NUMBER OF PUPILS ENROLLED ON OCTOBER 1 WITHIN THE APPLICABLE BUDGET YEAR OR THE SCHOOL DAY NEAREST SAID DATE, AS EVIDENCED BY THE ACTUAL ATTENDANCE OF SUCH PUPILS PRIOR TO SAID DATE.

(b) A PUPIL ENROLLED IN KINDERGARTEN AND A PUPIL WITH A DISABILITY RECEIVING AN EDUCATIONAL PROGRAM UNDER THE "EXCEPTIONAL CHILDREN'S EDUCATIONAL ACT", ARTICLE 20 OF THIS TITLE, WHO WOULD BE IN KINDERGARTEN BUT FOR SUCH DISABILITY, SHALL BE COUNTED AS A HALF-DAY PUPIL. A PUPIL WITH A DISABILITY RECEIVING A FULL-DAY EDUCATIONAL PROGRAM UNDER SAID ACT, WHO WOULD BE IN A GRADE BEYOND KINDERGARTEN BUT FOR SUCH DISABILITY, SHALL BE COUNTED AS A FULL-DAY PUPIL.

(c) A PUPIL ENROLLED IN A DISTRICT PRESCHOOL PROGRAM PURSUANT TO ARTICLE 28 OF THIS TITLE SHALL BE COUNTED AS A HALF-DAY PUPIL.

(d) A THREE- OR FOUR-YEAR-OLD PUPIL WITH A DISABILITY RECEIVING AN EDUCATIONAL PROGRAM UNDER THE "EXCEPTIONAL CHILDREN'S EDUCATIONAL ACT", ARTICLE 20 OF THIS TITLE, SHALL BE COUNTED AS A HALF-DAY PUPIL.

(e) A PUPIL DETERMINED TO HAVE A DISABILITY IN ACCORDANCE WITH SECTION 22-20-108 AND RECEIVING AN EDUCATIONAL PROGRAM OUTSIDE OF THE DISTRICT OF RESIDENCE SHALL BE CONSIDERED ENROLLED IN THE DISTRICT OF RESIDENCE FOR PURPOSES OF THIS SUBSECTION (10).

(f) IN CERTIFYING THE DISTRICT'S PUPIL ENROLLMENT TO THE STATE BOARD PURSUANT TO THE PROVISIONS OF SECTION 22-54-112, THE DISTRICT SHALL SPECIFY THE NUMBER OF PUPILS ENROLLED IN KINDERGARTEN, THE NUMBER OF PUPILS ENROLLED IN FIRST GRADE THROUGH TWELFTH GRADE, THE NUMBER OF PUPILS ENROLLED IN THE DISTRICT'S PRESCHOOL PROGRAM, THE NUMBER OF PUPILS RECEIVING EDUCATIONAL PROGRAMS UNDER THE "EXCEPTIONAL CHILDREN'S EDUCATIONAL ACT", AND THE NUMBER OF AT-RISK PUPILS.

(11) "SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE DISTRICT" MEANS THE AMOUNT OF SPECIFIC OWNERSHIP TAX REVENUE RECEIVED BY THE DISTRICT PURSUANT TO SECTION 42-3-106 (26), C.R.S., FOR THE PRIOR BUDGET YEAR THAT IS ATTRIBUTABLE TO ALL PROPERTY TAX LEVIES MADE BY THE DISTRICT EXCEPT THOSE PROPERTY TAX LEVIES MADE FOR THE PURPOSE OF SATISFYING BONDED INDEBTEDNESS OBLIGATIONS, BOTH PRINCIPAL AND INTEREST, AND THOSE PROPERTY TAX LEVIES AUTHORIZED AT ELECTIONS HELD UNDER THE PROVISIONS OF FORMER SECTION 22-53-117 OR SECTION 22-54-108.

(12) "STATE AVERAGE PER PUPIL OPERATING REVENUES" MEANS THE TOTAL PROGRAM OF ALL DISTRICTS FOR ANY BUDGET YEAR DETERMINED IN ACCORDANCE WITH SECTION 22-54-104 DIVIDED BY THE TOTAL FUNDED PUPIL COUNT OF ALL DISTRICTS FOR SAID BUDGET YEAR, MINUS THE MINIMUM AMOUNT PER PUPIL REQUIRED BY SECTION 22-54-105 TO BE BUDGETED FOR THE CAPITAL RESERVE FUND, THE INSURANCE RESERVE FUND, OR ANY OTHER FUND FOR THE MANAGEMENT OF RISK-RELATED ACTIVITIES.

(13) "STATE BOARD" MEANS THE STATE BOARD OF EDUCATION.

(14) "STATEWIDE AVERAGE PERCENTAGE OF AT-RISK PUPILS" MEANS THE TOTAL NUMBER OF AT-RISK PUPILS IN ALL DISTRICTS, AS DETERMINED IN ACCORDANCE WITH SUBSECTION (1) OF THIS SECTION, DIVIDED BY THE PUPIL ENROLLMENT OF ALL DISTRICTS, AS DETERMINED IN ACCORDANCE WITH SUBSECTION (10) OF THIS SECTION; EXCEPT THAT PUPIL ENROLLMENT SHALL NOT INCLUDE THE NUMBER OF PUPILS ENROLLED IN DISTRICT PRESCHOOL PROGRAMS PURSUANT TO ARTICLE 28 OF THIS TITLE AND THE NUMBER OF THREE- OR FOUR-YEAR-OLD PUPILS WITH DISABILITIES RECEIVING EDUCATIONAL PROGRAMS PURSUANT TO ARTICLE 20 OF THIS TITLE.

22-54-104. District total program. (1) FOR EVERY BUDGET YEAR, THE PROVISIONS OF THIS SECTION SHALL BE USED TO CALCULATE FOR EACH DISTRICT AN AMOUNT THAT REPRESENTS THE FINANCIAL BASE OF SUPPORT FOR PUBLIC EDUCATION IN THAT DISTRICT. SUCH AMOUNT SHALL BE KNOWN AS THE DISTRICT'S TOTAL PROGRAM. THE DISTRICT'S TOTAL PROGRAM SHALL BE AVAILABLE TO THE DISTRICT TO FUND THE COSTS OF PROVIDING PUBLIC EDUCATION, AND, EXCEPT AS OTHERWISE PROVIDED IN SECTION 22-54-105, THE AMOUNTS AND PURPOSES FOR WHICH SUCH MONEYS ARE BUDGETED AND EXPENDED SHALL BE IN THE DISCRETION OF THE DISTRICT.

(2) (a) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION (2), SUBSECTION (6) OF THIS SECTION, OR SECTION 22-54-104.3, A DISTRICT'S TOTAL PROGRAM FOR ANY BUDGET YEAR SHALL BE THE GREATER OF THE FOLLOWING:

(I) $(\text{DISTRICT PER PUPIL FUNDING} \times \text{DISTRICT FUNDED PUPIL COUNT}) + \text{DISTRICT AT-RISK FUNDING}$; OR

(II) $\$3,975 \times \text{DISTRICT FUNDED PUPIL COUNT}$

(b) IF THE DISTRICT PERCENTAGE OF AT-RISK PUPILS IS GREATER THAN THE STATEWIDE AVERAGE PERCENTAGE OF AT-RISK PUPILS AND THE DISTRICT'S FUNDED PUPIL COUNT IS GREATER THAN FOUR HUNDRED FIFTY-NINE, THE DISTRICT'S TOTAL PROGRAM SHALL BE THE LESSER OF:

(I) THE DISTRICT'S TOTAL PROGRAM AS CALCULATED PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (2); OR

(II) (A) THE DISTRICT'S TOTAL PROGRAM AS CALCULATED BY: ADDING THE AMOUNT DETERMINED BY MULTIPLYING THE DISTRICT'S PER PUPIL FUNDING BY FOUR HUNDRED FIFTY-NINE TO THE AMOUNT DETERMINED BY MULTIPLYING 11% OF THE DISTRICT'S PER PUPIL FUNDING BY THE DISTRICT'S AT-RISK PUPILS; THEN

DIVIDING THE SUM OF THOSE TWO AMOUNTS BY FOUR HUNDRED FIFTY-NINE; AND THEN MULTIPLYING THE RESULTING AMOUNT BY THE DISTRICT'S FUNDED PUPIL COUNT.

(B) FOR PURPOSES OF SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (II) ONLY, A DISTRICT'S PER PUPIL FUNDING SHALL BE CALCULATED BY ESTABLISHING THE DISTRICT'S PER PUPIL FUNDING IN ACCORDANCE WITH SUBSECTION (3) OF THIS SECTION EXCEPT USING THE SIZE FACTOR FOR A DISTRICT WITH A FUNDED PUPIL COUNT OF FOUR HUNDRED FIFTY AND NOT THE DISTRICT'S ACTUAL SIZE FACTOR.

(3) A DISTRICT'S PER PUPIL FUNDING SHALL BE DETERMINED IN ACCORDANCE WITH THE FOLLOWING FORMULA:

((STATEWIDE BASE PER PUPIL FUNDING X DISTRICT PERSONNEL COSTS FACTOR X DISTRICT COST OF LIVING FACTOR) + (STATEWIDE BASE PER PUPIL FUNDING X DISTRICT NONPERSONNEL COSTS FACTOR)) X DISTRICT SIZE FACTOR

(4) A DISTRICT'S AT-RISK FUNDING SHALL BE DETERMINED IN ACCORDANCE WITH ONE OF THE FOLLOWING FORMULAS:

(a) IF THE DISTRICT PERCENTAGE OF AT-RISK PUPILS IS EQUAL TO OR LESS THAN THE STATEWIDE AVERAGE PERCENTAGE OF AT-RISK PUPILS OR THE DISTRICT'S FUNDED PUPIL COUNT IS EQUAL TO OR LESS THAN FOUR HUNDRED FIFTY-NINE, THE FORMULA SHALL BE:

(DISTRICT PER PUPIL FUNDING X 11%) X DISTRICT AT-RISK PUPILS

(b) IF THE DISTRICT PERCENTAGE OF AT-RISK PUPILS IS GREATER THAN THE STATEWIDE AVERAGE PERCENTAGE OF AT-RISK PUPILS AND THE DISTRICT'S FUNDED PUPIL COUNT IS GREATER THAN FOUR HUNDRED FIFTY-NINE, THE FORMULA SHALL BE:

((DISTRICT PER PUPIL FUNDING X 11%) X (STATEWIDE AVERAGE PERCENTAGE OF AT-RISK PUPILS X DISTRICT PUPIL ENROLLMENT)) + ((DISTRICT PER PUPIL FUNDING X DISTRICT AT-RISK FACTOR) X (DISTRICT AT-RISK PUPILS - (STATEWIDE AVERAGE PERCENTAGE OF AT-RISK PUPILS X DISTRICT PUPIL ENROLLMENT)))

(5) FOR PURPOSES OF THE FORMULAS USED IN THIS SECTION:

(a) THE STATEWIDE BASE PER PUPIL FUNDING FOR THE 1994-95 BUDGET YEAR SHALL BE \$3,390.

(b) (I) A DISTRICT'S SIZE FACTOR FOR THE 1994-95 BUDGET YEAR AND BUDGET YEARS THEREAFTER SHALL BE DETERMINED IN ACCORDANCE WITH THE FOLLOWING FORMULA:

IF THE DISTRICT'S FUNDED PUPIL COUNT IS:	THE DISTRICT'S SIZE FACTOR SHALL BE:
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LESS THAN 276	$1.5502 + (0.00376159 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND } 276)$
276 OR MORE BUT LESS THAN 459	$1.2430 + (0.00167869 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND } 459)$
459 OR MORE BUT LESS THAN 1,027	$1.1260 + (0.00020599 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND } 1,027)$
1,027 OR MORE BUT LESS THAN 2,293	$1.0578 + (0.00005387 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND } 2,293)$
2,293 OR MORE BUT LESS THAN 5,814	$1.0000 + (0.00001642 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND } 5,814)$
5,814 OR MORE BUT LESS THAN 21,940	1.0000
21,940 OR MORE BUT LESS THAN 32,193	$1.0000 + (0.00000334 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND } 21,940)$
32,193 OR MORE	1.0342

(II) IF ANY DISTRICT WITH A FUNDED PUPIL COUNT OF LESS THAN 12,000 REORGANIZES INTO TWO OR MORE DISTRICTS, EACH OF THE DISTRICTS SHALL BE ALLOWED, FOR EACH BUDGET YEAR, THE SIZE FACTOR THE ORIGINAL DISTRICT HAD PRIOR TO THE REORGANIZATION AND SHALL NOT, FOR ANY BUDGET YEAR, BE ALLOWED THE SIZE FACTOR THAT WOULD OTHERWISE BE PROVIDED BY THIS PARAGRAPH (b).

(III) IF ANY DISTRICT WITH A FUNDED PUPIL COUNT OF MORE THAN 18,000 REORGANIZES INTO TWO OR MORE DISTRICTS, EACH OF THE DISTRICTS SHALL BE ALLOWED, FOR THE FOLLOWING TWO BUDGET YEARS, THE SIZE FACTOR THE ORIGINAL DISTRICT HAD PRIOR TO THE REORGANIZATION BUT SHALL, FOR BUDGET YEARS THEREAFTER, BE ALLOWED THE SIZE FACTOR THAT WOULD OTHERWISE BE PROVIDED BY THIS PARAGRAPH (b).

(c) (I) THE COST OF LIVING FACTOR ALLOWED FOR EACH DISTRICT PURSUANT TO THIS PARAGRAPH (c) REFLECTS THE DIFFERENCES IN THE COSTS OF HOUSING, GOODS, AND SERVICES AMONG REGIONS IN WHICH DISTRICTS ARE LOCATED. SUCH FACTOR DOES NOT REFLECT ANY ANNUAL INCREASE IN THE COSTS OF HOUSING, GOODS, AND SERVICES CAUSED BY INFLATION.

(II) A DISTRICT'S COST OF LIVING FACTOR SHALL BE DETERMINED BY DIVIDING

THE DISTRICT'S COST OF LIVING AMOUNT BY THE LOWEST COST OF LIVING AMOUNT OF ALL DISTRICTS IN THE STATE AND ROUNDING SAID AMOUNT TO THE NEAREST ONE-HUNDREDTH OF ONE PERCENT.

(III) BASED UPON THE COST OF LIVING ANALYSIS CONDUCTED PURSUANT TO THE SB 93-87 SETTING CATEGORY STUDY, THE STAFF OF THE LEGISLATIVE COUNCIL SHALL CERTIFY THE COST OF LIVING FACTOR FOR EACH DISTRICT TO THE DEPARTMENT NO LATER THAN TEN DAYS FOLLOWING THE EFFECTIVE DATE OF THIS ACT. SUCH COST OF LIVING FACTORS SHALL BE EFFECTIVE FOR THE 1994-95 BUDGET YEAR AND THE BUDGET YEAR THEREAFTER. THE COST OF LIVING FACTOR FOR EACH DISTRICT SHALL BE CERTIFIED TO THE DEPARTMENT BY THE STAFF OF THE LEGISLATIVE COUNCIL FOR EACH TWO-YEAR PERIOD THEREAFTER BASED UPON A NEW COST OF LIVING ANALYSIS. THE CERTIFICATION SHALL BE MADE NO LATER THAN JANUARY 15 OF THE APPLICABLE YEAR AND SHALL BE EFFECTIVE FOR THE BUDGET YEAR BEGINNING ON JULY 1 OF SUCH YEAR AND THE BUDGET YEAR THEREAFTER.

(d) A DISTRICT'S PERSONNEL COSTS FACTOR FOR THE 1994-95 BUDGET YEAR AND BUDGET YEARS THEREAFTER SHALL BE DETERMINED IN ACCORDANCE WITH THE FOLLOWING FORMULA:

IF THE DISTRICT'S FUNDED PUPIL COUNT IS:	THE DISTRICT'S PERSONNEL COSTS FACTOR SHALL BE:
LESS THAN 453.5	0.8250 - (0.0000639 x THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND 453.5)
453.5 OR MORE BUT LESS THAN 1,567.5	0.8595 - (0.0000310 x THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND 1,567.5)
1,567.5 OR MORE BUT LESS THAN 6,682	0.8850 - (0.0000050 x THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND 6,682)
6,682 OR MORE BUT LESS THAN 30,000	0.9050 - (0.0000009 x THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND 30,000)
30,000 OR MORE	0.9050

(e) A DISTRICT'S NONPERSONNEL COSTS FACTOR FOR THE 1994-95 BUDGET YEAR AND BUDGET YEARS THEREAFTER SHALL BE THE DIFFERENCE BETWEEN 1.00 AND THE DISTRICT'S PERSONNEL COSTS FACTOR.

(f) IF THE DISTRICT PERCENTAGE OF AT-RISK PUPILS IS GREATER THAN THE STATEWIDE AVERAGE PERCENTAGE OF AT-RISK PUPILS AND THE DISTRICT'S FUNDED PUPIL COUNT IS GREATER THAN FOUR HUNDRED FIFTY-NINE, THE DISTRICT'S AT-RISK FACTOR FOR THE 1994-95 BUDGET YEAR AND BUDGET YEARS THEREAFTER SHALL BE 11% PLUS A 0.30 PERCENTAGE POINT FOR EACH PERCENTAGE POINT

THAT THE DISTRICT PERCENTAGE OF AT-RISK PUPILS EXCEEDS THE STATEWIDE AVERAGE PERCENTAGE OF AT-RISK PUPILS; EXCEPT THAT NO DISTRICT'S AT-RISK FACTOR SHALL EXCEED 30%.

