

CHAPTER 199

EDUCATION - PUBLIC SCHOOLS

SENATE BILL 07-199

BY SENATOR(S) Windels, and Hagedorn;
also REPRESENTATIVE(S) Pommer, Benefield, Borodkin, Curry, Fischer, Judd, Labuda, Madden, Marshall, McGihon,
Merrifield, Soper, and Todd.

AN ACT

CONCERNING THE FINANCING OF PUBLIC SCHOOLS, AND MAKING AN APPROPRIATION THEREFOR.

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

SECTION 1. 22-54-104 (5) (a), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

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

(a) (XIV) FOR THE 2007-08 BUDGET YEAR, THE STATEWIDE BASE PER PUPIL FUNDING SHALL BE \$5,087.61, WHICH IS AN AMOUNT EQUAL TO \$4,863.87 SUPPLEMENTED BY \$223.74 TO ACCOUNT FOR INFLATION PLUS AN ADDITIONAL ONE PERCENTAGE POINT.

SECTION 2. 22-54-103 (10) (a) (IV), Colorado Revised Statutes, is amended to read:

22-54-103. Definitions. As used in this article, unless the context otherwise requires:

(10) (a) (IV) (A) EXCEPT AS PROVIDED IN SUB-SUBPARAGRAPH (B) OF THIS SUBPARAGRAPH (IV), for purposes of determining pupil enrollment in first grade for the 2006-07 budget year and each budget year thereafter, a district shall count and receive funding only for pupils enrolled in first grade who are six years old on or before October 1 of the applicable budget year.

(B) FOR PURPOSES OF DETERMINING PUPIL ENROLLMENT IN FIRST GRADE 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.

2007-08 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, IN ADDITION TO THE PUPILS COUNTED PURSUANT TO SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (IV), A DISTRICT MAY COUNT AND RECEIVE FUNDING FOR A PUPIL WHO IS ENROLLED IN FIRST GRADE WHO IS AT LEAST FIVE YEARS OLD ON OR BEFORE OCTOBER 1 OF THE APPLICABLE BUDGET YEAR IF THE PUPIL ATTENDED AT LEAST ONE HUNDRED TWENTY DAYS OF KINDERGARTEN IN A STATE OTHER THAN COLORADO.

SECTION 3. The introductory portion to 22-54-104 (2) (a) (VII) and 22-54-104 (3.5) and (4.5), Colorado Revised Statutes, are amended, and the said 22-54-104 (2) (a) is further amended BY THE ADDITION OF A NEW SUBPARAGRAPH, to read:

22-54-104. District total program. (2) (a) (VII) Except as otherwise provided in this subsection (2), subsection (6) ~~or (7)~~ of this section, or section 22-54-104.3, a district's total program for the 2003-04 budget year ~~and budget years thereafter~~ THROUGH THE 2006-07 BUDGET YEAR shall be the greater of the following:

(VIII) 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 THE 2007-08 BUDGET YEAR AND BUDGET YEARS THEREAFTER SHALL BE THE GREATER OF THE FOLLOWING:

(A) (DISTRICT PER PUPIL FUNDING X (DISTRICT FUNDED PUPIL COUNT - DISTRICT ON-LINE PUPIL ENROLLMENT)) + DISTRICT AT-RISK FUNDING + DISTRICT ON-LINE FUNDING; OR

(B) (MINIMUM PER PUPIL FUNDING X (DISTRICT FUNDED PUPIL COUNT - DISTRICT ON-LINE PUPIL ENROLLMENT)) + DISTRICT ON-LINE FUNDING.

(3.5) Minimum per pupil funding shall be:

(a) For the 2003-04 budget year, \$5,511;

(b) For the 2004-05 budget year ~~and budget years thereafter~~ THROUGH THE 2006-07 BUDGET YEAR, the dollar amount set forth in paragraph (a) of this subsection (3.5) increased by the percentage by which the statewide base per pupil funding for that budget year, as specified in paragraph (a) of subsection (5) of this section, is increased over the statewide base per pupil funding for the 2003-04 budget year. ~~as specified in subparagraph (X) of paragraph (a) of subsection (5) of this section.~~ Such amount shall be rounded to the nearest dollar.

(c) FOR THE 2007-08 BUDGET YEAR, AN AMOUNT EQUAL TO NINETY-FOUR AND THREE TENTHS PERCENT OF THE MINIMUM PER PUPIL FUNDING BASE;

(d) (I) FOR THE 2008-09 BUDGET YEAR AND BUDGET YEARS THEREAFTER, AN AMOUNT EQUAL TO NINETY-FIVE PERCENT OF THE MINIMUM PER PUPIL FUNDING BASE.

