

CHAPTER 75

EDUCATION - PUBLIC SCHOOLS

HOUSE BILL 03-1032

BY REPRESENTATIVE(S) Pommer, Borodkin, Boyd, Coleman, Frangas, Garcia, Groff, Jahn, Madden, Marshall, McFadyen, Merrifield, Paccione, Plant, Ragsdale, Romano ff, Salazar, Veiga, Vigil, Weissmann, and Williams S.;
also SENATOR(S) Tupa, Groff, Hanna, Isgar, Tapia, and Windels.

AN ACT

CONCERNING A SCHOOL DISTRICT EDUCATION BOARD'S OVERSIGHT OF A SCHOOL DISTRICT'S PARTICIPATION IN THE INTEREST-FREE LOAN PROGRAM.

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

SECTION 1. 22-54-110 (1) (a), Colorado Revised Statutes, is amended, and the said 22-54-110 (1) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

22-54-110. Loans to alleviate cash flow management problems. (1) (a) Upon approval by the state treasurer of ~~the~~ **AN** application of ~~a district~~ to participate in an interest-free loan program SUBMITTED BY A DISTRICT PURSUANT TO PARAGRAPH (a.5) OF THIS SUBSECTION (1), 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 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.

(a.5) A DISTRICT THAT CHOOSES TO PARTICIPATE IN THE INTEREST-FREE LOAN PROGRAM SHALL SUBMIT AN APPLICATION TO THE STATE TREASURER. ON AND AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH (a.5), A DISTRICT'S INITIAL APPLICATION TO PARTICIPATE IN THE INTEREST-FREE LOAN PROGRAM SHALL BE SUBJECT TO APPROVAL BY A RESOLUTION ADOPTED BY THE DISTRICT BOARD OF EDUCATION. FOR A MONTH IN WHICH THE DISTRICT SEEKS A LOAN, THE CHIEF FINANCIAL OFFICER OF THE DISTRICT AND THE DISTRICT SUPERINTENDENT SHALL PRESENT THE LOAN REQUEST TO 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.

DISTRICT BOARD OF EDUCATION, EXPLAINING THE NEED FOR THE LOAN AND THE REQUESTED AMOUNT. THE DISTRICT BOARD OF EDUCATION, BY MAJORITY VOTE, SHALL APPROVE OR DISAPPROVE THE LOAN REQUEST AND THE AMOUNT. IF THE DISTRICT BOARD OF EDUCATION APPROVES THE LOAN REQUEST, THE CHIEF FINANCIAL OFFICER AND THE DISTRICT SUPERINTENDENT SHALL REQUEST THE LOAN FROM AND CERTIFY THE AMOUNT OF THE LOAN TO, AS APPROVED BY THE DISTRICT BOARD OF EDUCATION, THE STATE TREASURER AS PROVIDED IN PARAGRAPH (a) OF THIS SUBSECTION (1).

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

Approved: March 25, 2003