(6) (a) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (2) OF THIS SECTION, FOR THE 1994-95 BUDGET YEAR ONLY, IF A DISTRICT'S 1994-95 TOTAL PER PUPIL FUNDING IS MORE THAN TWENTY-FIVE PERCENT GREATER THAN THE DISTRICT'S 1993-94 TOTAL PER PUPIL FUNDING, THE TOTAL PROGRAM FOR SUCH DISTRICT SHALL BE CALCULATED IN ACCORDANCE WITH THE FOLLOWING FORMULA:

DISTRICT 1994-95 FUNDED PUPIL COUNT X DISTRICT 1993-94 TOTAL PER PUPIL FUNDING X 1.25

(b) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (2) OF THIS SECTION, FOR THE 1995-96 BUDGET YEAR AND BUDGET YEARS THEREAFTER, IF A DISTRICT'S TOTAL FORMULA PER PUPIL FUNDING FOR THE APPLICABLE BUDGET YEAR IS MORE THAN TWENTY-FIVE PERCENT GREATER THAN THE DISTRICT'S PRIOR YEAR TOTAL PER PUPIL FUNDING, THE TOTAL PROGRAM FOR SUCH DISTRICT SHALL BE CALCULATED IN ACCORDANCE WITH THE FOLLOWING FORMULA:

DISTRICT FUNDED PUPIL COUNT X DISTRICT PRIOR YEAR TOTAL PER PUPIL FUNDING X 1.25

(c) THE DEFINITIONS CONTAINED IN SECTION 22-54-104.3 SHALL BE APPLICABLE TO THIS SUBSECTION (6).

22-54-104.3. Total program for 1994-95 and 1995-96 budget years - special provisions. (1) NOTWITHSTANDING THE PROVISIONS OF SECTION 22-54-104 (2), THE 1994-95 TOTAL PROGRAM OF A DISTRICT THAT INCREASED ITS 1993-94 EQUALIZATION PROGRAM FUNDING PURSUANT TO THE PROVISIONS OF FORMER SECTION 22-53-107.4 SHALL BE THE LESSER OF:

(a) THE DISTRICT'S 1994-95 FORMULA TOTAL PROGRAM; OR

(b) THE DISTRICT'S 1994-95 ALLOWABLE TOTAL PROGRAM PLUS THE 1993-94 INCREASE IN EQUALIZATION PROGRAM FUNDING.

(2) FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION AND THIS SUBSECTION (2):

(a) "1993-94 ACTUAL TOTAL FUNDING" MEANS THE DISTRICT'S 1993-94 TOTAL FUNDING, AS DEFINED IN SUBSECTION (5) OF THIS SECTION, PLUS THE 1993-94 INCREASE IN EQUALIZATION PROGRAM FUNDING.

(b) "1993-94 INCREASE IN EQUALIZATION PROGRAM FUNDING" MEANS THE AMOUNT OF ADDITIONAL FUNDING ALLOWED BY FORMER SECTION 22-53-107.4 AND APPROPRIATED OR OTHERWISE CREDITED TO THE SPECIAL DISTRICT RESERVE PURSUANT TO FORMER SECTION 22-53-107.4 (4) (c).

(c) "1994-95 FORMULA TOTAL PROGRAM" MEANS THE DISTRICT'S TOTAL PROGRAM FOR THE 1994-95 BUDGET YEAR AS CALCULATED PURSUANT TO SECTION 22-54-104 (2) OR (6).

(d) "1994-95 ALLOWABLE TOTAL PROGRAM" MEANS THE AMOUNT DETERMINED BY MULTIPLYING THE DISTRICT'S 1993-94 ACTUAL TOTAL FUNDING BY 100% PLUS THE DISTRICT'S MAXIMUM ANNUAL PERCENTAGE CHANGE IN 1994-95 FISCAL YEAR SPENDING.

(e) "MAXIMUM ANNUAL PERCENTAGE CHANGE IN 1994-95 FISCAL YEAR SPENDING" MEANS THE PERCENTAGE CHANGE ALLOWED BY SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION BASED UPON THE DEFINITION OF INFLATION FOUND IN SAID SECTION 20 AND BASED UPON THE DEFINITION OF LOCAL GROWTH AS THE PERCENTAGE CHANGE BETWEEN THE DISTRICT'S OCTOBER 1993 FUNDED PUPIL COUNT AND THE DISTRICT'S OCTOBER 1994 FUNDED PUPIL COUNT.

(3) NOTWITHSTANDING THE PROVISIONS OF SECTION 22-54-104 (2), FOR THE 1994-95 BUDGET YEAR, IF A DISTRICT'S 1994-95 TOTAL FORMULA PER PUPIL FUNDING IS LESS THAN THE DISTRICT'S 1993-94 TOTAL PER PUPIL FUNDING, THE TOTAL PROGRAM FOR SUCH DISTRICT SHALL BE CALCULATED IN ACCORDANCE WITH THE FOLLOWING FORMULA:

(a) IF THE DISTRICT'S 1994-95 FUNDED PUPIL COUNT IS EQUAL TO OR LESS THAN THE DISTRICT'S 1993-94 FUNDED PUPIL COUNT, THE FORMULA SHALL BE:

DISTRICT 1993-94 FUNDED PUPIL COUNT X DISTRICT 1993-94 TOTAL PER PUPIL FUNDING

(b) IF THE DISTRICT'S 1994-95 FUNDED PUPIL COUNT IS GREATER THAN THE DISTRICT'S 1993-94 FUNDED PUPIL COUNT, THE FORMULA SHALL BE:

DISTRICT 1993-94 TOTAL FUNDING + ((DISTRICT 1994-95 FUNDED PUPIL COUNT - DISTRICT 1993-94 FUNDED PUPIL COUNT) X DISTRICT 1994-95 TOTAL FORMULA PER PUPIL FUNDING)

(4) NOTWITHSTANDING THE PROVISIONS OF SECTION 22-54-104 (2), FOR THE 1995-96 BUDGET YEAR, IF A DISTRICT'S 1994-95 TOTAL PROGRAM WAS CALCULATED PURSUANT TO SUBSECTION (3) OF THIS SECTION, THE TOTAL PROGRAM FOR SUCH DISTRICT SHALL BE CALCULATED IN ACCORDANCE WITH THE FOLLOWING FORMULA:

(a) IF THE DISTRICT'S 1995-96 FUNDED PUPIL COUNT IS EQUAL TO OR LESS THAN THE DISTRICT'S 1994-95 FUNDED PUPIL COUNT, THE FORMULA SHALL BE:

DISTRICT FUNDED PUPIL COUNT X DISTRICT PRIOR YEAR TOTAL PER PUPIL FUNDING

(b) IF THE DISTRICT'S 1995-96 FUNDED PUPIL COUNT IS GREATER THAN THE DISTRICT'S 1994-95 FUNDED PUPIL COUNT, THE FORMULA SHALL BE:

DISTRICT PRIOR YEAR TOTAL PROGRAM + ((DISTRICT FUNDED PUPIL COUNT - DISTRICT PRIOR YEAR FUNDED PUPIL COUNT) X DISTRICT TOTAL FORMULA PER PUPIL FUNDING)

(c) IF A DISTRICT'S TOTAL PROGRAM, AS CALCULATED PURSUANT TO THIS SUBSECTION (4), IS LESS THAN ITS TOTAL PROGRAM AS CALCULATED PURSUANT TO SECTION 22-54-104 (2), SUCH DISTRICT SHALL NO LONGER BE SUBJECT TO THE PROVISIONS OF THIS SUBSECTION (4) BUT SHALL BE SUBJECT TO THE PROVISIONS OF SECTION 22-54-104 (2).

(5) FOR PURPOSES OF SUBSECTIONS (3) AND (4) OF THIS SECTION AND SECTION 22-54-104 (6):

(a) A DISTRICT'S "1993-94 TOTAL PER PUPIL FUNDING" MEANS THE AMOUNT WHICH RESULTS FROM DIVIDING THE DISTRICT'S 1993-94 TOTAL FUNDING BY THE DISTRICT'S 1993-94 FUNDED PUPIL COUNT.

(b) A DISTRICT'S "1993-94 TOTAL FUNDING" SHALL INCLUDE THE DISTRICT'S EQUALIZATION PROGRAM FUNDING AND INCREASING ENROLLMENT FUNDING RECEIVED FOR THE 1993-94 BUDGET YEAR PURSUANT TO FORMER SECTIONS 22-53-107 AND 22-53-116, PLUS ANY ADDITIONAL FUNDING RECEIVED FOR THE 1993-94 BUDGET YEAR PURSUANT TO THE PROVISIONS OF FORMER SECTION 22-53-107.3 OR SECTION 22-44-105 (1) (e), PLUS THE AMOUNT OF SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE DISTRICT FOR THE 1993-94 BUDGET YEAR.

(c) A DISTRICT'S "1993-94 FUNDED PUPIL COUNT" MEANS THE PUPIL ENROLLMENT, PRESCHOOL ENROLLMENT, AND THREE- AND FOUR-YEAR-OLD HANDICAPPED ENROLLMENT TAKEN IN OCTOBER OF 1993 OR THE AVERAGE OF THE PUPIL ENROLLMENTS, PRESCHOOL ENROLLMENTS, AND THREE- AND FOUR-YEAR-OLD HANDICAPPED ENROLLMENTS TAKEN IN OCTOBER OF 1992 AND OCTOBER OF 1993.

(d) A DISTRICT'S "1994-95 TOTAL FORMULA PER PUPIL FUNDING" MEANS THE AMOUNT WHICH RESULTS FROM DIVIDING THE DISTRICT'S TOTAL PROGRAM FOR THE 1994-95 BUDGET YEAR, AS CALCULATED PURSUANT TO SECTION 22-54-104 (2), BY THE DISTRICT'S 1994-95 FUNDED PUPIL COUNT.

(e) A DISTRICT'S "PRIOR YEAR TOTAL PER PUPIL FUNDING" MEANS THE AMOUNT WHICH RESULTS FROM DIVIDING THE DISTRICT'S PRIOR YEAR TOTAL PROGRAM BY THE DISTRICT'S PRIOR YEAR FUNDED PUPIL COUNT.

(f) A DISTRICT'S "TOTAL FORMULA PER PUPIL FUNDING" MEANS THE TOTAL PROGRAM FOR A DISTRICT FOR THE APPLICABLE BUDGET YEAR, AS CALCULATED PURSUANT TO SECTION 22-54-104 (2), DIVIDED BY THE DISTRICT'S FUNDED PUPIL COUNT FOR THE APPLICABLE BUDGET YEAR.

(g) A DISTRICT'S "PRIOR YEAR TOTAL PROGRAM" MEANS THE DISTRICT'S TOTAL PROGRAM FOR THE IMMEDIATELY PRECEDING BUDGET YEAR, AS CALCULATED PURSUANT TO SUBSECTION (3) OF THIS SECTION.

22-54-104.5. School finance study. (1) THE LEGISLATIVE COUNCIL SHALL CONDUCT A STUDY WHICH SHALL:

(a) EXAMINE ALL HOLD HARMLESS DISTRICTS IN AN EFFORT TO IDENTIFY THOSE FACTORS THAT SIGNIFICANTLY INCREASE THE COST OF EDUCATIONAL SERVICES, INCLUDING THE SERVICE OF AT-RISK STUDENTS AND THE COST IMPACT OF SALARY SCHEDULES;

(b) EXAMINE THE CIRCUMSTANCES THAT CONTRIBUTE TO A STUDENT BECOMING AT RISK, INCLUDING THE AVAILABILITY OF DATA ON SUCH CIRCUMSTANCES AND THE DEFINITION OF AT-RISK PUPILS IN SECTION 22-54-103 (1);

(c) EXAMINE AND QUANTIFY THE IMPACT ON EACH SCHOOL DISTRICT OF PRORATING FINANCIAL SUPPORT FOR SPECIAL EDUCATION PROGRAMS, STUDENT TRANSPORTATION PROGRAMS, AND PROGRAMS PROVIDED UNDER ARTICLE 24 OF THIS TITLE; IN ADDITION, EXAMINE AND QUANTIFY THE UNREIMBURSED COST IMPACT OF PROVIDING EDUCATIONAL SERVICES TO STUDENTS WHOSE PRIMARY LANGUAGE IS NOT ADDRESSED UNDER ARTICLE 24 OF THIS TITLE;

(d) EXAMINE AND QUANTIFY THE COST IMPACT ON SCHOOL DISTRICTS THAT CONTAIN WITHIN THEIR BOUNDARIES SEPARATE AND DISTINCT SMALL ATTENDANCE CENTERS;

(e) EXAMINE THE ISSUE OF ECONOMIES OF SCALE AND THE SIZE FACTOR ESTABLISHED PURSUANT TO SECTION 22-54-104 (5) (b);

(f) EXAMINE THE ABILITY OF RURAL AND URBAN PUBLIC SCHOOLS TO MEET THEIR CAPITAL DEMANDS WITHIN THE CONSTRAINTS OF CURRENT LAWS AND REGULATIONS;

(g) EXAMINE THE FEASIBILITY OF CONSOLIDATING DISTRICTS;

(h) EXAMINE THOSE DISTRICTS THAT ARE LEVYING IN EXCESS OF 40.08 MILLS TO PAY FOR THE DISTRICT'S SHARE OF THE DISTRICT'S TOTAL PROGRAM TO DETERMINE WHETHER THE DISTRICT LEVY IS APPROPRIATE.

(2) THE STAFF OF THE LEGISLATIVE COUNCIL SHALL REPORT TO THE EXECUTIVE COMMITTEE OF LEGISLATIVE COUNCIL AS APPROPRIATE REGARDING THE PROGRESS OF THE STUDY.

(3) A FINAL REPORT OF THE FINDINGS SHALL BE PRESENTED TO THE EDUCATION AND FINANCE COMMITTEES OF BOTH HOUSES OF THE GENERAL ASSEMBLY NO LATER THAN JANUARY 15, 1995.

22-54-105. Instructional supplies and materials - capital reserve and insurance reserve. (1) (a) EVERY DISTRICT SHALL BUDGET THE AMOUNT DETERMINED PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (1) TO BE ALLOCATED, IN THE DISCRETION OF THE BOARD OF EDUCATION, TO THE INSTRUCTIONAL SUPPLIES AND MATERIALS ACCOUNT, THE INSTRUCTIONAL CAPITAL OUTLAY ACCOUNT, OR THE OTHER INSTRUCTIONAL PURPOSES ACCOUNT IN THE GENERAL FUND CREATED BY SECTION 22-45-103 (1) (a) (II), OR AMONG SUCH ACCOUNTS. MONEYS MAY BE TRANSFERRED AMONG THE THREE ACCOUNTS. THE MONEYS IN SUCH ACCOUNTS SHALL BE USED FOR THE PURPOSES SET FORTH IN SECTION 22-45-103 (1) (a) (II) AND MAY NOT BE EXPENDED BY THE DISTRICT FOR ANY OTHER PURPOSE. ANY MONEYS IN SUCH ACCOUNTS WHICH ARE NOT PROJECTED TO BE EXPENDED DURING A BUDGET YEAR SHALL BE BUDGETED FOR THE PURPOSES SET FORTH IN SECTION 22-45-103 (1) (a) (II) IN THE NEXT BUDGET YEAR. NOTHING IN THIS SUBSECTION (1) SHALL BE CONSTRUED TO REQUIRE THAT INTEREST ON MONEYS IN SUCH ACCOUNTS BE SPECIFICALLY ALLOCATED TO SUCH ACCOUNTS.

(b) THE AMOUNT TO BE BUDGETED IN ANY BUDGET YEAR SHALL BE THE AMOUNT DETERMINED BY MULTIPLYING ONE HUNDRED ELEVEN DOLLARS BY THE DISTRICT'S

FUNDED PUPIL COUNT.

(c) FOR PURPOSES OF THIS SUBSECTION (1), INSTRUCTIONAL SUPPLIES AND MATERIALS INCLUDE, BUT ARE NOT LIMITED TO, SUPPLIES, TEXTBOOKS, LIBRARY BOOKS, PERIODICALS, AND OTHER SUPPLIES AND MATERIALS. INSTRUCTIONAL CAPITAL OUTLAY INCLUDES THOSE EXPENDITURES WHICH RESULT IN THE ACQUISITION OF FIXED ASSETS FOR INSTRUCTIONAL PURPOSES, OR ADDITIONS THERETO, WHICH THE BOARD OF EDUCATION ANTICIPATES WILL HAVE BENEFITS FOR MORE THAN ONE YEAR. OTHER INSTRUCTIONAL PURPOSES INCLUDE EXPENSES INCURRED IN PROVIDING TRANSPORTATION FOR PUPILS TO AND FROM SCHOOL-SPONSORED INSTRUCTIONAL ACTIVITIES WHICH OCCUR OUTSIDE THE CLASSROOM; COSTS INCURRED FOR REPAIR OR MAINTENANCE SERVICES FOR EQUIPMENT WHICH IS DIRECTLY USED FOR INSTRUCTIONAL PURPOSES; AND COSTS INCURRED IN PROVIDING STAFF DEVELOPMENT DIRECTLY RELATED TO INSTRUCTION. MONEYS EXPENDED FOR STAFF DEVELOPMENT COSTS SHALL NOT EXCEED ONE-THIRD OF THE AMOUNT BUDGETED PURSUANT TO THIS SUBSECTION (1). COSTS INCURRED IN PROVIDING STAFF DEVELOPMENT SHALL INCLUDE MONEYS EXPENDED PURSUANT TO CONTRACTUAL ARRANGEMENTS WITH EDUCATORS AND OTHER STAFF DEVELOPMENT PROVIDERS BUT SHALL NOT INCLUDE MONEYS FOR OUT-OF-STATE TRAVEL OR MONEYS FOR IN-DISTRICT TEACHER SALARY INCREASES. INSTRUCTIONAL SUPPLIES AND MATERIALS, INSTRUCTIONAL CAPITAL OUTLAY, AND OTHER INSTRUCTIONAL PURPOSES ARE LIMITED TO THOSE FUNCTIONS ACCOUNTS AND OBJECTS ACCOUNTS AS PRESCRIBED BY THE STATE BOARD OF EDUCATION.