(II) (A) AS USED IN THIS PARAGRAPH (d), "MINIMUM PER PUPIL FUNDING BASE" MEANS THE TOTAL OF THE CALCULATION SPECIFIED IN SUB-SUBPARAGRAPH (B) OF THIS SUBPARAGRAPH (II) FOR ALL DISTRICTS FOR THE BUDGET YEAR DIVIDED BY THE

STATEWIDE FUNDED PUPIL COUNT MINUS THE STATEWIDE ON-LINE PUPIL ENROLLMENT, FOR SAID BUDGET YEAR.

(B) THE FOLLOWING CALCULATION SHALL BE USED FOR THE PURPOSE OF DETERMINING THE MINIMUM PER PUPIL FUNDING BASE PURSUANT TO THIS SUBPARAGRAPH (II):

(DISTRICT PER PUPIL FUNDING X (DISTRICT FUNDED PUPIL COUNT - DISTRICT ON-LINE PUPIL ENROLLMENT)) + DISTRICT AT-RISK FUNDING.

(4.5) A district's on-line funding shall be determined in accordance with the following formulas:

(a) Repealed.

(b) For the 2003-04 budget year ~~and budget years thereafter~~ THROUGH THE 2006-07 BUDGET YEAR, the formula shall be:

(Minimum per pupil funding x District on-line pupil enrollment)

(c) (I) FOR THE 2007-08 BUDGET YEAR AND BUDGET YEARS THEREAFTER, A DISTRICT'S ON-LINE FUNDING SHALL BE:

(DISTRICT ON-LINE PUPIL ENROLLMENT X \$6,135)

(II) FOR THE 2008-09 BUDGET YEAR AND BUDGET YEARS THEREAFTER, THE DOLLAR AMOUNT SET FORTH IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (c) SHALL BE INCREASED BY THE PERCENTAGE BY WHICH THE STATEWIDE BASE PER PUPIL FUNDING FOR THAT BUDGET YEAR, AS SPECIFIED IN PARAGRAPH (a) OF SUBSECTION (5) OF THIS SECTION, IS INCREASED OVER THE STATEWIDE BASE PER PUPIL FUNDING FOR THE 2007-08 BUDGET YEAR, AS SPECIFIED IN SUBPARAGRAPH (XIV) OF PARAGRAPH (a) OF SUBSECTION (5) OF THIS SECTION. SUCH AMOUNT SHALL BE ROUNDED TO THE NEAREST DOLLAR.

SECTION 4. 22-54-105 (2), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

22-54-105. Instructional supplies and materials - capital reserve and insurance reserve - at-risk funding - preschool and kindergarten funding.

(2) (e) FOR THE 2007-08 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, A SCHOOL DISTRICT THAT SELLS LANDS, BUILDINGS, OR BOTH, COLLECTS PAYMENT IN LIEU OF THE RESERVATION OR DEDICATION OF SITES AND LAND AREAS FOR SCHOOLS, OR COLLECTS CONTRIBUTIONS AS A RESULT OF A VOLUNTARY AGREEMENT WITH A DEVELOPER, AND DEPOSITS THE PROCEEDS OF THE SALE OR THE COLLECTION OF PAYMENTS OR CONTRIBUTIONS INTO THE DISTRICT'S CAPITAL RESERVE FUND PURSUANT TO SECTION 22-45-112 MAY REDUCE THE AMOUNT IT IS REQUIRED TO ALLOCATE TO THE FUND PURSUANT TO PARAGRAPHS (a) AND (b) OF THIS SUBSECTION (2) FOR THE BUDGET YEAR IN WHICH THE SALE OR THE COLLECTION OF PAYMENTS OR CONTRIBUTIONS OCCURRED BY AN AMOUNT EQUAL TO THE AMOUNT SO DEPOSITED. IN NO EVENT HOWEVER SHALL THE TOTAL AMOUNT AVAILABLE IN THE FUND FOR SAID BUDGET YEAR PURSUANT TO THIS SUBSECTION (2) BE LESS THAN

THE AMOUNT DETERMINED PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (2).

