

CHAPTER 258

EDUCATION - PUBLIC SCHOOLS

HOUSE BILL 98-1231

BY REPRESENTATIVES Tool, Anderson, Dean, Entz, Sullivant, George, Hagedorn, Keller, Reeser, and S. Williams;
also SENATORS J. Johnson, B. Alexander, Chlouber, Feeley, Hernandez, Hopper, Linkhart, Martinez, Matsunaka, Pascoe,
Perlmutter, Phillips, Reeves, and Wham.

AN ACT

CONCERNING AN ASSISTANCE PROGRAM FOR SCHOOL DISTRICT CAPITAL CONSTRUCTION.

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

SECTION 1. Title 22, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW ARTICLE to read:

**ARTICLE 43.7
School District Capital Construction
Assistance Program**

22-43.7-101. Legislative declaration. (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

(a) SECTION 2 OF ARTICLE IX OF THE STATE CONSTITUTION REQUIRES THE GENERAL ASSEMBLY TO PROVIDE FOR THE ESTABLISHMENT AND MAINTENANCE OF A THOROUGH AND UNIFORM SYSTEM OF FREE PUBLIC SCHOOLS THROUGHOUT THE STATE;

(b) THE GENERAL ASSEMBLY DESIRES TO ASSIST SCHOOL DISTRICTS IN ENSURING THAT PUBLIC SCHOOLS IN COLORADO ARE SUFFICIENT TO MEET STUDENTS' FUNDAMENTAL EDUCATIONAL NEEDS; AND

(c) COLORADO SCHOOL DISTRICTS HAVE DIFFERING FINANCIAL ABILITIES TO MEET STUDENTS' FUNDAMENTAL EDUCATIONAL NEEDS, INCLUDING THE NEED FOR NEW PUBLIC SCHOOLS AND THE NEED FOR RENOVATIONS OF AND CONTROLLED MAINTENANCE AT PUBLIC SCHOOLS.

(2) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT 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.

ESTABLISHMENT OF A PROGRAM TO PROVIDE MATCHING GRANTS TO SCHOOL DISTRICTS FOR CAPITAL CONSTRUCTION PROJECTS WOULD ASSIST THE DISTRICTS IN MEETING STUDENTS' FUNDAMENTAL EDUCATIONAL NEEDS.

(3) IT IS THE INTENT OF THE GENERAL ASSEMBLY IN ENACTING THIS ARTICLE TO ESTABLISH A PROGRAM THAT WILL PROVIDE MATCHING FUNDS TO SCHOOL DISTRICTS THAT DESIRE TO UNDERTAKE CAPITAL CONSTRUCTION PROJECTS AND THAT HAVE A NEED FOR FINANCIAL ASSISTANCE IN ORDER TO UNDERTAKE SUCH CONSTRUCTION PROJECTS.

22-43.7-102. Definitions. AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "CAPITAL CONSTRUCTION" SHALL HAVE THE MEANING SET FORTH IN SECTION 24-75-301 (1), C.R.S.

(2) "FUND" MEANS THE SCHOOL CONSTRUCTION AND RENOVATION FUND CREATED PURSUANT TO THIS ARTICLE.

(3) "STATE AID" MEANS THAT PORTION OF A SCHOOL DISTRICT'S FINANCIAL BASE OF SUPPORT FOR PUBLIC EDUCATION THAT IS PROVIDED BY THE STATE PURSUANT TO ARTICLE 54 OF THIS TITLE.

(4) "STATE BOARD" MEANS THE STATE BOARD OF EDUCATION CREATED PURSUANT TO SECTION 1 OF ARTICLE IX OF THE STATE CONSTITUTION.

22-43.7-103. School construction and renovation fund - created - purpose.

(1) THERE IS HEREBY ESTABLISHED IN THE STATE TREASURY THE SCHOOL CONSTRUCTION AND RENOVATION FUND. THE FUND SHALL CONSIST OF THE MONEYS TRANSFERRED TO THE FUND PURSUANT TO SECTION 24-75-1102 (1) (a), C.R.S., AS ENACTED BY HOUSE BILL 98-1256, ENACTED AT THE SECOND REGULAR SESSION OF THE SIXTY-FIRST GENERAL ASSEMBLY, AND ANY OTHER MONEYS AS MAY BE MADE AVAILABLE BY THE GENERAL ASSEMBLY.

(2) SUBJECT TO APPROPRIATION BY THE GENERAL ASSEMBLY, MONEYS IN THE FUND SHALL BE USED TO PROVIDE MATCHING GRANTS TO SCHOOL DISTRICTS THAT ARE UNDERTAKING QUALIFIED CAPITAL CONSTRUCTION PROJECTS AND FOR THE EXPENSES INCURRED BY THE STATE BOARD IN ADMINISTERING THIS ARTICLE.