(d) NOTHING SHALL BE DEEMED TO LIMIT EXPENDITURES FOR INSTRUCTIONAL SUPPLIES AND MATERIALS, INSTRUCTIONAL CAPITAL OUTLAY, AND OTHER INSTRUCTIONAL PURPOSES TO THE AMOUNT REQUIRED TO BE BUDGETED IN ACCORDANCE WITH THIS SUBSECTION (1).

(2) (a) EVERY DISTRICT SHALL BUDGET THE AMOUNT DETERMINED PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (2) TO BE ALLOCATED, IN THE DISCRETION OF THE BOARD OF EDUCATION, TO THE CAPITAL RESERVE FUND CREATED BY SECTION 22-45-103 (1) (c), THE INSURANCE RESERVE FUND CREATED BY SECTION 22-45-103 (1) (e), OR TO ANY OTHER FUND ESTABLISHED SOLELY FOR THE MANAGEMENT OF RISK-RELATED ACTIVITIES AS IDENTIFIED IN SECTION 24-10-115, C.R.S., AND ARTICLE 13 OF TITLE 29, C.R.S., OR AMONG SUCH FUNDS. MONEYS IN THE CAPITAL RESERVE FUND AND INSURANCE RESERVE FUND SHALL BE USED FOR THE PURPOSES SET FORTH IN SECTION 22-45-103 (1) (c) AND (1) (e) AND MAY NOT BE EXPENDED BY THE DISTRICT FOR ANY OTHER PURPOSE. THE BOARD OF EDUCATION MAY TRANSFER MONEYS AMONG THE THREE FUNDS WHEN SUCH TRANSFER IS DEEMED NECESSARY BY THE BOARD.

(b) THE AMOUNT TO BE BUDGETED IN ANY BUDGET YEAR SHALL BE THE AMOUNT DETERMINED BY MULTIPLYING TWO HUNDRED TWO DOLLARS BY THE DISTRICT'S FUNDED PUPIL COUNT. SUCH AMOUNT SHALL BE THE MINIMUM REQUIRED TO BE BUDGETED, AND THE DISTRICT MAY ELECT TO BUDGET UP TO EIGHT HUNDRED DOLLARS MULTIPLIED BY THE DISTRICT'S FUNDED PUPIL COUNT.

22-54-106. Local and state shares of district total program.

(1) (a) (I) EVERY DISTRICT SHALL LEVY THE NUMBER OF MILLS DETERMINED

PURSUANT TO SUBSECTION (2) OF THIS SECTION, AND THE AMOUNT OF PROPERTY TAX REVENUE WHICH THE DISTRICT IS ENTITLED TO RECEIVE FROM THE LEVY, ASSUMING ONE HUNDRED PERCENT COLLECTION, ALONG WITH THE AMOUNT OF SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE DISTRICT, SHALL BE THE DISTRICT'S SHARE OF ITS TOTAL PROGRAM.

(II) FOR THE 1994-95 BUDGET YEAR ONLY, IN DETERMINING THE DISTRICT'S SHARE OF ITS 1994-95 TOTAL PROGRAM, THE DISTRICT SHALL INCLUDE ANY MONEYS RECEIVED AS AN INCREASE IN 1993-94 EQUALIZATION PROGRAM FUNDING PURSUANT TO SECTION 22-53-107.4 AND APPROPRIATED OR OTHERWISE CREDITED TO THE SPECIAL DISTRICT RESERVE PURSUANT TO FORMER SECTION 22-53-107.4 (4) (c).

(b) EXCEPT AS PROVIDED IN SUBSECTION (8) OF THIS SECTION, THE STATE'S SHARE OF A DISTRICT'S TOTAL PROGRAM SHALL BE THE DIFFERENCE BETWEEN THE DISTRICT'S TOTAL PROGRAM AND THE DISTRICT'S SHARE OF ITS TOTAL PROGRAM; EXCEPT THAT NO DISTRICT SHALL RECEIVE LESS IN STATE AID THAN AN AMOUNT ESTABLISHED BY THE GENERAL ASSEMBLY IN THE ANNUAL GENERAL APPROPRIATION ACT BASED UPON THE AMOUNT OF SCHOOL LANDS AND MINERAL LEASE MONEYS RECEIVED PURSUANT TO THE PROVISIONS OF ARTICLE 41 OF THIS TITLE AND SECTION 34-63-102 (2), C.R.S., MULTIPLIED BY THE DISTRICT'S FUNDED PUPIL COUNT.

(2) FOR THE 1994 PROPERTY TAX YEAR AND PROPERTY TAX YEARS THEREAFTER, EACH DISTRICT SHALL LEVY THE LESSER OF:

(a) THE NUMBER OF MILLS LEVIED BY THE DISTRICT FOR THE IMMEDIATELY PRECEDING PROPERTY TAX YEAR;

(b) THE NUMBER OF MILLS THAT WILL GENERATE PROPERTY TAX REVENUE IN AN AMOUNT EQUAL TO THE DISTRICT'S TOTAL PROGRAM FOR THE APPLICABLE BUDGET YEAR MINUS THE DISTRICT'S MINIMUM STATE AID AND MINUS THE AMOUNT OF SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE DISTRICT; OR

(c) THE NUMBER OF MILLS THAT MAY BE LEVIED BY THE DISTRICT UNDER THE PROPERTY TAX REVENUE LIMITATION IMPOSED ON THE DISTRICT BY SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION. IN THE CALCULATION OF LOCAL GROWTH FOR PURPOSES OF DETERMINING THE PROPERTY TAX REVENUE LIMITATION IMPOSED ON A DISTRICT UNDER THIS PARAGRAPH (c), A DISTRICT'S STUDENT ENROLLMENT SHALL BE THE DISTRICT'S FUNDED PUPIL COUNT.

(3) THE PROPERTY TAX REVENUE WHICH A DISTRICT IS ENTITLED TO RECEIVE FROM THE LEVY MADE PURSUANT TO SUBSECTION (2) OF THIS SECTION FOR THE 1994 PROPERTY TAX YEAR AND PROPERTY TAX YEARS THEREAFTER SHALL BE USED TO FUND THE DISTRICT'S SHARE OF ITS TOTAL PROGRAM FOR THE BUDGET YEAR BEGINNING ON JULY 1 OF SUCH PROPERTY TAX YEAR, AND THE TOTAL AMOUNT OF SUCH REVENUE SHALL BE CONSIDERED TO BE COLLECTED DURING SUCH BUDGET YEAR FOR PURPOSES OF DETERMINING THE STATE'S SHARE OF THE DISTRICT'S TOTAL PROGRAM.

(4) (a) THE GENERAL ASSEMBLY SHALL MAKE ANNUAL APPROPRIATIONS TO

FUND THE STATE'S SHARE OF THE TOTAL PROGRAM OF ALL DISTRICTS.

(b) IN THE EVENT THAT THE APPROPRIATION FOR THE STATE'S SHARE OF THE TOTAL PROGRAM OF ALL DISTRICTS UNDER THIS ARTICLE FOR ANY BUDGET YEAR, AS ESTABLISHED IN THE GENERAL APPROPRIATION ACT, IS NOT SUFFICIENT TO FULLY FUND THE STATE'S SHARE, THE DEPARTMENT OF EDUCATION SHALL SUBMIT A REQUEST FOR A SUPPLEMENTAL APPROPRIATION IN AN AMOUNT WHICH WILL FULLY FUND THE STATE'S SHARE. SUCH REQUEST SHALL BE MADE TO THE GENERAL ASSEMBLY DURING THE FISCAL YEAR IN WHICH SUCH UNDERFUNDING OCCURS.

(c) IF A SUPPLEMENTAL APPROPRIATION IS NOT MADE BY THE GENERAL ASSEMBLY TO FULLY FUND THE STATE'S SHARE OF THE TOTAL PROGRAM OF ALL DISTRICTS OR A SUPPLEMENTAL APPROPRIATION IS MADE TO REDUCE THE STATE'S SHARE OF THE TOTAL PROGRAM OF ALL DISTRICTS, THE STATE AID OF EACH DISTRICT SHALL BE REDUCED IN ACCORDANCE WITH THE PROVISIONS OF THIS PARAGRAPH (c). THE TOTAL PROGRAM OF EACH DISTRICT THAT RECEIVES STATE AID SHALL BE REDUCED BY A PERCENTAGE DETERMINED BY DIVIDING THE DEFICIT IN THE APPROPRIATION OR THE REDUCTION IN THE APPROPRIATION, WHICHEVER IS APPLICABLE, BY THE TOTAL PROGRAM OF ALL DISTRICTS WHICH RECEIVE STATE AID. THE STATE AID OF EACH DISTRICT SHALL BE REDUCED BY THE AMOUNT OF THE REDUCTION IN THE DISTRICT'S TOTAL PROGRAM OR THE AMOUNT OF STATE AID, WHICHEVER IS LESS. THE DEPARTMENT OF EDUCATION SHALL SEE THAT THE REDUCTION IN STATE AID REQUIRED BY THIS PARAGRAPH (c) IS ACCOMPLISHED PRIOR TO THE END OF THE BUDGET YEAR.

(5) EXCEPT AS OTHERWISE PROVIDED IN SECTIONS 22-54-107 AND 22-54-108, NO DISTRICT MAY CERTIFY A LEVY FOR ITS GENERAL FUND IN EXCESS OF THAT AUTHORIZED BY THIS SECTION.

(6) IF A DISTRICT DOES NOT CERTIFY AT LEAST THE MILL LEVY REQUIRED BY SUBSECTION (2) OF THIS SECTION, THE DEPARTMENT SHALL DETERMINE WHAT THE STATE'S PERCENTAGE SHARE OF THE DISTRICT'S TOTAL PROGRAM WOULD HAVE BEEN HAD THE DISTRICT CERTIFIED THE REQUIRED MILL LEVY. THE DEPARTMENT OF EDUCATION SHALL REDUCE THE DISTRICT'S STATE AID IN AN AMOUNT WHICH WILL RESULT IN THE STATE'S PERCENTAGE SHARE OF THE DISTRICT'S TOTAL PROGRAM REMAINING THE SAME AS IF THE DISTRICT HAD CERTIFIED THE REQUIRED MILL LEVY.

(7) FOR THE 1994 PROPERTY TAX YEAR AND PROPERTY TAX YEARS THEREAFTER, ALL MILL LEVIES AUTHORIZED OR REQUIRED BY THIS SECTION OR SECTIONS 22-54-107 AND 22-54-108 SHALL BE ROUNDED TO THE NEAREST ONE-THOUSANDTH OF ONE MILL.

(8) (a) FOR ANY SCHOOL DISTRICT WHICH HAS ENTERED INTO AN AGREEMENT WITH A TAXPAYER PURSUANT TO SECTION 22-32-110 (1) (ff) OR (1) (gg) AND WHICH IS SUBJECT TO THE PROVISIONS OF THIS SUBSECTION (8), THE STATE'S SHARE OF THE DISTRICT'S TOTAL PROGRAM SHALL BE THE AMOUNT BY WHICH THE DISTRICT'S TOTAL PROGRAM EXCEEDS THE AMOUNT OF SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE DISTRICT AND THE AMOUNT OF PROPERTY TAX REVENUE WHICH THE DISTRICT WOULD HAVE BEEN ENTITLED TO RECEIVE IF THE VALUATION FOR ASSESSMENT OF THE DISTRICT DID NOT INCLUDE THE PORTION OF THE

VALUATION FOR ASSESSMENT OF THE PERSONAL PROPERTY OF SUCH TAXPAYER WHICH, WHEN LEVIED UPON BY THE DISTRICT, WOULD RESULT IN PROPERTY TAX REVENUE EQUAL TO THE AMOUNT OF INCENTIVE PAYMENT TO SUCH TAXPAYER PURSUANT TO SUCH AGREEMENT.

(b) THE CALCULATION REQUIRED BY PARAGRAPH (a) OF THIS SUBSECTION (8) IS SOLELY FOR THE PURPOSE OF DETERMINING THE STATE'S SHARE OF A DISTRICT'S TOTAL PROGRAM IF THE DISTRICT HAS ENTERED INTO AN AGREEMENT PURSUANT TO SECTION 22-32-110 (1) (ff) OR (1) (gg), AND NOTHING IN THIS SUBSECTION (8) SHALL BE CONSTRUED TO DECREASE THE VALUATION FOR ASSESSMENT OF PERSONAL PROPERTY IN THE DISTRICT OR TO AFFECT THE NUMBER OF MILLS REQUIRED BY SUBSECTION (2) OF THIS SECTION OR SECTION 22-54-107 TO BE LEVIED ON THE VALUATION FOR ASSESSMENT OF REAL AND PERSONAL PROPERTY IN THE DISTRICT.

(c) NOTHING IN THIS SUBSECTION (8) SHALL BE CONSTRUED TO INCREASE A DISTRICT'S TOTAL PROGRAM AS DETERMINED IN ACCORDANCE WITH SECTION 22-54-104.

(9) IF A DISTRICT REDUCES OR ENDS BUSINESS PERSONAL PROPERTY TAXES THROUGH ACTION TAKEN PURSUANT TO SECTION 20 (8) (b) OF ARTICLE X OF THE STATE CONSTITUTION, THE STATE'S SHARE OF THE DISTRICT'S TOTAL PROGRAM FOR THE BUDGET YEAR IN WHICH SUCH ACTION IS TAKEN AND ANY BUDGET YEAR THEREAFTER SHALL BE THE AMOUNT BY WHICH THE DISTRICT'S TOTAL PROGRAM EXCEEDS THE AMOUNT OF SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE DISTRICT AND THE AMOUNT OF PROPERTY TAX REVENUE WHICH THE DISTRICT WOULD HAVE BEEN ENTITLED TO RECEIVE IF SUCH ACTION HAD NOT BEEN TAKEN BY THE DISTRICT.

22-54-107. Buy-out of categorical programs. (1) IF A DISTRICT LEVIES THE NUMBER OF MILLS CALCULATED PURSUANT TO SECTION 22-54-106 (2) (b), THE DISTRICT SHALL MAKE AN ADDITIONAL LEVY TO GENERATE PROPERTY TAX REVENUE IN AN AMOUNT EQUAL TO THE AMOUNT OF CATEGORICAL SUPPORT FUNDS; EXCEPT THAT THE TOTAL OF THE TWO LEVIES CANNOT EXCEED THE DISTRICT'S LEVY FOR THE IMMEDIATELY PRECEDING YEAR OR THE DISTRICT'S ALLOWABLE LEVY UNDER THE PROPERTY TAX REVENUE LIMITATION IMPOSED ON THE DISTRICT BY SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION.

(2) WHEN A DISTRICT RECEIVES PROPERTY TAX REVENUE FROM THE ADDITIONAL LEVY MADE PURSUANT TO SUBSECTION (1) OF THIS SECTION OR WHEN A DISTRICT HAS ELECTED TO KEEP EXCESS PROPERTY TAX REVENUE COLLECTED DURING THE 1992 CALENDAR YEAR PURSUANT TO THE PROVISIONS OF SECTION 22-44-103.5 (2) (b) (III) (C) OR (2) (c) (III), SUCH PROPERTY TAX REVENUE SHALL BE USED TO REPLACE, ON A PRO RATA BASIS, ANY CATEGORICAL PROGRAM SUPPORT FUNDS WHICH SUCH DISTRICT WOULD OTHERWISE BE ELIGIBLE TO RECEIVE FROM THE STATE. THE AMOUNT OF CATEGORICAL PROGRAM SUPPORT FUNDS REPLACED BY PROPERTY TAX REVENUE PURSUANT TO THE PROVISIONS OF THIS SUBSECTION (2) SHALL BE USED TO MAKE PAYMENTS OF CATEGORICAL PROGRAM SUPPORT FUNDS TO ELIGIBLE DISTRICTS, AND, IN THE EVENT THAT THE APPROPRIATIONS FOR CATEGORICAL PROGRAMS ARE LESS THAN THE TOTAL CATEGORICAL PROGRAM SUPPORT FUNDS TO WHICH DISTRICTS ARE ENTITLED

UNDER APPLICABLE PROVISIONS OF LAW, SUCH FUNDS SHALL BE APPLIED TO CATEGORICAL PROGRAMS IN THE FOLLOWING ORDER:

- (a) FIRST, TRANSPORTATION AID PURSUANT TO ARTICLE 51 OF THIS TITLE;
- (b) SECOND, FUNDS PURSUANT TO THE "ENGLISH LANGUAGE PROFICIENCY ACT", ARTICLE 24 OF THIS TITLE; AND
- (c) THIRD, FUNDS PURSUANT TO THE "EXCEPTIONAL CHILDREN'S EDUCATIONAL ACT", ARTICLE 20 OF THIS TITLE.