SECTION 5. 22-54-106 (2) (a), Colorado Revised Statutes, is amended to read:

22-54-106. Local and state shares of district total program. (2) (a) Except as provided in paragraph (c) of this subsection (2), for reorganized districts, for the ~~1994~~ 2007 property tax year and property tax years thereafter, each district shall levy the lesser of:

(I) The number of mills levied by the district for the immediately preceding property tax year;

(II) 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;

(III) FOR A DISTRICT THAT HAS NOT OBTAINED VOTER APPROVAL TO RETAIN AND SPEND REVENUES IN EXCESS OF THE PROPERTY TAX REVENUE LIMITATION IMPOSED ON THE DISTRICT BY SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION, 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 subparagraph (III), a district's student enrollment shall be the district's funded pupil ~~count,~~ or COUNT.

(IV) Repealed.

(V) TWENTY-SEVEN MILLS.

SECTION 6. 22-54-107 (1), Colorado Revised Statutes, is amended to read:

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) (a) (II), 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 LESSER OF 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 IF THE DISTRICT HAS NOT OBTAINED VOTER APPROVAL TO RETAIN AND SPEND REVENUES IN EXCESS OF SUCH PROPERTY TAX REVENUE LIMITATION, OR TWENTY-SEVEN MILLS.

SECTION 7. 22-54-126 (3), Colorado Revised Statutes, is amended to read:

22-54-126. Declining enrollment districts with new charter schools - additional aid - definitions. (3) For the 2006-07 budget year and each budget year thereafter, the general assembly shall annually appropriate moneys from the general fund or any other source for additional aid to a declining enrollment district in which a new charter school is opened. The additional aid shall be distributed to all declining enrollment districts in which new charter schools are opened in the budget year for which the aid is appropriated. The additional aid shall be distributed among

the declining enrollment districts in which new charter schools are opened in the proportion that the declining enrollment district's new charter school enrollment bears to the total new charter school enrollment in all declining enrollment districts statewide in which new charter schools are opened in the budget year for which the additional aid is appropriated; EXCEPT THAT FOR THE 2007-08 BUDGET YEAR AND BUDGET YEARS THEREAFTER, A DECLINING ENROLLMENT DISTRICT SHALL NOT RECEIVE MORE THAN THREE HUNDRED THOUSAND DOLLARS OF ADDITIONAL AID PURSUANT TO THIS SECTION.

SECTION 8. 22-2-105, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

22-2-105. State board of education - composition. (6) DURING HIS OR HER TERM OF OFFICE, A MEMBER OF THE STATE BOARD SHALL NOT BE A MEMBER OF THE GENERAL ASSEMBLY; AN OFFICER, EMPLOYEE, OR BOARD MEMBER OF A SCHOOL DISTRICT OR CHARTER SCHOOL IN THE STATE; OR AN EMPLOYEE OF THE STATE BOARD OR THE DEPARTMENT OF EDUCATION.

SECTION 9. 22-2-113 (1) (g), Colorado Revised Statutes, is amended to read:

22-2-113. Commissioner - powers. (1) Subject to the supervision of the state board, the commissioner has the following powers:

(g) (I) To recover an interest fee from current state payments to a school district, a board of cooperative services as defined in section 22-5-103 (2), or a group care facility or home as defined by the department in its ~~regulations~~ RULES when a certification to the department of education by such district, board, or facility, for the determination of state funding, results in an overpayment to the district, board, facility, or home by the state. The interest amount shall be computed on the amount of overpayment at a rate that is ~~consistent with section 5-12-101, C.R.S.~~ EQUAL TO THE EARNINGS ON THE TREASURY POOLED FUNDS FOR THE PREVIOUS FISCAL YEAR, beginning from the final settlement date of the audit. The interest fee shall be recovered in addition to the recovery of the amount of the overpayment.

(II) (A) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (g), FOR AUDITS THAT BEGIN ON OR AFTER JULY 1, 2007, IF THE DEPARTMENT DETERMINES THROUGH AN AUDIT OF A SCHOOL DISTRICT OR A GROUP CARE FACILITY OR HOME THAT AN OVERPAYMENT OF STATE FUNDING HAS BEEN MADE TO THE DISTRICT, FACILITY, OR HOME DUE TO AN ERROR IN INFORMATION SUBMITTED TO THE DEPARTMENT, THE COMMISSIONER SHALL NOT RECOVER AN INTEREST FEE FROM THE DISTRICT, FACILITY, OR HOME IN ADDITION TO THE AMOUNT OF THE OVERPAYMENT IF THE DISTRICT, FACILITY, OR HOME REPAYS THE OVERPAYMENT WITHIN THE PERIOD SPECIFIED IN SUB-SUBPARAGRAPH (B) OF THIS SUBPARAGRAPH (II).