(3) MATCHING GRANTS FROM THE FUND SHALL NOT BE AUTHORIZED FOR ANY SCHOOL DISTRICT CAPITAL CONSTRUCTION PROJECT THAT HAS NOT BEEN EVALUATED BY THE STATE BOARD AND INCLUDED ON THE PRIORITIZED LIST PREPARED BY THE STATE BOARD PURSUANT TO THIS ARTICLE.

(4) ALL INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEYS IN THE FUND SHALL BE CREDITED TO THE FUND. ANY MONEYS NOT APPROPRIATED SHALL REMAIN IN THE FUND AND SHALL NOT BE TRANSFERRED OR REVERT TO THE GENERAL FUND OF THE STATE AT THE END OF ANY FISCAL YEAR.

22-43.7-104. Eligible projects - criteria. (1) MATCHING GRANTS MAY BE PROVIDED FROM THE FUND PURSUANT TO THIS ARTICLE ONLY FOR SCHOOL DISTRICT

CAPITAL CONSTRUCTION PROJECTS INVOLVING INSTRUCTIONAL FACILITIES, INCLUDING CLASSROOMS, LIBRARIES, PHYSICAL PLANTS, AND ASSOCIATED ADMINISTRATIVE AREAS, OR INVOLVING THE INCORPORATION OF TECHNOLOGY INTO THE EDUCATIONAL ENVIRONMENT.

(2) MATCHING GRANTS SHALL NOT BE PROVIDED PURSUANT TO THIS ARTICLE FOR ANY PORTION OF A SCHOOL DISTRICT CAPITAL CONSTRUCTION PROJECT INVOLVING ATHLETIC, RECREATIONAL, OR OTHER NONINSTRUCTIONAL FACILITIES WITHIN THE DISTRICT, EVEN IF SUCH FACILITIES ARE LOCATED ON A SCHOOL SITE.

22-43.7-105. Grant application requirements - evaluation criteria - state board - duties. (1) APPLICATIONS FOR MATCHING GRANTS FROM THE FUND SHALL BE SUBMITTED TO THE STATE BOARD NO LATER THAN JULY 1 OF EACH YEAR FOR THE FOLLOWING FISCAL YEAR. INDIVIDUAL SCHOOLS MAY APPLY FOR MATCHING GRANTS THROUGH THE SCHOOL DISTRICT IN WHICH THE SCHOOLS ARE LOCATED AND THE SCHOOL DISTRICT MAY, IN TURN, APPLY TO THE STATE BOARD FOR SUCH GRANTS PURSUANT TO THIS SECTION.

(2) THE STATE BOARD OR ITS DESIGNEES SHALL EVALUATE SUCH APPLICATIONS BASED ON THE FACTORS SET FORTH IN THIS SECTION AND SUCH OTHER FACTORS AS THE STATE BOARD MAY ESTABLISH BY RULE. SUCH RULES SHALL BE PROMULGATED IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S.

(3) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT SCHOOL DISTRICTS GIVE CONSIDERATION TO THE NEEDS OF BOTH TRADITIONAL PUBLIC SCHOOLS AND CHARTER SCHOOLS ESTABLISHED PURSUANT TO ARTICLE 30.5 OF THIS TITLE WHEN SUBMITTING APPLICATIONS FOR MATCHING GRANTS PURSUANT TO THIS SECTION.

(4) ALL APPLICATIONS SUBMITTED TO THE STATE BOARD SHALL BE IN A FORM PRESCRIBED BY THE STATE BOARD AND SHALL INCLUDE:

(a) A DESCRIPTION OF THE SCOPE AND NATURE OF THE CAPITAL CONSTRUCTION PROJECT;

(b) A DESCRIPTION OF THE ARCHITECTURAL, FUNCTIONAL, AND CONSTRUCTION STANDARDS THAT ARE TO BE APPLIED TO THE FACILITY THAT IS THE SUBJECT OF THE CAPITAL CONSTRUCTION PROJECT;

(c) THE FORM AND AMOUNT OF FINANCIAL EFFORT THAT WILL BE PROVIDED BY THE SCHOOL DISTRICT FOR THE CAPITAL CONSTRUCTION PROJECT;

(d) WHETHER AN ELECTION IS REQUIRED BEFORE THE DISTRICT CAN PROCEED WITH THE CAPITAL CONSTRUCTION PROJECT AND, IF SO, THE ANTICIPATED DATE OF THE ELECTION; AND

(e) SUCH OTHER INFORMATION THE STATE BOARD MAY REQUIRE FOR THE EVALUATION OF THE CAPITAL CONSTRUCTION PROJECT.