(3) FOR PURPOSES OF THIS SECTION, "CATEGORICAL PROGRAM SUPPORT FUNDS WHICH THE DISTRICT WOULD OTHERWISE BE ELIGIBLE TO RECEIVE FROM THE STATE" MEANS AMOUNTS WHICH THE DISTRICT WOULD HAVE RECEIVED FROM THE STATE BUT WHICH WILL BE RECEIVED INSTEAD FROM PROPERTY TAX REVENUES BY REASON OF THIS SECTION AND INCLUDES FUNDS PURSUANT TO THE "EXCEPTIONAL CHILDREN'S EDUCATIONAL ACT", ARTICLE 20 OF THIS TITLE, FUNDS PURSUANT TO THE "ENGLISH LANGUAGE PROFICIENCY ACT", ARTICLE 24 OF THIS TITLE, TRANSPORTATION AID PURSUANT TO ARTICLE 51 OF THIS TITLE, AND VOCATIONAL EDUCATION AID PURSUANT TO ARTICLE 8 OF TITLE 23, C.R.S. FUNDS RECEIVED BY AN ADMINISTRATIVE UNIT UNDER THE "EXCEPTIONAL CHILDREN'S EDUCATIONAL ACT", ARTICLE 20 OF THIS TITLE, AS REIMBURSEMENT FOR SERVICES PROVIDED TO CHILDREN COUNTED IN THE PUPIL ENROLLMENT OF A DISTRICT SHALL BE CONSIDERED AS FUNDS WHICH A DISTRICT WOULD OTHERWISE BE ELIGIBLE TO RECEIVE FOR PURPOSES OF THIS SUBSECTION (3).

22-54-108. Authorization of additional local revenues. (1) EFFECTIVE JULY 1, 1994, A DISTRICT WHICH DESIRES TO RAISE AND EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE DISTRICT'S TOTAL PROGRAM, AS DETERMINED IN ACCORDANCE WITH SECTION 22-54-104, MAY SUBMIT THE QUESTION OF WHETHER THE DISTRICT SHOULD BE AUTHORIZED TO RAISE AND EXPEND ADDITIONAL LOCAL PROPERTY TAX REVENUES, SUBJECT TO THE LIMITATIONS OF SUBSECTION (3) OF THIS SECTION, THEREBY AUTHORIZING AN ADDITIONAL LEVY FOR THE DISTRICT'S GENERAL FUND FOR THE THEN CURRENT BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER. THE QUESTION AUTHORIZED BY THIS SUBSECTION (1) SHALL BE SUBMITTED AT AN ELECTION HELD IN ACCORDANCE WITH SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION AND TITLE 1, C.R.S.

(2) EFFECTIVE JULY 1, 1994, UPON PROPER SUBMITTAL TO A DISTRICT OF A VALID INITIATIVE PETITION, THE DISTRICT SHALL SUBMIT TO THE ELIGIBLE ELECTORS OF THE DISTRICT THE QUESTION OF WHETHER THE DISTRICT SHOULD BE AUTHORIZED TO RAISE AND EXPEND ADDITIONAL LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE DISTRICT'S TOTAL PROGRAM AS DETERMINED IN ACCORDANCE WITH SECTION 22-54-104, SUBJECT TO THE LIMITATIONS OF SUBSECTION (3) OF THIS SECTION, THEREBY AUTHORIZING AN ADDITIONAL LEVY FOR THE DISTRICT'S GENERAL FUND FOR THE THEN CURRENT BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER. THE QUESTION AUTHORIZED BY THIS SUBSECTION (2) SHALL BE SUBMITTED AT AN ELECTION HELD IN ACCORDANCE WITH SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION AND TITLE 1, C.R.S. AN INITIATIVE PETITION UNDER THIS SUBSECTION (2) SHALL BE SIGNED BY AT LEAST FIVE PERCENT OF THE ELIGIBLE ELECTORS IN THE DISTRICT AT THE TIME THE PETITION IS FILED.

(3) (a) NOTWITHSTANDING THE PROVISIONS OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION WHICH ALLOW DISTRICTS TO SEEK VOTER APPROVAL FOR SPENDING AND REVENUE INCREASES, THE PROVISIONS OF THIS SUBSECTION (3) SHALL LIMIT A DISTRICT'S AUTHORITY TO RAISE AND EXPEND LOCAL PROPERTY TAX REVENUES IN EXCESS OF THE DISTRICT'S TOTAL PROGRAM AS DETERMINED IN ACCORDANCE WITH SECTION 22-54-104.

(b) WHENEVER A DISTRICT IS GRANTED THE AUTHORITY TO RAISE AND EXPEND ADDITIONAL LOCAL PROPERTY TAX REVENUES, THE SPECIFIC DOLLAR AMOUNT APPROVED AT THE ELECTION, IN ADDITION TO SPECIFIC DOLLAR AMOUNTS OF ADDITIONAL LOCAL PROPERTY TAX REVENUES APPROVED AT PREVIOUS ELECTIONS UNDER THE PROVISIONS OF FORMER SECTION 22-53-117, SHALL BE THE MAXIMUM THAT MAY BE RAISED AND EXPENDED UNDER THIS ARTICLE IN ADDITION TO THE DISTRICT'S TOTAL PROGRAM. THE TOTAL ADDITIONAL LOCAL PROPERTY TAX REVENUES WHICH MAY BE AUTHORIZED AT ELECTIONS HELD PURSUANT TO THIS SECTION SHALL NOT EXCEED UNDER ANY CIRCUMSTANCES TWENTY PERCENT OF THE DISTRICT'S TOTAL PROGRAM, AS DETERMINED PURSUANT TO SECTION 22-54-104 (2), FOR THE BUDGET YEAR IN WHICH THE ELECTION AT WHICH THE TWENTY PERCENT LIMITATION WAS REACHED OR TWO HUNDRED THOUSAND DOLLARS, WHICHEVER IS GREATER.

(c) THE TOTAL DOLLAR AMOUNT OF ADDITIONAL LOCAL PROPERTY TAX REVENUES WHICH MAY BE RAISED AND EXPENDED PURSUANT TO THE PROVISIONS OF THIS SECTION SHALL NOT BE INCREASED UNLESS THE DISTRICT SUBMITS THE QUESTION OF THE INCREASE TO THE ELIGIBLE ELECTORS IN THE MANNER PROVIDED IN SUBSECTION (1) OF THIS SECTION OR UNLESS THE QUESTION OF THE INCREASE IS SUBMITTED TO THE ELIGIBLE ELECTORS BY INITIATIVE IN THE MANNER PROVIDED IN SUBSECTION (2) OF THIS SECTION. ONCE A DISTRICT REACHES THE LIMITATION, THE DISTRICT SHALL NOT BE AUTHORIZED TO HOLD ANOTHER ELECTION PURSUANT TO THIS SECTION.

(d) (I) IN APPLYING THE LIMITATION IN THIS SUBSECTION (3) TO ELECTIONS HELD AFTER JULY 1, 1994, ANY ADDITIONAL LOCAL PROPERTY TAX REVENUES AUTHORIZED AT ELECTIONS HELD UNDER THE PROVISIONS OF FORMER SECTION 22-53-117 PRIOR TO JULY 1, 1994, SHALL BE COUNTED TOWARDS SUCH LIMITATION.

(II) IN ADDITION TO THE ADDITIONAL LOCAL PROPERTY TAX REVENUES THAT MUST BE COUNTED TOWARDS SUCH LIMITATION PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (d), A PORTION OF THE SPECIFIC OWNERSHIP TAX REVENUE PAID TO THE DISTRICT DURING THE PRIOR BUDGET YEAR MAY BE REQUIRED TO BE COUNTED TOWARDS SUCH LIMITATION. THE PORTION OF THE SPECIFIC OWNERSHIP TAX PAID TO THE DISTRICT, IF ANY, THAT MUST BE COUNTED TOWARD SUCH LIMITATION SHALL BE CALCULATED AS FOLLOWS:

(A) THE AMOUNT OF SPECIFIC OWNERSHIP TAX REVENUE ATTRIBUTABLE TO PROPERTY TAX LEVIES MADE BY THE DISTRICT WHICH HAVE BEEN AUTHORIZED AT ELECTIONS HELD UNDER THE PROVISIONS OF FORMER SECTION 22-53-117 OR THIS SECTION, IF ANY; AND

(B) THE AMOUNT OF SPECIFIC OWNERSHIP TAX REVENUE ATTRIBUTABLE TO

PROPERTY TAX LEVIES MADE BY THE DISTRICT FOR THE PURPOSE OF SATISFYING BONDED INDEBTEDNESS, BOTH PRINCIPAL AND INTEREST, WHICH IS NOT BEING USED BY THE DISTRICT FOR THE PURPOSE OF SATISFYING THE BONDED INDEBTEDNESS, IF ANY.

(III) IF THE ADDITIONAL LOCAL PROPERTY TAX REVENUES ALREADY AUTHORIZED AND THE SPECIFIC OWNERSHIP TAX REVENUE, IF ANY, EXCEEDS THE LIMITATION, THE DISTRICT SHALL NOT BE AUTHORIZED TO HOLD AN ELECTION PURSUANT TO THE PROVISIONS OF THIS SECTION UNTIL THE LIMITATION IS GREATER THAN THE ADDITIONAL LOCAL PROPERTY TAX REVENUES ALREADY AUTHORIZED AND THE SPECIFIC OWNERSHIP TAX REVENUE, IF ANY.

22-54-109. [Formerly 22-53-104.] Attendance in district other than district of residence. (1) Districts paying tuition for pupils of residence in the district to attend public schools in other Colorado school districts and in school districts of adjoining states shall report and be entitled to support for such pupils; except that no district shall report any pupil who is from another district and whose tuition is paid by the pupil's district of residence.

(2) Any court of record, the department of social services, or any other agency authorized to place a child in a residential child care facility shall notify the school district of residence of such child, the district in which the child will receive educational services, and the department of education of such placement within fifteen days after the placement.

(3) Every school district shall report to the department of education, by district of residence, the number of pupils not included in the district's pupil enrollment but who are receiving educational services in residential child care facilities, community centers, regional centers, the school for the deaf and the blind, and other group care facilities or homes designated by the state board within the district's boundaries. The department of education shall annually withhold an amount equal to the district of residence's per pupil operating revenues for each such child counted by local school districts but not actually attending classes in the district of residence and included on the roll of out-of-district placed children. The department shall forward to the district or state institution or facility delivering the education, on a monthly basis, the proportional amount of the state average per pupil operating revenues.

(4) For children with disabilities residing in a particular school district but receiving an education in another school district, a state institution or facility, a residential child care facility, or an eligible nonprofit organization within Colorado, the state average per pupil operating revenues shall be the district of residence's total responsibility under this ~~part~~ ARTICLE for the education of that child. The provisions of this subsection (4) shall not apply to children with disabilities enrolled in an interdistrict participating school district pursuant to the provisions of article 36 of this title.

22-54-110. [Formerly 22-53-122.5] Loans to alleviate cash flow management problems. (1) (a) Upon approval by the state treasurer of the application of a district to participate in an interest-free loan program, the state treasurer shall make available to such district in any month of the budget year an

interest-free loan from the state general fund in an amount ~~not to exceed one thousand dollars above the projected general fund cash deficit~~ for the month as certified by the chief financial officer and the superintendent of the district. The state treasurer shall determine the methodology for the calculation of cash deficits and establish reporting mechanisms necessary to ensure consistent and accurate reporting of cash deficits. No loan shall be made in any month unless the district has demonstrated, to the satisfaction of the state treasurer, that a general fund cash deficit will exist for that month.

(b) A loan may not be made under this section to provide assistance for matters eligible for payment from the contingency reserve pursuant to section ~~22-53-124~~ 22-54-117 or to cover a foreseeable level of uncollectible property taxes, nor may a loan be used by a district for the simultaneous purchase and sale of the same security or an equivalent security in order to profit from price disparity.

(2) (a) For the months of March, April, and May of each budget year, any district receiving a loan under the provisions of this section shall begin to repay such loan if the district's available resources, as of the last day of the month, increased by the next month's revenues exceed the next month's expenditures plus a cash reserve. The excess resources must be remitted to the state treasurer by the close of business on the fifth business day of the following month. All loans shall be repaid by June 25 of the state fiscal year in which the loan was made or on an alternative date as determined by the state treasurer.

(b) For purposes of paragraph (a) of this subsection (2):

(I) "Available resources" means any available cash and investments in district funds which can be used to alleviate general fund cash shortfalls including, but not limited to, the district's capital reserve and insurance reserve funds. "Available resources" shall not include cash that is legally segregated or pledged by contract or by rule and regulation of the state board.

(II) "Cash reserve" means eight percent of the district's average monthly expenditures or twenty thousand dollars, whichever is greater.

(c) A lien in the amount of any such loan shall attach to any district property tax revenues, except for bond redemption fund revenues, collected during the state fiscal year in which the loan was made, and such lien shall have priority over all other expenditures from such revenues until the loan shall have been repaid in full. The county treasurer of the county in which the headquarters of the district are located shall be jointly responsible with the district for repayment of any loan made pursuant to this section. If a district fails to repay a loan to the state treasurer in accordance with the provisions of this section, the state treasurer shall notify the county treasurer of the county in which the district is located that the district is in default on the loan and the amount of the default. The county treasurer shall withhold any moneys of the district in the county treasurer's possession in an amount equal to the amount of the default and transmit said moneys to the state treasurer. If the amount of moneys of the district in the county treasurer's possession at the time notice of the default is given is less than the amount of the default, the county treasurer shall withhold additional moneys of the district until such time as the default has been completely paid to the state

treasurer.

(3) The state treasurer shall consult with the department of education concerning the administration of the loan program under this section in order to assure that it is implemented in a manner which will minimize the loss of interest to the general fund caused by the loan of moneys to districts IN ORDER to alleviate cash flow management problems.

(4) A district receiving a loan pursuant to this section shall be subject to an audit conducted by, or contracted for by, the state auditor and shall be penalized through the withholding of state aid in the event an audit finds the district used the loan in a manner contrary to the provisions of this section.

22-54-111. [Formerly 22-53-118.] Adjustments in valuation for assessment. (1) For each budget year, in calculating the total amount of revenue which a district is entitled to receive from the property tax levy for the general fund of a district during the budget year, the valuation for assessment of a district shall be adjusted as provided in subsection (2) of this section.

(2) If the valuation for assessment of a district includes the value of a certain property that was formerly tax-exempt but becomes taxable as a result of a change in the applicable state law and said inclusion is challenged by administrative appeal or litigation or both and the property taxes attributable to said property are not paid pending the outcome of said challenge, the valuation for assessment attributable to said property shall be subtracted from the valuation for assessment of the school district. If said property is finally determined to have been properly included in the district's valuation for assessment, the valuation for assessment attributable to said property shall be restored to the district's valuation for assessment, and the state general fund shall be reimbursed in full by the school district after collection of taxes, plus interest at the same rate as provided by statute for penalty interest on unpaid property taxes.

22-54-112. [Formerly 22-53-119.] Reports to the state board. (1) On or before November 15 of each year, the property tax administrator shall certify to the state board the valuations for assessment of all taxable property within each county and for each district or portion of a joint district in each county, with the exception of the city and county of Denver, for which the time of certification shall be on or before December 20. The furnishing of certified copies of the board of county commissioners' certification of levies and revenue to the county assessor and the property tax administrator, as provided by section 39-1-111 (2), C.R.S., shall be considered as having fulfilled the requirement of this section.

(2) On or before November 10 of each year, the secretary of the board of education of each district shall certify to the state board the pupil enrollment of the district taken in the preceding October. ~~On or before March 10 of each year, the secretary of the board of education of such district shall certify to the state board the pupil enrollment of the district taken in the preceding February.~~

(3) If the valuation for assessment for all or a part of any district has been divided for an urban renewal area, pursuant to section 31-25-107 (9) (a), C.R.S., any report under this section shall be based upon that portion of the valuation for

assessment under said section 31-25-107 (9) (a) (I), C.R.S., so long as such division remains in effect.

22-54-113. [Formerly 22-53-120.] County public school fund. (1) There is hereby created in the office of the county treasurer of each county a continuing fund, to be known as the county public school fund, into which shall be paid the proceeds of all county school moneys.

(2) Each district in the county shall be entitled to receive distribution during a budget year of moneys in the county public school fund in the proportion that its funded pupil count in the county is to the aggregate of the funded pupil counts of all districts in the county.

(3) The department of education shall determine the proportionate part of the county public school fund to be paid during the budget year to each district in the county and, on or before the first day of each budget year, shall certify such determination to the county treasurer. The CERTIFIED proportions ~~so certified~~ shall be the basis upon which the moneys in the fund shall be distributed during the ensuing budget year. At the end of each month during such year, the county treasurer shall credit or pay over the proper proportions of the moneys in the fund to the general funds of the districts in the county.

(4) For the purpose of determination and certification by the state board and distribution of moneys in the fund, the funded pupil count of a joint district shall be apportioned and assigned to the portion of the district in each county having territory in the district in the same proportion as the portion of the district's funded pupil count attributable to pupils resident in each county bears to the total funded pupil count of the joint district. The secretary of the board of education of each joint district shall certify to the state board the required information applicable to each county.

22-54-114. [Formerly 22-53-121.] State public school fund. (1) There is hereby created in the office of the state treasurer a fund, separate from the general fund, to be known as the state public school fund. There shall be credited to said fund the net balance of the public school income fund existing as of December 31, 1973, and all distributions from the state public school income fund thereafter made, the state's share of all moneys received from the federal government pursuant to the provisions of section 34-63-102, C.R.S., and such additional moneys as shall be appropriated by the general assembly which are necessary to meet the ~~total~~ state's share of ~~equalization support~~, THE TOTAL PROGRAM OF ALL DISTRICTS AND THE contingency reserve ~~and additional aid to districts with increased enrollments~~ during the budget year. Moneys annually appropriated by the general assembly shall be transferred from the state general fund and credited to the state public school fund in four quarterly installments on July 1, September 30, December 31, and March 31 to assure the availability of funds for the required distribution of state moneys to school districts. Such quarterly installments shall be determined in accordance with estimates prepared by the department of education with respect to the required distribution of state moneys to school districts.

(2) No later than thirty days prior to the beginning of the budget year, the

department of education shall determine the estimated requirements IN ORDER to provide each district the amount it is eligible to receive from the state during the next ensuing fiscal year of the state. The appropriation by the general assembly shall be based on the requirements necessary to provide all districts WITH the amounts they are each eligible to receive from the state, pursuant to the provisions of this part 1, during the next ensuing fiscal year of the state.

(3) Fifty percent of any unexpended balance of moneys appropriated by the general assembly in the state public school fund at the end of each fiscal year shall be transferred to the schools of choice fund created in section 22-36-105 and the remaining fifty percent shall be transferred to the Colorado comprehensive health education fund created in section 22-25-109, but any balances derived from other sources shall remain in said state public school fund and become available for distribution during the following fiscal year.

22-54-115. [Formerly 22-53-122.] Distributions from state public school fund. (1) (a) ~~No later than December 31, 1990, the state board shall determine the amount of the state's share of the equalization program funding for each district for the 1991 budget year and the total thereof for all districts. The state's share of the equalization program funding for a district shall be payable in such amounts and at such times during the 1991 budget year as the department of education determines is necessary.~~

~~(b) No later than December 31, 1991, the state board shall determine the amount of the state's share of the equalization program funding for each district for the 1992 transitional budget year and the total thereof for all districts. Payments of state moneys to a district shall be made by the department of education in accordance with rules and regulations adopted by the state board.~~

~~(c) No later than June 30 of each year, the state board shall determine the amount of the state's share of the equalization DISTRICT'S TOTAL program funding for each district for the budget year beginning on July 1, and the total thereof for all districts, which amount shall be payable in twelve approximately equal monthly payments during such budget year; except that such payments shall be adjusted following THE CERTIFICATION OF PUPIL ENROLLMENTS AND the certification of valuations for assessment to the state board pursuant to section 22-53-119 (1) 22-54-112 (1) AND (2).~~

(2) No later than the fifteenth day of each month, the state board shall certify to the state treasurer the amount payable to each district during said month.

(3) No later than the twenty-fifth day of each month, the state treasurer shall pay the amount certified directly to the treasurer of each district.

(4) The state board shall take care to avoid overpayment of state moneys. If it is determined that any district has been overpaid in any month, the state board shall adjust the next following monthly payment or payments to such district so as to recover the amount overpaid. In the event that an overpayment cannot be so recovered, the amount thereof shall be refunded to the state public school fund by the district receiving the same.

~~(5) In the event that the appropriation for the state's share of equalization program funding under this part 1 is reduced by any supplemental appropriation, the amount of such reduction shall be divided by the total amount of equalization program funding of all districts in the state which receive state funds under this part 1. The result shall be stated as a percent. The department of education shall apply such percent to the equalization program funding of each district which receives state funds. The resulting amount shall be withheld from the monthly payments of state funds remaining to be made to the district prior to the June 30 next following and shall be divided equally between all such remaining payments. Nothing in this subsection (5) shall require the withholding from any district of more funds than remain to be paid thereto.~~

22-54-116. [Formerly 22-53-123.] Notice to taxpayers - assistance by department of education. The department of education shall assist each district in complying with the requirements of section 22-40-102 (6), concerning notice to taxpayers of the reduced mill levy attributable to funds received pursuant to this ~~part 1~~ ARTICLE.

22-54-117. [Formerly 22-53-124.] Contingency reserve. (1) An amount to be determined by the general assembly shall be appropriated annually to the state public school fund as a contingency reserve. In deciding the amount to be appropriated to the contingency reserve, the general assembly may take into consideration any recommendations made by the department of education, but nothing in this section shall be construed to obligate the general assembly to provide supplemental assistance to all districts determined to be in need ~~thereof~~ or fully fund the total amount of such need. The state board is authorized to approve and order payments from such contingency reserve for supplemental assistance to districts determined to be in need ~~thereof~~ as the result of any or all of the following circumstances:

(a) Financial emergencies caused by an act of God or arising from extraordinary problems in the collection of taxes;

(b) Financial emergencies arising from the nonpayment of property taxes pending the outcome of an administrative appeal or litigation or both challenging the inclusion of the value of certain property in a county's abstract of assessment which resulted from a change in the applicable state law;

(b.5) The amount of property tax levied and collected pursuant to section 39-10-114, C.R.S., is insufficient for the purpose of making abatements and refunds of property taxes which the district is required to make pursuant to said section; ~~In determining which districts receive payments pursuant to this paragraph (b.5) and the amount of such payments, the state board shall consider the amount of the insufficiency as a percentage of the district's total equalization program funding.~~

(c) Any contingency which could not have been reasonably foreseen at the time of the adoption of the annual budget, including, but not limited to, reductions in valuation of the district in excess of twenty percent as described in section 39-10-114 (1) (a) (I) (B.5), C.R.S.;

(d) Unusual financial burden caused by instruction of children who formerly resided outside the district but have been assigned to live within the district by courts or public welfare agencies. Such supplemental assistance shall not exceed the additional cost for current operations incurred by this circumstance.

(2) Application by a district for supplemental assistance shall set forth fully the grounds upon which it relies for assistance and shall be sworn to under oath by the president and secretary of the district board of the district.

(3) The state board shall conduct such investigation as it deems proper, and, if it finds that an application should be approved, it shall determine the amount to be paid. ~~and;~~ IN DETERMINING WHICH DISTRICTS RECEIVE PAYMENTS PURSUANT TO THIS SECTION AND THE AMOUNT OF SUCH PAYMENTS, THE STATE BOARD SHALL CONSIDER THE AMOUNT OF THE SUPPLEMENTAL ASSISTANCE REQUESTED BY THE DISTRICT AS A PERCENTAGE OF THE DISTRICT'S TOTAL PROGRAM. By order upon the state treasurer, SAID BOARD shall direct payment from the contingency reserve of such amount to the treasurer of the eligible district for credit to the general fund of the district.

(4) Notwithstanding the provisions of subsection (1) of this section concerning circumstances under which the state board may approve and order payments from the contingency reserve, the state board may, in cases of extreme emergency, take into consideration such other factors as it may deem necessary and proper in granting supplemental assistance from the contingency reserve to those districts which could not maintain their schools without such additional financial assistance.

(5) If a payment for supplemental assistance is made pursuant to paragraph (b) of subsection (1) of this section and the disputed property is finally determined to have been properly included in the abstract of assessment, the payment shall be reimbursed by the school district after collection of the taxes to the contingency reserve fund in full, plus interest at the same rate as provided by statute for penalty interest on unpaid property taxes.

(6) Any unexpended balance in the contingency reserve at the end of each fiscal year shall revert to the state general fund.

22-54-118. [Formerly 22-53-125.] Joint districts. (1) The board of education of a joint district shall determine the location of its administrative headquarters and shall notify both the state board and the treasurer of each county in which any territory of such joint district is situated of such location.

(2) Allocation of moneys in the county public school fund to a joint district partially situated in a county shall be made on the basis set forth in section ~~22-53-120~~ 22-54-113.

(3) All moneys collected under this ~~part~~ ARTICLE by the county treasurer of a county in which part of a joint district is situated shall be credited to such joint district and at the end of each month shall be paid over ~~by him~~ to the treasurer of the county in which the administrative headquarters of such joint district is located and forthwith credited or paid over to the general fund of such joint district. The

treasurer of the county in which the administrative headquarters of the joint district is located shall make no charge for collection of moneys transferred to him from other counties. Warrants of a joint district shall be drawn only upon the treasurer of the county in which its administrative headquarters is located in those cases where a district has not elected under law to withdraw its funds from the custody of the county treasurer.

22-54-119. [Formerly 22-53-126.] General provisions. (1) The county treasurer shall charge a collection fee of one-half of one percent upon moneys collected for or distributed by him to any district located in whole or in part in his THE county from taxes levied for the general fund of the district.

(2) Nothing in this ~~part~~ ARTICLE shall affect or limit the authority of any district to make such other tax levies as are provided by law.

(3) Nothing in this ~~part~~ ARTICLE shall in any manner affect the rights of districts to moneys allowable or payable to such districts under the provisions of other laws.

22-54-120. [Formerly 22-53-127.] Rules and regulations. (1) The state board shall make reasonable rules and regulations necessary for the administration and enforcement of this ~~part~~ ARTICLE.

(2) All reports and certifications required from secretaries of boards of education pursuant to the provisions of this ~~part~~ ARTICLE shall be made in such manner and form as may be prescribed by the state board.

SECTION 3. Repeal. Part 1 of article 53 of title 22, Colorado Revised Statutes, 1988 Repl. Vol., as amended, is repealed.

SECTION 4. 22-28-104 (2), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-28-104. Establishment of public preschool programs. (2) IN RECOGNITION OF THE FACT THAT THERE ARE THOUSANDS OF CHILDREN IN COLORADO NOT PRESENTLY BEING SERVED WHO WOULD BENEFIT FROM THE STATE PRESCHOOL PROGRAM, the number of children that may participate in the state preschool program ~~in the 1992-93 budget year and budget years thereafter shall be determined based upon available appropriations for such program.~~ SHALL BE INCREASED:

- (a) TO NOT MORE THAN 4,500 IN THE 1994-95 BUDGET YEAR;
- (b) TO NOT MORE THAN 6,500 IN THE 1995-96 BUDGET YEAR; AND
- (c) TO NOT MORE THAN 8,500 IN THE 1996-97 BUDGET YEAR AND BUDGET YEARS THEREAFTER.

SECTION 5. 22-32-117 (2), Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

22-32-117. Miscellaneous fees. (2) (a) A board may not require a pupil who has not completed the twelfth grade to pay any fees as a condition of enrollment in school, or as a condition of attendance in any course of study, instruction, or class, except tuition as authorized by law, charges and fees authorized by this section and section 22-32-118, and those fees reasonably necessary for textbooks or expendable supplies if such are not provided free of charge; except that miscellaneous fees may be collected on a voluntary basis as a condition of participation or attendance at a school-sponsored activity or program not within the academic portion of the educational program.

(b) ANY FEE COLLECTED PURSUANT TO THE PROVISIONS OF THIS SUBSECTION (2) SHALL BE USED FOR THE PURPOSE SET FORTH IN THE RESOLUTION OF THE BOARD AUTHORIZING THE COLLECTION OF SUCH FEE AND SHALL NOT BE EXPENDED FOR ANY OTHER PURPOSE. A COMPLETE LIST OF FEES AND THEIR PURPOSES SHALL BE MADE AVAILABLE BY THE BOARD UPON REQUEST.

SECTION 6. 22-32-116.5 (1) and (2) (c), Colorado Revised Statutes, 1988 Repl. Vol., as amended by House Bill No. 94-1097, enacted at the Second Regular Session of the Fifty-ninth General Assembly, are amended to read:

22-32-116.5. Extracurricular and interscholastic activities.

(1) Notwithstanding any other provision of this article or any policy or rule of any recognized association of schools which organizes and controls sanctioned extracurricular or interscholastic activities, a student enrolled in the student's public school district of residence shall be allowed to participate on an equal basis in any extracurricular or interscholastic activity sponsored in any other public school within said school district or at any public school in a school district which has boundaries contiguous to the boundaries of the student's public school district of residence if the school in which the student is enrolled does not sponsor that particular extracurricular or interscholastic activity and if the student otherwise meets the school's eligibility requirements for participation. Any student participating in an extracurricular or interscholastic activity pursuant to the provisions of this subsection (1) may be required to pay a fee as a prerequisite to such participation. Any required fee paid by a student who elects to participate in extracurricular or interscholastic activities pursuant to this ~~section~~ SUBSECTION (1) shall not exceed the fee the school charges its enrolled students. ANY FEE COLLECTED PURSUANT TO THE PROVISIONS OF THIS SUBSECTION (1) SHALL BE USED TO FUND THE EXTRACURRICULAR OR INTERSCHOLASTIC ACTIVITY FOR WHICH IT IS CHARGED AND SHALL NOT BE EXPENDED FOR ANY OTHER PURPOSE.

(2) (c) Any student participating in an extracurricular or interscholastic activity pursuant to the provisions of this subsection (2) may be required to pay a fee as a prerequisite to such participation. Any required fee paid by a student who elects to participate in extracurricular or interscholastic activities pursuant to this subsection (2) shall not exceed the fee the school charges its enrolled students. ANY FEE COLLECTED PURSUANT TO THE PROVISIONS OF THIS SUBSECTION (2) SHALL BE USED TO FUND THE EXTRACURRICULAR OR INTERSCHOLASTIC ACTIVITY FOR WHICH IT IS CHARGED AND SHALL NOT BE EXPENDED FOR ANY OTHER PURPOSE.

SECTION 7. 22-33-104.5 (6) (d), Colorado Revised Statutes, 1988 Repl.

Vol., as enacted by House Bill No. 94-1097 enacted at the Second Regular Session of the Fifty-ninth General Assembly, is amended to read:

22-33-104.5. Home-based education - legislative declaration - definitions - guidelines. (6) (d) If a sponsoring school charges enrolled students a fee to participate in a particular extracurricular or interscholastic activity, any child who elects to participate in such activity pursuant to this subsection (6) shall be required to pay an amount equal to one hundred fifty percent of such fee. ANY FEE COLLECTED PURSUANT TO THE PROVISIONS OF THIS SUBSECTION (6) SHALL BE USED TO FUND THE EXTRACURRICULAR OR INTERSCHOLASTIC ACTIVITY FOR WHICH IT IS CHARGED AND SHALL NOT BE EXPENDED FOR ANY OTHER PURPOSE.

SECTION 8. 22-32-118, Colorado Revised Statutes, 1988 Repl. Vol., is amended BY THE ADDITION OF A NEW SUBSECTION to read:

22-32-118. Summer schools - continuation, evening, and community education programs. (3) ANY CHARGE, FEE, OR TUITION COLLECTED PURSUANT TO THE PROVISIONS OF THIS SECTION SHALL BE USED TO FUND THE PROGRAM FOR WHICH THE CHARGE, FEE, OR TUITION WAS COLLECTED AND SHALL NOT BE EXPENDED FOR ANY OTHER PURPOSE.

SECTION 9. 22-42-104, Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-42-104. Limit of bonded indebtedness. (1) ~~(a) Except as otherwise provided in section 22-43-102 (6), each~~ A school district shall have a limit of bonded indebtedness of THE GREATER OF THE FOLLOWING:

(a) Twenty percent of the latest valuation for assessment of the taxable property in such district, as certified by the county assessor to the board of county commissioners; OR

(b) SIX PERCENT OF THE MOST RECENT DETERMINATION OF THE ACTUAL VALUE OF THE TAXABLE PROPERTY IN THE DISTRICT, AS CERTIFIED BY THE COUNTY ASSESSOR TO THE BOARD OF COUNTY COMMISSIONERS.

(2) The indebtedness of the former districts or parts of districts, constituting any new district, shall not be considered in fixing the limit of ~~such twenty percent~~ BONDED INDEBTEDNESS; but, if any school district shall assume the bonded indebtedness of any district or districts, or a proportionate share thereof, existing at the time of inclusion in the assuming school district, pursuant to law, such bonded indebtedness shall be included in the ~~twenty percent limitation~~ LIMIT OF BONDED INDEBTEDNESS.

~~(b)~~ (3) The permission to incur additional bonded indebtedness, granted by the property tax administrator in the division of property taxation of the department of local affairs, and any school district bonds issued pursuant thereto on or after May 10, 1972, are hereby validated. This ~~paragraph (b)~~ SUBSECTION (3) shall not be construed to grant authority to incur bonded indebtedness in excess of ~~said twenty percent limitation~~ THE LIMIT OF BONDED INDEBTEDNESS.