(5) APPLICATIONS THAT DESCRIBE CAPITAL CONSTRUCTION PROJECTS DEEMED ELIGIBLE BY THE STATE BOARD FOR MATCHING GRANTS SHALL BE PRIORITIZED BASED ON THE FOLLOWING CRITERIA, IN DESCENDING ORDER OF IMPORTANCE:

(a) CAPITAL CONSTRUCTION PROJECTS THAT WILL ADDRESS IMMEDIATE SAFETY HAZARDS OR HEALTH CONCERNS AT EXISTING SCHOOL FACILITIES, CONSIDERING THE AGE OF THE FACILITIES AND ANY PREVIOUS RENOVATION WORK OR CONTROLLED MAINTENANCE THAT HAS BEEN PERFORMED AT THE FACILITIES;

(b) CAPITAL CONSTRUCTION PROJECTS IN A SCHOOL DISTRICT THAT HAS A LOWER RELATIVE WEALTH COMPARED TO OTHER SCHOOL DISTRICTS IN THE STATE BASED ON THE PER PUPIL ASSESSED VALUATION WITHIN THE DISTRICT AND THE AMOUNT OF STATE AID TO WHICH THE SCHOOL DISTRICT IS ENTITLED RELATIVE TO THE DISTRICT'S TOTAL PROGRAM, AS DEFINED IN SECTION 22-54-103 (6);

(c) CAPITAL CONSTRUCTION PROJECTS THAT WILL ADDRESS ENROLLMENT GROWTH ISSUES WITHIN A SCHOOL DISTRICT, CONSIDERING THE AMOUNT OF ENROLLMENT GROWTH IN THE SCHOOL DISTRICT AND OTHER STEPS TAKEN BY THE SCHOOL DISTRICT TO ADDRESS ENROLLMENT GROWTH CONCERNS;

(d) CAPITAL CONSTRUCTION PROJECTS IN A SCHOOL DISTRICT THAT HAS PREVIOUSLY DEMONSTRATED CONSISTENT EFFORTS TO ALLOCATE MONEYS TO THE DISTRICT'S CAPITAL RESERVE FUND IN EXCESS OF THE MINIMUM AMOUNTS REQUIRED PURSUANT TO SECTION 22-54-105 (2);

(e) CAPITAL CONSTRUCTION PROJECTS THAT ARE DESIGNED TO INCORPORATE TECHNOLOGY INTO THE EDUCATIONAL ENVIRONMENT;

(f) ALL OTHER CAPITAL CONSTRUCTION PROJECTS.

(6) FROM THE APPLICATIONS SUBMITTED FOR THE NEXT FISCAL YEAR, THE STATE BOARD SHALL PREPARE A PRIORITIZED LIST OF ELIGIBLE CAPITAL CONSTRUCTION PROJECTS AND SHALL SUBMIT SUCH LIST TO THE JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY NO LATER THAN DECEMBER 1 OF EACH YEAR FOR CONSIDERATION FOR INCLUSION IN THE GENERAL APPROPRIATIONS BILL. SAID LIST SHALL ALSO BE SUBMITTED TO THE EDUCATION COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES NO LATER THAN DECEMBER 1 OF THAT YEAR. THE JOINT BUDGET COMMITTEE SHALL DETERMINE THE NUMBER OF CAPITAL CONSTRUCTION PROJECTS ON THE LIST THAT MAY RECEIVE MATCHING GRANTS FROM MONEYS AVAILABLE IN THE FUND. ONLY CAPITAL CONSTRUCTION PROJECTS ON THE PRIORITIZED LIST MAY RECEIVE MATCHING GRANTS FROM THE FUND, AND THE CAPITAL CONSTRUCTION PROJECTS SHALL BE FUNDED IN THE PRIORITY DETERMINED BY THE STATE BOARD.

(7) THE STATE BOARD IS AUTHORIZED TO PROMULGATE RULES FOR THE ADMINISTRATION OF THIS ARTICLE. SUCH RULES SHALL BE PROMULGATED IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S.

22-43.7-106. Amount of grant. THE STATE BOARD SHALL DEVELOP CRITERIA TO DETERMINE THE AMOUNT OF EACH GRANT AWARDED PURSUANT TO THIS ARTICLE. SUCH CRITERIA SHALL INCLUDE BUT SHALL NOT BE LIMITED TO:

(a) THE SCHOOL DISTRICT'S RANKING ON ASSESSED VALUE PER PUPIL, INCLUDING WHETHER THE SCHOOL DISTRICT RANKS BELOW THE STATE AVERAGE;

- (b) THE SCHOOL DISTRICT'S MILL LEVY AND DEBT CAPACITY;
- (c) THE PERCENTAGE OF AT-RISK PUPILS IN THE SCHOOL DISTRICT;
- (d) THE EFFORT OF THE SCHOOL DISTRICT TO SUBMIT BOND QUESTIONS TO VOTERS IN THE DISTRICT AND TO SUPPORT THE PASSAGE OF SUCH QUESTIONS DURING THE LAST TEN YEARS;
- (e) THE AGE AND CONDITION OF BUILDINGS TO BE REMODELED OR REBUILT; AND
- (f) OTHER CRITERIA AS DEEMED NECESSARY BY THE STATE BOARD.

SECTION 2. Effective date. This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: May 27, 1998