~~(2) (a) Notwithstanding the provisions of subsection (1) of this section, the limit on bonded indebtedness of a school district shall be twenty-five percent of the latest valuation for assessment of the taxable property in such district, as certified by the county assessor to the board of county commissioners, if the commissioner of education or his designee certifies that for each of the preceding three fiscal years, excluding the six-month transitional fiscal year occurring between January 1, 1992, and June 30, 1992, the pupil enrollment of the district, as determined in accordance with section 22-53-103 (7), or the funded pupil count of the district, as determined in accordance with section 22-53-103 (4.5); whichever is applicable, has increased:~~

~~(I) By three percent or more over each preceding year, if the district has a pupil enrollment or funded pupil count, whichever is applicable, of at least one thousand pupils;~~

~~(II) By twenty-five or more pupils each year, if the district has a pupil enrollment or funded pupil count, whichever is applicable, of less than one thousand pupils.~~

~~(b) For purposes of this subsection (2), pupil enrollment for calendar years prior to 1989 shall be the average daily membership during the four-week counting period prior to the applicable calendar year as determined under former section 22-50-102 (2).~~

~~(3) (4) The debt limit provided in subsection (2) of this section shall only apply to a district so long as the conditions of said subsection (2) are met. In any year in which the conditions of subsection (2) of this section are not met, the debt limit for that year shall be the limit set forth in subsection (1) of this section; except that The validity of bonded indebtedness incurred in any year in which the debt limit in said subsection (2) applied shall not be affected by a subsequent reduction in the district's debt limit OF BONDED INDEBTEDNESS CAUSED BY A DECREASE IN THE VALUATION FOR ASSESSMENT OR ACTUAL VALUE OF TAXABLE PROPERTY IN THE DISTRICT.~~

SECTION 10. 39-5-128 (1), Colorado Revised Statutes, 1982 Repl. Vol., as amended, is amended to read:

39-5-128. Certification of valuation for assessment. (1) No later than August 25 of each year, the assessor shall certify to the clerk of each town and city, to the secretary of each school district, and to the secretary of each special district within his county the total valuation for assessment of all taxable property located within the territorial limits of each such town, city, school district, or special district and shall notify each such clerk, secretary, and board to officially certify the levy of such town, city, school district, or special district to the board of county commissioners no later than December 15. THE ASSESSOR SHALL ALSO CERTIFY TO THE SECRETARY OF EACH SCHOOL DISTRICT THE ACTUAL VALUE OF THE TAXABLE PROPERTY IN THE DISTRICT.

SECTION 11. 39-5-132 (2) (a) (I) (A), Colorado Revised Statutes, 1982 Repl. Vol., as amended, is amended, and the said 39-5-132 (2) (a) (I) is further amended BY THE ADDITION OF A NEW SUB-SUBPARAGRAPH, to read:

39-5-132. Assessment and taxation of new construction. (2) (a) (I) (A) If the board of county commissioners determines that a county is becoming severely impacted by residential growth, the board of county commissioners shall make a finding of severe growth impact based upon the rate of increase in the county of the number of residential units being constructed within the county and an increase in pupil enrollment in school districts within the county such that at least one school district in the county meets the growth criteria described in ~~section 22-42-104 (2) (a) and (2) (b), C.R.S.~~ SUB-SUBPARAGRAPH (E) OF THIS SUBPARAGRAPH (I), and other factors which indicate patterns of growth and growth impact, and shall, on or before January 1, resolve to implement the assessment and levy procedures required under this section. When a board of county commissioners makes such resolution, the provisions of this section shall apply countywide notwithstanding any law to the contrary. The board of county commissioners shall not make a finding of severe growth impact unless the number of residential units in the county will increase by over two percent during the county's current fiscal year. The board of county commissioners may negotiate with taxing authorities in the county to provide the costs of implementing the assessment and levy procedures required under this section. Notwithstanding any other provision of law to the contrary, any such taxing authority is hereby authorized to use moneys from its general fund to provide the costs specified in this subparagraph (I) and to deposit any moneys received as reimbursement pursuant to subsection (4) of this section into its general fund.

(E) THE GROWTH CRITERIA FOR SCHOOL DISTRICTS FOR PURPOSES OF SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (I) SHALL BE WHETHER THE COMMISSIONER OF EDUCATION OR THE COMMISSIONER'S DESIGNEE CERTIFIES THAT THE PUPIL ENROLLMENT OF THE DISTRICT FOR THE PAST THREE YEARS, AS DETERMINED ON OCTOBER 1 OF EACH YEAR IN ACCORDANCE WITH FORMER SECTION 22-53-103 (7) OR SECTION 22-54-103 (10), HAS INCREASED BY THREE PERCENT OR MORE OVER EACH PRECEDING YEAR FOR THOSE DISTRICTS WITH PUPIL ENROLLMENTS OF AT LEAST ONE THOUSAND PUPILS OR BY TWENTY-FIVE OR MORE PUPILS EACH YEAR FOR THOSE DISTRICTS WITH PUPIL ENROLLMENTS OF LESS THAN ONE THOUSAND PUPILS.

SECTION 12. 22-42-117 (2), Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

22-42-117. Board to certify needed revenues. (2) The board of education has authority to include in each amount certified for said bond redemption fund an amount to create a reserve for the redemption of bonds in future years prior to their maturities, or for purchasing at a discount and cancellation any bond on which the interest is being paid for the current district debt service mill levy; but said reserve shall be restricted to the subsidiary account in the bond redemption fund for which said tax levy was made. ~~A total of not more than one mill on the then current valuation for assessment may be carried in the reserve at any one time to be available for prior redemption purposes. For the purposes of this section, "prior redemption purposes" means the use of funds for redeeming bonds which are redeemable but not due.~~

SECTION 13. 22-30-102, Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

22-30-102. Legislative declaration. (2.5) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT THE PROVISIONS OF THIS ARTICLE SHALL NOT APPLY TO ANY DETACHMENT AND ANNEXATION WHEREIN COUNTY BOUNDARIES ARE MODIFIED.

SECTION 14. 22-32-110 (1) (ff) and (1) (gg), Colorado Revised Statutes, 1988 Repl. Vol., as amended, are amended to read:

22-32-110. Board of education - specific powers. (1) In addition to any other power granted to a board of education of a school district by law, each board of education of a school district shall have the following specific powers, to be exercised in its judgment:

(ff) To negotiate for an incentive payment with any taxpayer who establishes a new business facility, as defined in section 39-22-508.2 (3), C.R.S., but excluding the requirements of paragraph (b) of said subsection (3), in such school district; however, no negotiations may be entered into with any taxpayer establishing a new business facility unless such school district has been notified, pursuant to sections 30-11-123 (5) and 31-15-903 (4), C.R.S., by any county and by any municipality in which such new business facility would be located of agreements negotiated by such local governments with such taxpayer. In no instance shall any such negotiation result in an annual incentive payment which exceeds fifty percent of the amount of the taxes levied by the school district upon the taxable personal property located at or within such new business facility and used in connection with the operation of such new business facility for the current property tax year. An agreement negotiated pursuant to this paragraph (ff) ~~shall not be valid unless it is approved by the state board of education~~ PRIOR TO JULY 1, 1994, SHALL BE VALID. No new agreement shall be negotiated pursuant to the provisions of this paragraph (ff) on or after January 1, 1995. Any school district which negotiates any agreement pursuant to the provisions of this paragraph (ff) shall inform any county and any municipality in which a new business facility would be located of such negotiations.

(gg) To negotiate for an incentive payment with any taxpayer who expands a facility, as defined in section 39-22-508.2 (2) (a), C.R.S., the expansion of which constitutes a new business facility, as defined in section 39-22-508.2 (3), C.R.S., but excluding the requirements of paragraph (b) of said subsection (3), and which is located in such school district; however, no negotiations may be entered into with any taxpayer expanding a facility unless such school district has been notified, pursuant to sections 30-11-123 (5) and 31-15-903 (4), C.R.S., by any county and by any municipality in which such expanded business facility is located of agreements negotiated by such local governments with such taxpayer. In no instance shall any such negotiation result in such an annual incentive payment which is greater than fifty percent of the amount of the taxes levied by the school district upon the taxable personal property directly attributable to such expansion, located at or within such expanded facility, and used in connection with the operation of such expanded facility for the current property tax year. An agreement negotiated pursuant to this paragraph (gg) ~~shall not be valid unless it is approved annually by the state board of education~~ PRIOR TO JULY 1, 1994, SHALL BE VALID. No new agreement shall be negotiated pursuant to the provisions of this paragraph (gg) on or after January 1, 1995. Any school district which negotiates

any agreement pursuant to the provisions of this paragraph (gg) shall inform any county and any municipality in which an expanded business facility is located of such negotiations.

SECTION 15. 22-51-104 (2), Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

22-51-104. Methods of determining reimbursement entitlement. (2) In no event shall the reimbursement entitlement of any school district under the provisions of subsection (1) of this section for any entitlement period exceed ninety percent of the total amount expended by the school district during said entitlement period for current operating expenditures for pupil transportation, NOR, FOR ENTITLEMENT PERIODS BEGINNING ON OR AFTER JULY 1, 1994, IF A SCHOOL DISTRICT IS SUBJECT TO A COURT-ORDERED DESEGREGATION ORDER, SHALL THE REIMBURSEMENT ENTITLEMENT OF ANY SUCH DISTRICT BE LESS THAN FIFTY-FIVE PERCENT OF THE TOTAL AMOUNT EXPENDED BY THE DISTRICT DURING SAID ENTITLEMENT PERIOD FOR CURRENT OPERATING EXPENDITURES FOR PUPIL TRANSPORTATION.

SECTION 16. 29-15-106, Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

29-15-106. Limitation on issuance of tax anticipation notes. (1) FOR ALL PUBLIC BODIES EXCEPT SCHOOL DISTRICTS, the amount of tax anticipation notes issued by a public body in any fiscal year shall not exceed fifty percent of all taxes estimated to be received by such governing body in its current fiscal year, as shown by its then current budget.

(2) FOR SCHOOL DISTRICTS, THE AMOUNT OF TAX ANTICIPATION NOTES ISSUED BY THE SCHOOL DISTRICT IN ANY FISCAL YEAR SHALL NOT EXCEED SEVENTY-FIVE PERCENT OF ALL TAXES ESTIMATED TO BE RECEIVED BY SUCH SCHOOL DISTRICT IN ITS CURRENT FISCAL YEAR, AS SHOWN BY ITS THEN CURRENT BUDGET.

SECTION 17. 8-44-204 (2), Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended to read:

8-44-204. Public entities - self-insurance authorized for workers' compensation - pooled insurance. (2) A public entity may, after receiving permission pursuant to section 8-44-101 (1) (c), act as its own insurance carrier for compensation and benefits. Any public entity other than a school district may establish and maintain an insurance reserve fund for self-insurance purposes and may include in the annual tax levy of the public entity such amounts as are determined by its governing body to be necessary for the uses and purposes of the insurance reserve fund, subject to the limitations imposed by section 29-1-301, C.R.S. School districts may establish and maintain an insurance reserve fund in accordance with the provisions of section 22-45-103 (1) (e), C.R.S., using moneys allocated thereto pursuant to the provisions of section ~~22-53-108 (3) (e)~~ 22-54-105 (2), C.R.S. In the event that a public entity has no annual tax levy, it may appropriate from any unexpended balance in the general fund such amounts as the governing body shall deem necessary for the purposes and uses of the insurance reserve fund.

SECTION 18. 22-2-116, Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-2-116. Additional power - waiver of reporting requirements. The commissioner may waive any requirements imposed by this title as to the reporting of data to the department or the state board by any school district which is eligible to receive the minimum amount of state moneys under the provisions of ~~article 53~~ ARTICLE 54 of this title, if ~~he~~ THE COMMISSIONER finds that any benefits from receiving such reports are outweighed by the district's increased administrative costs of reporting in light of its minimum share of state moneys.

SECTION 19. 22-20-109 (2), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-20-109. Tuition. (2) The state board shall promulgate rules and regulations to define the contract approval process, the types and amounts of costs in excess of the state average per pupil operating revenues, as defined in section ~~22-53-103 (8)~~ 22-54-103 (12), or the per pupil operating revenues of the district of residence, as defined in section ~~22-53-103 (6)~~ 22-54-103 (9), whichever is appropriate, as determined by the department pursuant to its regulations, and to define other applicable revenues that a school district of residence of a child with a disability shall pay as tuition to educate that child elsewhere at an administrative unit, or at a facility approved by the state board pursuant to section 22-2-107 (1) (p). These rules and regulations shall include, but shall not be limited to, the limitations on the number of staff members per number of students, the amount of equipment necessary for classroom instruction of the child, the number of days of school, and any other expenses involved in the provision of educational services as determined by the child's individualized education program. The school district of residence shall be responsible for paying as tuition any excess costs above the applicable per pupil operating revenues as determined by the department pursuant to its regulations to provide these services.

SECTION 20. 22-20-114 (1) (b) (V) and (5), Colorado Revised Statutes, 1988 Repl. Vol., as amended, are amended to read:

22-20-114. Reimbursable costs of programs. (1) An administrative unit which maintains and operates special educational programs approved by the department for the education of exceptional children, except as provided in paragraph (c) of subsection (3) of this section, shall be entitled to reimbursement for:

(b) Eighty percent of the costs of:

(V) For each child so accepted, the average cost per pupil of educating children with similar disabilities in any unit which accepts a child from another administrative unit in one or more of its special education programs, in any group care facility or home, as defined by the department in its regulations and as approved by the state board pursuant to section 22-2-107 (1) (p), which accepts a child from an administrative unit in one or more of its special education programs, or in any community centered board, as provided for in section 27-10.5-104, C.R.S., and as approved by the state board pursuant to section 22-2-107 (1) (p),

which accepts a child from an administrative unit in one or more of its special education programs, such reimbursement to be made to the administrative unit of the child's residence. State reimbursement under this subparagraph (V) shall be based upon the amount of the tuition charge under the provisions of section 22-20-109 in excess of the district of residence's per pupil operating revenues, as defined in section ~~22-53-103(6)~~ 22-54-103 (9); except that, for a group care facility or home or for a community centered board, reimbursement shall be based on the amount of the tuition charge under the provisions of section 22-20-109 in excess of the state average per pupil operating revenues, as defined in section ~~22-53-103(8)~~ 22-54-103 (12).

(5) Reimbursements to any administrative unit under the provisions of this article shall in no instance exceed one hundred percent of the direct costs of providing special education services, after deduction of any other state funds and any local, private, and federal funds received for special education purposes, including the amounts specified in subsection (6) of this section. On and after January 1, 1992, a separate calculation shall be made for the provision of services to three- and four-year-old children with disabilities and the maximum reimbursement shall be determined after deduction of other state funds available for the education of such children, including funds received for such children pursuant to the "~~Public School Finance Act of 1988~~", ~~article 53~~ "PUBLIC SCHOOL FINANCE ACT OF 1994", ARTICLE 54 of this title, and all other local, private, and federal funds received for the education of such children. This provision does not affect the calculation of tuition or excess costs.

SECTION 21. 22-24-104 (4) (c) (I) and (4) (c) (II), Colorado Revised Statutes, 1988 Repl. Vol., as amended, are amended to read:

22-24-104. English language proficiency program established - funding.

(4) (c) (I) Seventy-five percent of the annual appropriation or the amount needed to fully fund THE PROGRAM pursuant to this subparagraph (I), whichever is less, shall be used by the districts for students certified to be within section 22-24-103 (4) (a) or (4) (b). No such student shall be funded for more than an amount equal to four hundred dollars per year or an amount equal to twenty percent of the state average per pupil operating revenues, as defined in section ~~22-53-103(8)~~ 22-54-103 (12) for the preceding year as annually determined by the department, whichever is greater.

(II) The remainder of the annual appropriation shall be used by the districts for students certified to be within section 22-24-103 (4) (c). No such student shall be funded for an amount greater than two hundred dollars per year or an amount equal to ten percent of the state average per pupil operating revenues, as defined in section ~~22-53-103(8)~~ 22-54-103 (12), for the preceding year as annually determined by the department, whichever is greater.

SECTION 22. 22-25-109 (1), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-25-109. Colorado comprehensive health education fund - creation - acceptance of funds. (1) There is hereby created in the state treasury the Colorado comprehensive health education fund, which fund shall be made up of

moneys transferred thereto from the state public school fund pursuant to section ~~22-53-121~~ 22-54-114, if any, as well as any moneys received by the department of education pursuant to subsection (2) of this section. The moneys in such fund shall be subject to annual appropriation by the general assembly to the department of education for the purpose of carrying out the provisions of this article.

SECTION 23. 22-28-104 (3), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-28-104. Establishment of public preschool programs. (3) Any school district which participates in the state preschool program shall be entitled to count children enrolled in the district preschool program in accordance with the provisions of section ~~22-53-103 (6.5)~~ 22-54-103 (10) for purposes of determining preschool enrollment under the "~~Public School Finance Act of 1988~~", ~~article 53~~ "PUBLIC SCHOOL FINANCE ACT OF 1994", ARTICLE 54 of this title.

SECTION 24. 22-30.5-104 (5), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-30.5-104. Charter school - requirements - authority. (5) Except as otherwise provided in sections 22-32-115 and ~~22-53-104~~ 22-54-109, a charter school shall not charge tuition.

SECTION 25. 22-30.5-112 (2) (a), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-30.5-112. Charter schools - financing - guidelines. (2) (a) As part of the charter school contract, the charter school and the school district shall agree on funding and any services to be provided by the school district to the charter school. The charter school and the school district shall begin discussions on the contract using eighty percent of the district per pupil operating revenues. As used in this subsection (2), district "per pupil operating revenues" shall have the same meaning as that provided in section ~~22-53-103~~ 22-54-103 (9).

SECTION 26. 22-32-110 (5), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-32-110. Board of education - specific powers. (5) No board of education shall enter into an agreement with any group, association, or organization representing employees of the district which commits revenues raised or received pursuant to ~~article 53~~ ARTICLE 54 of this title for a period of time in excess of one year unless such agreement includes a provision which allows for the reopening of the portion of the agreement relating to salaries and benefits.

SECTION 27. 22-32-115 (2) (a), Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

22-32-115. Tuition for resident school-age children. (2) (a) The tuition, to be paid as authorized by subsection (1) of this section, shall not exceed one hundred twenty percent of the current per pupil general fund cost in the school district of attendance during the preceding school year. The pupil enrollment for a

pupil not attending ~~his~~ THE PUPIL'S school district of residence under the provisions of this section shall be allocated as provided in section ~~22-53-104 (3)~~ 22-54-109 (3).

SECTION 28. 22-32-118 (2) (b), Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

22-32-118. Summer schools - continuation, evening, and community education programs. (2) (b) In addition to the authority granted to a board of education in paragraph (a) of this subsection (2), a board may establish and maintain community education programs in cooperation with any unit of local government, quasi-governmental agency, institution of higher education, or civic organization and may pay for such programs by a fee or tuition charged or out of moneys of the school district. Attendance in community education programs shall not be considered in computing pupil enrollment under ~~article 53~~ ARTICLE 54 of this title and articles 8 and 60 of title 23, C.R.S.

SECTION 29. 22-33-104.5 (6) (a), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-33-104.5. Home-based education - legislative declaration - definitions - guidelines. (6) (a) If a child is participating in a non-public home-based educational program but also attending his local school district of residence for a portion of the school day, the local school district of residence shall be entitled to count such child in accordance with the provisions of section ~~22-53-103 (7)~~ 22-54-103 (10) for purposes of determining pupil enrollment under the "~~Public School Finance Act of 1988~~", ~~article 53~~ "PUBLIC SCHOOL FINANCE ACT OF 1994", ARTICLE 54 of this title.

SECTION 30. 22-34-101 (4), Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

22-34-101. High school fast track program. (4) The school district of residence of a pupil taking courses at a state institution of higher education pursuant to subsection (1) of this section shall be entitled to state support for such pupil on the same basis as other pupils under section ~~22-53-103 (7)~~ 22-54-103 (10). The school district shall forward to the state institution of higher education the amount of tuition to which the institution would be entitled on behalf of a regularly enrolled student taking such courses, up to seventy-five percent of the school district's per pupil operating revenues, as defined in section ~~22-53-103 (6)~~ 22-54-103 (9). Nothing in this article shall be construed to authorize a school district to pay the costs of transportation, room and board, fees, books, or equipment or any other costs of taking higher education courses other than tuition.

SECTION 31. 22-35-105 (2) (a) and (3) (a) (I), Colorado Revised Statutes, 1988 Repl. Vol., are amended to read:

22-35-105. Financial provisions - payment of tuition. (2) If pupils are enrolled pursuant to the provisions of this article in a course section offered by an institution of higher education for high school pupils, either at the request of the school district or upon the initiative of the institution of higher education, the

institution of higher education shall be responsible for course content and the quality of instruction and shall be reimbursed by the school district for costs pursuant to the cooperative agreement between such institution and such school district. In addition, because any such pupil is receiving high school credit for such course pursuant to the provisions of this subsection (2):

(a) The pupil shall be included in the pupil enrollment of the school district in which such pupil is enrolled as determined pursuant to the provisions of section ~~22-53-103 (7)~~ 22-54-103 (10).

(3) If pupils of any school district are enrolled pursuant to the provisions of this article in one or two courses per academic term offered by any institution of higher education for postsecondary students and:

(a) If the pupil so enrolled is receiving high school credit for such course:

(1) The pupil shall be included in the pupil enrollment of the school district in which such pupil is enrolled as determined pursuant to the provisions of section ~~22-53-103 (7)~~ 22-54-103 (10).

SECTION 32. 22-36-105 (1), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-36-105. Schools of choice fund - creation - purpose. (1) There is hereby created in the state treasury the schools of choice fund, which fund shall be made up of moneys transferred thereto from the state public school fund pursuant to section ~~22-53-121~~ 22-54-114, if any, as well as any moneys received by the department pursuant to subsection (2) of this section.

SECTION 33. 22-40-102 (1.7) (a) and (6), Colorado Revised Statutes, 1988 Repl. Vol., as amended, are amended to read:

22-40-102. Certification - tax revenues. (1.7) (a) The board of education of any school district, at the regular biennial election for school district directors or on ~~one of~~ the dates authorized by section ~~22-53-117~~ 22-54-108 for elections for additional local property tax revenues under the "~~Public School Finance Act of 1988~~" "PUBLIC SCHOOL FINANCE ACT OF 1994" shall submit to the eligible electors of the district the question of whether to impose a mill levy for the payment of excess transportation costs. If a majority of the votes cast at any such election are in favor of the question, an additional mill levy shall be levied each year, and revenues received therefrom shall be deposited into the transportation fund of the district created in section 22-45-103 (1) (f).

(6) Each school district, with such assistance as may be required from the department of education, shall inform the county treasurer for each county within the district's boundaries no later than December 15 of each year of said district's general fund mill levy in the absence of funds estimated to be received by said district pursuant to the "~~Public School Finance Act of 1988~~", ~~article 53~~ "PUBLIC SCHOOL FINANCE ACT OF 1994", ARTICLE 54 of this title, and the estimated funds to be received for the general fund of the district from the state.

SECTION 34. 22-41-110 (3), (5), and (8), Colorado Revised Statutes, 1988 Repl. Vol., as amended, are amended to read:

22-41-110. Timely payment of school district obligations. (3) If the district indicates that it will not make the payment by the date on which it is due, the state treasurer shall forward the amount in immediately available funds necessary to make the payment of the principal of or interest on the bonds or other obligations of the school district to the paying agent and shall withhold such amount from the next succeeding payment of the state's share of ~~equalization~~ THE DISTRICT'S TOTAL program ~~funding~~ in accordance with ~~article 53~~ ARTICLE 54 of this title. If the amount of such next succeeding payment is insufficient to pay the amount necessary, the state treasurer shall withhold amounts from each succeeding payment of the state's share of ~~equalization~~ THE DISTRICT'S TOTAL program, ~~funding~~, including payments to be made in succeeding fiscal years but not to include more than twelve months' worth of payments, until the total payment of principal and interest has been withheld. A school district which does not receive any state assistance under the provisions of ~~article 53~~ ARTICLE 54 of this title does not qualify for state assistance in making timely payment of its bond or other obligations under this section.

(5) Any school district to which this section applies shall file with the state treasurer a copy of the resolution which authorizes the issuance of bonds or other obligations, a copy of the official statement or other offering document for such bonds or other obligations, the agreement, if any, with the paying agent for such bonds or other obligations, and the name, address, and telephone number of such paying agent. The failure of any school district to file such information shall not affect the obligation of the state treasurer to withhold the state's share of ~~equalization~~ THE DISTRICT'S TOTAL program ~~funding~~ under this section.

(8) Whenever the state treasurer makes a payment of principal and interest on bonds or other obligations of a school district and withholds amounts from the district's payments of the state's share of ~~equalization~~ THE DISTRICT'S TOTAL program ~~funding~~ pursuant to this section because of the failure to collect property taxes levied in accordance with law for the district's bond redemption fund, the district may transfer any such delinquent property taxes later collected out of the district's bond redemption fund and into its general fund.

SECTION 35. 22-44-103.5 (1), (2) (a), (2) (b) (III) (B), (2) (b) (III) (C), (2) (c) (I), and (2) (c) (III), Colorado Revised Statutes, 1988 Repl. Vol., as amended, are amended to read:

22-44-103.5. Budget for 1992 transitional fiscal year. (1) In order to implement the change in the school district fiscal year on July 1, 1992, the six-month period beginning on January 1, 1992, and ending on June 30, 1992, shall be the 1992 transitional fiscal year. The board of education of each school district shall adopt a budget and an appropriation resolution for such transitional fiscal year in the manner provided by this part 1; except that the total amount that may be budgeted and appropriated from revenues in the general fund generated pursuant to the "Public School Finance Act of 1988", FORMER article 53 of this title, for expenditure during such transitional fiscal year shall not exceed the equalization program funding of such district as determined pursuant to FORMER

section 22-53-107 (5), the preschool program funding as determined pursuant to FORMER section 22-53-115.5 (1.5), if any, and the program funding for three- and four-year-old children with disabilities as determined pursuant to FORMER section 22-53-116.5 (2), if any.

(2) (a) Notwithstanding the provisions of section 39-1-112, C.R.S., revenues generated pursuant to the "Public School Finance Act of 1988" to fund the equalization program funding, the preschool program funding, and the program funding for three- and four-year-old children with disabilities of the district for the transitional fiscal year and any additional funds generated pursuant to the provisions of FORMER section 22-53-114 (10) of said act, including property tax revenues collected during the 1992 calendar year which are in excess of the funding for such programs during such fiscal year, shall not be expended during such fiscal year but shall be carried forward in the general fund to the 1992-93 fiscal year.

(b) (III) (B) The board of education of a district subject to the provisions of this subparagraph (III) shall reduce its mill levy for the 1993 property tax year so that the property tax revenue collected in 1994, assuming one hundred percent collection, equals the district's share of equalization program funding for the 1993-94 fiscal year plus any amount of categorical support funds the district is required to replace with property tax revenue during the 1993-94 fiscal year reduced by the amount of property tax revenue carried forward which was not offset against the state's share of equalization program funding for the 1992-93 and 1993-94 fiscal years. Any district that reduces its mill levy for the 1993 property tax year shall be subject to the provisions of FORMER section 22-53-114 (9.2).

(C) In lieu of reducing the mill levy pursuant to the provisions of sub-subparagraph (B) of this subparagraph (III), the board of education of any district subject to the provisions of this subparagraph (III) may, by a two-thirds vote of the board, elect to keep the amount of property tax revenue carried forward which was not offset against the state's share of equalization program funding for the 1992-93 and 1993-94 fiscal years. Once such an election is made, the board of education may use its excess property tax revenue for any lawful purpose during the 1993-94 fiscal year and fiscal years thereafter. Notwithstanding the provisions of FORMER section 22-53-114 (1) OR SECTION 22-54-106, no district which elects to keep its excess property tax revenue pursuant to the provisions of this sub-subparagraph (C) shall receive state aid pursuant to the "~~Public School Finance Act of 1988~~" or receive categorical support funds which the district would otherwise be eligible to receive from the state ~~as such term is defined in section 22-53-114 (4)~~; during the 1994-95 fiscal year and fiscal years thereafter until such time as the amount of state aid or categorical support funds the district would have received during said years equals the amount of the excess property tax revenue.

(c) (I) The provisions of this paragraph (c) shall only apply to districts that ~~are~~ WERE eligible to receive only minimum state aid under FORMER section 22-53-114 (1) of the "Public School Finance Act of 1988". ~~and which are subject to the provisions of section 22-53-114 (9.5)~~.

(III) In lieu of reducing the mill levy pursuant to the provisions of subparagraph

(II) of this paragraph (c), the board of education of any district subject to the provisions of this paragraph (c) may, by a two-thirds vote of the board, elect to keep its excess property tax revenue. Once such an election is made, the board of education may then use its excess property tax revenue for any lawful purpose during the 1992-93 fiscal year and fiscal years thereafter. Notwithstanding the provisions of FORMER section 22-53-114 (1) OR SECTION 22-54-106, no district which elects to keep its excess property tax revenue pursuant to the provisions of this subparagraph (III) shall receive state aid pursuant to the "Public School Finance Act of 1988" during the 1992-93 fiscal year and fiscal years thereafter or receive categorical support funds which the district would otherwise be eligible to receive from the state as such term is defined in section 22-53-114 (4); for the 1993-94 fiscal year and fiscal years thereafter, until such time as the amount of state aid or categorical support funds the district would have received during said years equals the amount of the excess property tax revenue.

SECTION 36. 22-44-105 (1) (e) (I) and (1) (e) (III), Colorado Revised Statutes, 1988 Repl. Vol., as amended, are amended to read:

22-44-105. Budget - contents - mandatory. (1) The budget shall be presented in the format established by the state board of education by rule and regulation. In establishing the format, the state board shall consult annually with the advisory committee specified in paragraph (d) of this subsection (1) and shall adhere to the following guidelines:

(e) (I) For the 1993-94 fiscal year, the budget format shall contain a provision under which any district which has a reduction in its 1993-94 per pupil funding, as defined in FORMER section 22-53-107.3 (3) (a), of four and seven-tenths percent or more may declare an extreme emergency and may apply for additional funding from the contingency reserve pursuant to FORMER section 22-53-124 (4). Such additional funding shall not result in a percentage reduction for an individual district which is less than the greater of four and five-tenths percent or four percent plus the percentage change in the district's per pupil funding from the 1992-93 budget year to the 1993-94 budget year which results from the application of FORMER section 22-53-107 (5.5) (b) (II) or (5.5) (b) (III).

(III) For purposes of determining the percentage change in the district's per pupil funding from the 1992-93 budget year to the 1993-94 budget year, the district's per pupil funding for the 1992-93 budget year shall be the amount derived by dividing the district's 1992-93 equalization program funding, as calculated pursuant to FORMER section 22-53-107 (3), including the district's 1992-93 preschool program funding, if any, as calculated pursuant to FORMER section 22-53-115.5, and the district's 1992-93 three- and four-year-old handicapped program funding, if any, as calculated pursuant to FORMER section 22-53-116.5, by the district's 1992-93 funded pupil count as defined in FORMER section 22-53-107 (5.5) (c) (II). The district's per pupil funding for the 1993-94 budget year shall be the amount derived by dividing the district's 1993-94 equalization program funding, as calculated pursuant to FORMER section 22-53-107 (5.5) (b) (II) or (5.5) (b) (III), whichever is applicable, by the district's 1993-94 funded pupil count as defined in FORMER section 22-53-107 (5.5) (c) (III).

SECTION 37. 22-44-110 (6), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-44-110. Budget - consideration - adoption. (6) Effective July 1, 1992, if a school district is authorized to raise and expend additional local property tax revenues at an election held in November of any fiscal year pursuant to FORMER section 22-53-117 OR SECTION 22-54-108 the board of education may adopt a supplemental budget and supplemental appropriation resolution to cover that portion of the fiscal year following such election. Such supplemental budget shall be based on the additional dollar amount authorized to be raised and expended at such election.

SECTION 38. 22-44-115.5 (1), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-44-115.5. Fiscal emergency - effect on budget. (1) During any budget year, if the board of education of the school district determines that the anticipated revenues specified in the budget and the amounts appropriated in the budget for expenditure exceed the actual revenues available to the school district due, in whole or in part, to action by the general assembly or the governor relating to the state appropriation for ~~equalization~~ THE DISTRICT'S TOTAL program ~~funding~~ pursuant to ~~article 53~~ ARTICLE 54 of this title, the board may declare a fiscal emergency in such budget year. A declaration of fiscal emergency may only occur upon an affirmative vote of two-thirds of the members of the board at a public meeting. Prior to any vote taken pursuant to this subsection (1), the board of education shall hold at least one public hearing within the district after full and timely notice to the public.

SECTION 39. 22-45-103 (1) (a) (II), the introductory portion to (1) (c) (I), and 22-45-103 (1) (e), Colorado Revised Statutes, 1988 Repl. Vol., as amended, are amended to read:

22-45-103. Funds. (1) The following funds are created for each school district for purposes specified in this article:

(a) **General fund.** (II) Moneys allocated pursuant to the provisions of section ~~22-53-108 (2) (e)~~ 22-54-105 (1) shall be recorded in the instructional supplies and materials account, the instructional capital outlay account, and the other instructional purposes account in the general fund. Expenditures from the instructional supplies and materials account shall be limited to instructional supplies and materials, expenditures from the instructional capital outlay account shall be limited to instructional capital outlay, and expenditures from the other instructional purposes account shall be limited to other instructional purposes. Moneys in such accounts may not be expended for any other purpose. Moneys may be transferred among the three accounts but may not be transferred to any other account in the general fund or to any other fund of the school district. Any moneys in such accounts which are not projected to be expended during a budget year shall be budgeted for the purposes set forth in this subparagraph (II) in the next budget year. Nothing in this subparagraph (II) shall be construed to require that interest on moneys in such accounts be specifically allocated to such accounts.

(c) **Capital reserve fund.** (I) Moneys allocated pursuant to the provisions of section ~~22-53-108 (3) (e)~~ 22-54-105 (2) shall be transferred from the general fund and recorded in the capital reserve fund along with the revenues received pursuant to section 39-5-132, C.R.S. Such revenues may be supplemented by gifts, donations, and tuition receipts. Unencumbered moneys in the fund may be transferred to the insurance reserve fund or to any other fund established solely for the management ~~risk of related~~ RISK-RELATED activities as identified in section 24-10-115, C.R.S., and article 13 of title 29, C.R.S., by resolution of the board of education when such transfer is deemed necessary by the board. ~~or to the general fund for the 1990 budget year in accordance with the provisions of section 22-53-108 (3) (e) (H).~~ Expenditures from the fund shall be limited to long-range capital outlay expenditures and shall be made only for the following purposes:

(e) **Insurance reserve fund.** Moneys allocated pursuant to the provisions of section ~~22-53-108 (3) (e)~~ 22-54-105 (2) shall be transferred from the general fund and recorded in the insurance reserve fund. Unencumbered moneys in the fund may be transferred to the capital reserve fund or to any other fund established solely for the management ~~risk of related~~ RISK-RELATED activities as identified in section 24-10-115, C.R.S., and article 13 of title 29, C.R.S., by resolution of the board of education when such transfer is deemed necessary by the board. ~~or to the general fund for the 1990 budget year in accordance with the provisions of section 22-53-108 (3) (e) (H).~~ Expenditures from the fund shall be limited to the purposes set forth in section 24-10-115, C.R.S., and article 13 of title 29, C.R.S.

SECTION 40. 22-52-104 (2) (b) (I) (B), Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

22-52-104. Application - payment. (2) (b) (I) (B) Effective January 1, 1989, pursuant to rules and regulations promulgated by the state board of education, the school district of residence of the student shall transmit monthly eighty-five percent of the district of residence's per pupil operating revenues, as defined in section ~~22-53-103 (6)~~ 22-54-103 (9) to the school district or eligible school enrolling the student or the actual educational cost of the program provided, whichever is less.

SECTION 41. 22-52-107, Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

22-52-107. Funding of second chance program. It is the intent of the general assembly that, after the initial appropriation made to the department of education for the fiscal year beginning July 1, 1985, the responsibilities and duties specified in this article shall be performed by the department of education and the participating school districts through the funding available pursuant to the ~~"Public School Finance Act of 1988", article 53~~ "PUBLIC SCHOOL FINANCE ACT OF 1994", ARTICLE 54 of this title.

SECTION 42. 22-53-208 (4), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-53-208. Excellent schools program - repeal. (4) Any moneys made available to a school or district pursuant to the provisions of this section shall not

supplant moneys made available to such a school or district pursuant to ~~part 1 of this~~ article 54 OF THIS TITLE or pursuant to the taxing authority of the district. Any moneys made available to any personnel of a school or district pursuant to the provisions of this section shall not supplant moneys made available to such personnel pursuant to a contract entered into under the provisions of the "Teacher Employment, Compensation, and Dismissal Act of 1990", article 63 of this title, or any other contract for employment entered into with a district.

SECTION 43. 22-53-302 (4) (c) and (5), Colorado Revised Statutes, 1988 Repl. Vol., as amended, are amended to read:

22-53-302. Educational achievement - assessment - education and training system - powers and duties of commission. (4) In addition to its duties pursuant to subsections (1), (2), and (3) of this section, the commission shall also:

(c) Study and make recommendations concerning amendments to the "~~Public School Finance Act of 1988~~", "PUBLIC SCHOOL FINANCE ACT OF 1994"; ~~including, but not limited to, changes in the values of funding components changes in school district setting categories, changes in the instructional unit funding ratios, and changes in the limitation on additional local property tax revenues;~~

(5) ~~In addition to its duties pursuant to subsections (1) to (4) of this section, the commission may consider recommending the transfer of any school district or districts from one setting category to another appropriate setting category.~~

SECTION 44. 22-53-304, Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-53-304. Recommendations of commission to general assembly.

(2) Following submission of the report on January 1, 1993, the commission shall make a report annually to the governor and the general assembly concerning recommendations for revisions to the goals, objectives, and standards and the time frames for achieving those goals, objectives, and standards. The commission shall continue to make recommendations pursuant to section 22-53-302 (4) concerning the Colorado program for achievement in education, the organization of education and training providers, and amendments to the "~~Public School Finance Act of 1988~~" "PUBLIC SCHOOL FINANCE ACT OF 1994".

SECTION 45. 22-53-409 (4) (a), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-53-409. Assessments. (4) (a) The department shall prepare an annual report of the results of statewide assessments which shall be delivered to the council, to the board, to the commission, to the education committees of the house of representatives and the senate, to the district accountability committees, and to the districts and which shall be available to the public. The first report shall be available on or before January 1, 1997. Such report shall include the percentage of students achieving each of the performance levels specified by the board and shall be reported for the state as a whole as well as by gender, race, separate handicapping condition, and ethnicity of students and by district AND district size. ~~and setting category of each district pursuant to section 22-53-105.~~

SECTION 46. 22-80-113 (4), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-80-113. Educational training - expenditures. (4) Effective for budget years beginning on and after January 1, 1989, each district which has pupils of residence in the district attending the Colorado school for the deaf and the blind shall count such pupils in the district's pupil enrollment pursuant to section ~~22-53-103(7)~~ 22-54-103 (10). No later than October 10 each year, the Colorado school for the deaf and the blind shall notify each district of residence in writing of the pupils' placement at the Colorado school for the deaf and the blind. The Colorado school for the deaf and the blind is entitled to receive, from the department of education, an amount equal to the state average per pupil operating revenues, as defined in section ~~22-53-103(8)~~ 22-54-103 (12), for the current fiscal year for those students in attendance. The Colorado school for the deaf and the blind shall bill the department of education for the applicable portion of such amount at the conclusion of each month during which such pupils continue to be placed at the Colorado school for the deaf and the blind.

SECTION 47. 22-84-111 (1), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-84-111. Tuition - assistance. (1) Effective for budget years beginning on and after January 1, 1993, each school district which has pupils of residence in the school district attending the school shall count such pupils in the district's pupil enrollment pursuant to section ~~22-53-103(7)~~ 22-54-103 (10). No later than October 10 of each year, the school shall notify each school district of residence in writing of the pupils' placement at the school. The school is entitled to receive, from the department of education, an amount equal to the state average per pupil operating revenues, as defined in section ~~22-53-103(8)~~ 22-54-103 (12), for the then current budget year for those students in attendance. The school shall bill the department for the applicable portion of such amount at the conclusion of each month during which such pupils continue to be enrolled at the school.

SECTION 48. 23-8-102 (1) (b), Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

23-8-102. School districts conducting vocational education courses - eligibility for state funds. (1) Any school district of the state conducting any course of vocational education, approved pursuant to section 23-8-103 by the state board for community colleges and occupational education, referred to in this article as the "board", is entitled to vocational education program support from funds appropriated for the purpose by the general assembly. The amount of vocational education program support which a district is entitled to receive pursuant to provisions of this article shall be computed as follows:

(b) As vocational education program support, the state shall provide, to each school district conducting an approved vocational education program for each twelve-month period beginning July 1, eighty percent of the first one thousand two hundred fifty dollars, or part thereof, by which the district's approved vocational education program cost per full-time equivalent student exceeds seventy percent of the district's per pupil operating revenues, as defined in section ~~22-53-103(6)~~

22-54-103 (9), C.R.S., for the school budget year during which such twelve-month period begins. In addition, if the district's approved vocational education cost per full-time equivalent student exceeds seventy percent of its per pupil operating revenues by an additional amount in excess of one thousand two hundred fifty dollars, the state shall provide fifty percent of such additional amount.

SECTION 49. 24-10-115 (3), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

24-10-115. Authority for public entities other than the state to obtain insurance. (3) A public entity, other than the state and other than a school district, may establish and maintain an insurance reserve fund for self-insurance purposes and may include in the annual tax levy of the public entity such amounts as are determined by its governing body to be necessary for the uses and purposes of the insurance reserve fund, subject to the limitations imposed by section 29-1-301, C.R.S., or such public entity may appropriate from any unexpended balance in the general fund such amounts as the governing body shall deem necessary for the purposes and uses of the insurance reserve fund, or both. A school district shall establish and maintain an insurance reserve fund in accordance with the provisions of section 22-45-103 (1) (e), C.R.S., for liability and property damage self-insurance purposes, including workers' compensation pursuant to section 8-44-204 (2), C.R.S., using moneys allocated thereto pursuant to the provisions of section ~~22-53-108 (3) (c)~~; 22-54-105 (2), C.R.S. The fund established pursuant to this subsection (3) shall be kept separate and apart from all other funds and shall be used only for the payment of administrative and legal expenses necessary for the operation of the fund and for the payment of claims against the public entity which have been settled or compromised or judgments rendered against the public entity for injury under the provisions of this article and for attorney fees and for the costs of defense of claims and to secure and pay for premiums on insurance as provided in this article.

SECTION 50. 24-75-201.5 (3), Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

24-75-201.5. Revenue shortfalls - required actions by the governor with respect to the reserve. (3) For the 1988-89 fiscal year, whenever the governor is required to formulate and implement a plan for reducing general fund expenditures in accordance with subsection (1) of this section, the first twenty-two million dollars of any such reductions in expenditures shall be from appropriations made to fund FORMER articles 50 and 53 of title 22, C.R.S.

SECTION 51. 27-10.5-104 (7) (b), Colorado Revised Statutes, 1989 Repl. Vol., as amended, is amended to read:

27-10.5-104. Authorized services and supports - conditions of funding - purchase of services and supports - boards of county commissioners - appropriation. (7) (b) Each school district shall pay to the community centered board providing programs attended by a student with a developmental disability, who is domiciled in the school district and may be counted in the district's pupil enrollment, an amount at least equal to the district's per pupil operating revenues as determined pursuant to the ~~"Public School Finance Act of 1988", article 53~~

"PUBLIC SCHOOL FINANCE ACT OF 1994", ARTICLE 54 of title 22, C.R.S. This subsection (7) shall apply to students who are less than twenty-two years of age.

SECTION 52. 29-13-101 (3), Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended to read:

29-13-101. Insurance on property of local governments. (3) A unit of local government other than a school district may establish and maintain an insurance reserve fund for self-insurance purposes and may include in the annual tax levy of the local government such amounts as are determined by its governing body to be necessary for the uses and purposes of the insurance reserve fund, subject to the limitations imposed by section 29-1-301. In the event that a local government has no annual tax levy, it may appropriate from any unexpended balance in the general fund such amounts as the governing body shall deem necessary for the purposes and uses of the insurance reserve fund. A school district shall establish and maintain an insurance reserve fund in accordance with the provisions of section 22-45-103 (1) (e), C.R.S., using moneys allocated thereto pursuant to the provisions of section ~~22-53-108 (3) (e)~~ 22-54-105 (2), C.R.S. The fund established pursuant to this subsection (3) shall be kept separate and apart from all other funds and shall be used only for the payment of loss of or damage to the property of the unit of local government or to secure and pay for premiums on insurance as provided in this article.

SECTION 53. 30-1-102 (1) (a) and (1) (c), Colorado Revised Statutes, 1986 Repl. Vol., as amended, are amended to read:

30-1-102. Fees of county treasurer. (1) The county treasurer shall charge and receive the following fees:

(a) Upon all moneys received by him for town and city taxes, whether such towns or cities are incorporated under the general laws or by special charter, and anything in said charter to the contrary notwithstanding, and upon all school taxes in counties of the first class, one percent; in counties of the second class, one percent; in counties of every other class, one percent on school taxes and two percent on town and city taxes; except that a collection fee not exceeding one-half of one percent shall be charged as provided in section ~~22-53-126~~ 22-54-119, C.R.S., and no collection fee shall be charged on other school taxes exempt by law from said collection fees;

(c) For receiving all moneys other than taxes, one percent, except moneys received from all federal funds derived from any and all sources. No collection fees shall be charged upon any moneys collected and distributed under the provisions of sections ~~22-53-114, 22-53-116, and 22-53-122~~ 22-54-106 AND 22-54-115, C.R.S., or upon other school moneys exempt by law from said collection fees.

SECTION 54. 39-5-122.5 (3), Colorado Revised Statutes, 1982 Repl. Vol., as amended, is amended to read:

39-5-122.5. Taxpayer's remedies - property tax credit for incorrect valuations used for property tax levied in 1987 for collection in 1988. (3) The

assessor shall compute the amount of the property tax credit which the owner of real property is entitled to pursuant to the provisions of subsection (2) of this section and shall notify the treasurer of said amount. Upon receipt of such notification, the treasurer shall adjust the amount of tax levied on such real property to reflect the amount of the property tax credit for such real property. If the amount of the credit granted pursuant to the provisions of this section exceeds the amount of property tax levied, the amount of said excess shall be refunded to the owner of real property in the manner provided by law. Such refunds shall be exempt from the provisions of section 39-2-116. Such taxes shall be adjusted in such a manner that the amount of any property tax credit given pursuant to the provisions of this section shall be divided proportionally among the appropriate taxing entities based upon the amount of tax levied by a taxing entity on such real property in proportion to the total amount of tax levied on such real property by such taxing entities. A taxing entity may adjust the amount of its tax levy authorized pursuant to the provisions of section 29-1-301, C.R.S., by an additional amount which does not exceed the proportional share of the total amount of property tax credits granted to taxpayers for incorrect valuations of real property pursuant to the provisions of this section. After calculating the amount of property tax revenues necessary to satisfy the requirements of the "Public School Finance Act of 1988", FORMER article 53 of title 22, C.R.S., any school district shall add an amount equal to the proportional share of the total amount of property tax credits granted to taxpayers for incorrect valuations of real property pursuant to the provisions of this section prior to the setting of the mill levy for such school district. Where a final determination is made granting a property tax credit pursuant to the provisions of this section after the certification of tax levies, the property tax credit granted shall apply to property taxes levied in the year immediately following said final determination. Any additional amount added pursuant to the provisions of this subsection (3) shall not be included in the total amount of revenue levied in said year for purposes of computing the limit for the succeeding year pursuant to the provisions of section 29-1-301, C.R.S. For the purposes of this subsection (3), a taxing entity's proportional share of the total amount of property tax credits granted shall be based upon the amount of tax levied by a taxing entity on such real property in proportion to the total amount of tax levied on such real property by such taxing entities.

SECTION 55. 39-5-132 (5), Colorado Revised Statutes, 1982 Repl. Vol., as amended, is amended to read:

39-5-132. Assessment and taxation of new construction. (5) Moneys received by a school district pursuant to this section shall be deposited in the district's capital reserve fund and shall not be included in calculating the amount of revenue which a district is entitled to receive from the property tax levy for the general fund of the district under the "~~Public School Finance Act of 1988~~", article ~~53~~ "PUBLIC SCHOOL FINANCE ACT OF 1994", ARTICLE 54 of title 22, C.R.S.

SECTION 56. 39-10-103 (2), Colorado Revised Statutes, 1982 Repl. Vol., as amended, is amended to read:

39-10-103. Tax statement. (2) Each person whose name appears on the tax list and warrant shall be informed in writing of the actual school district general fund mill levy and the school district general fund mill levy in absence of funds

estimated to be received by school districts pursuant to the ~~"Public School Finance Act of 1988", article 53~~ "PUBLIC SCHOOL FINANCE ACT OF 1994", ARTICLE 54 of title 22, C.R.S., and the estimated funds to be received for the general funds of districts from the state. ~~For the school district budget year 1990, each such person shall also be provided with information as required by section 22-53-115 (6) (d); C.R.S.~~

SECTION 57. 39-10-114 (1) (a) (I) (B), Colorado Revised Statutes, 1982 Repl. Vol., as amended, is amended to read:

39-10-114. Abatement, cancellation of taxes. (1) (a) (I) (B) The assessor shall certify the proportional amount of the total amount of abatements and refunds granted pursuant to the provisions of this section to the appropriate taxing entities at the same time that the certification of valuation for assessment is made pursuant to the provisions of section 39-5-128. Any taxing entity may adjust the amount of its tax levy authorized pursuant to the provisions of section 29-1-301, C.R.S., by an additional amount which does not exceed the proportional share of the total amount of abatements and refunds made pursuant to the provisions of this section. After calculating the amount of property tax revenues necessary to satisfy the requirements of the ~~"Public School Finance Act of 1988", article 53~~ "PUBLIC SCHOOL FINANCE ACT OF 1994", ARTICLE 54 of title 22, C.R.S., any school district shall add an amount equal to the proportional share of the total amount of abatements and refunds granted pursuant to the provisions of this section prior to the setting of the mill levy for such school district. Any additional amount added pursuant to the provisions of this subsection (1) shall not be included in the total amount of revenue levied in said year for the purposes of computing the limit for the succeeding year pursuant to the provisions of section 29-1-301, C.R.S. Where a final determination is made granting an abatement or refund pursuant to the provisions of this section, the abatement or refund granted shall be payable at such time as determined by the board of county commissioners after consultation with affected taxing entities but no later than upon the payment of property taxes for the property tax year in which said final determination was made. For the purposes of this sub-subparagraph (B), a taxing entity's proportional share of the total amount of abatements and refunds granted shall be based upon the amount of tax levied by a taxing entity on such real property in proportion to the total amount of tax levied on such real property by such taxing entities.

SECTION 58. Appropriation - 1993-94 fiscal year. In addition to any other appropriation made for the current fiscal year, there is hereby appropriated, out of any moneys in the general fund not otherwise appropriated, to the department of education, the sum of twenty-seven million six hundred thirty-one thousand two hundred ninety-three dollars (\$27,631,293), of which amount twenty-seven million nineteen thousand seven hundred forty-five dollars (\$27,019,745), or so much thereof as may be necessary, shall be used to implement section 22-53-107.4, Colorado Revised Statutes, enacted in this act, and of which amount six hundred eleven thousand five hundred forty-eight dollars (\$611,548), or so much thereof as may be necessary, shall be used to make additional state aid payments pursuant to section 22-53-114 (9), Colorado Revised Statutes, which result from the amendment made in this act to section 22-32-110 (1) (ff) and (gg), Colorado Revised Statutes.

SECTION 59. Appropriation for total program in 1994 long bill - adjustment - legislative intent. (1) For the implementation of the amendment made in this act to section 22-51-104 (2), Colorado Revised Statutes, appropriations made in the annual general appropriation act to the department of education for the fiscal year beginning July 1, 1994, shall be adjusted as follows:

(a) The general fund appropriation for public school finance, total program, is decreased by one million five hundred thousand dollars (\$1,500,000); and

(b) The general fund appropriation for public school finance, public school transportation, is increased by one million five hundred thousand dollars (\$1,500,000).

(2) Of the appropriation made in the annual general appropriation act for public school finance, total program, an amount equal to two million dollars (\$2,000,000) shall be set aside by the department to be used to make additional state aid payments pursuant to section 22-54-115 (1), Colorado Revised Statutes, which may result from the adjustment of state aid payments following the certification of the pupil enrollments and valuations for assessment to the state board.

SECTION 60. Effective date. This act shall take effect upon passage; except that section 3 shall take effect July 1, 1994.

SECTION 61. 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 27, 1994