(B) THE PERIOD DURING WHICH THE COMMISSIONER SHALL NOT RECOVER AN INTEREST FEE PURSUANT TO SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (II) SHALL BE A PERIOD THAT IS EQUAL TO THE NUMBER OF YEARS AND ANY FRACTION OF A YEAR BETWEEN THE SETTLEMENT DATE OF THE AUDIT IN WHICH THE OVERPAYMENT TO THE SCHOOL DISTRICT OR GROUP CARE FACILITY OR HOME WAS DETERMINED AND THE SETTLEMENT DATE OF THE IMMEDIATELY PRECEDING AUDIT

OF THE DISTRICT, FACILITY, OR HOME. THE PERIOD SHALL BEGIN ON THE FINAL SETTLEMENT DATE OF THE AUDIT IN WHICH THE OVERPAYMENT TO THE DISTRICT, FACILITY, OR HOME WAS DETERMINED.

(C) IF A SCHOOL DISTRICT OR GROUP CARE FACILITY OR HOME IS UNABLE TO REPAY THE TOTAL AMOUNT OF THE OVERPAYMENT WITHIN THE PERIOD SPECIFIED IN SUB-SUBPARAGRAPH (B) OF THIS SUBPARAGRAPH (II), THE DISTRICT, FACILITY, OR HOME AND THE DEPARTMENT MAY NEGOTIATE AN EXTENSION OF THE REPAYMENT PERIOD FOR THE REMAINING AMOUNT OF THE OVERPAYMENT; EXCEPT THAT THE COMMISSIONER SHALL RECOVER THE INTEREST FEE DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (g) ON THE REMAINING AMOUNT OF THE OVERPAYMENT BEGINNING ON THE DAY IMMEDIATELY FOLLOWING THE EXPIRATION OF THE PERIOD SPECIFIED IN SUB-SUBPARAGRAPH (B) OF THIS SUBPARAGRAPH (II). THE INTEREST FEE SHALL BE RECOVERED IN ADDITION TO THE RECOVERY OF THE REMAINING AMOUNT OF THE OVERPAYMENT.

SECTION 10. 22-20-114.5 (1) (b), (3) (a), and (3) (b), Colorado Revised Statutes, are amended to read:

22-20-114.5. Special education fiscal advisory committee - special education high-cost grants - definitions - repeal. (1) As used in this section, unless the context otherwise requires:

(b) "High costs" means the costs incurred by an administrative unit above a threshold amount determined pursuant to paragraph (e) of subsection (3) of this section in providing special educational services, either directly or by contract, to a child with disabilities REGARDLESS OF THE CHILD'S DISTRICT OF RESIDENCE.

(3)(a) AN ADMINISTRATIVE UNIT THAT INCURS HIGH COSTS IN PROVIDING SPECIAL EDUCATIONAL SERVICES TO A CHILD WITH DISABILITIES MAY APPLY FOR A HIGH COST GRANT TO RECOVER ALL OR A PORTION OF SUCH HIGH COSTS. To receive a grant, ~~for reimbursement of high costs~~, an administrative unit shall apply to the committee in a form and manner determined by the committee and provide such information as may be requested by the committee to document the administrative unit's high costs.

(b) (I) The committee shall have the discretion to award a grant to an administrative unit that applies and qualifies to receive a grant pursuant to paragraph (a) of this subsection (3). In determining whether to award a grant to an administrative unit and the amount of the grant to be awarded, the committee shall consider the administrative unit's annual ~~budget~~ AUDITED EXPENSES for the preceding budget year and the percentage of the administrative unit's annual ~~budget~~ AUDITED EXPENSES that represents the high costs incurred by the administrative unit in the preceding budget year. In awarding grants, the committee shall prioritize THE administrative units ~~that spent the greatest percentage of their annual budget in the preceding budget year on high costs incurred in providing special education services to children with disabilities~~ SPECIFIED IN SUB-SUBPARAGRAPHS (A) AND (B) OF SUBPARAGRAPH (II) OF THIS PARAGRAPH (b). All grants awarded by the committee shall be subject to approval by the state board.

(II) (A) IN AWARDING GRANTS PURSUANT TO THIS SECTION, THE COMMITTEE SHALL FIRST PRIORITIZE THOSE ADMINISTRATIVE UNITS THAT HAVE ONE OR MORE

CHILDREN BEING SERVED IN AN OUT-OF-DISTRICT PLACEMENT FOR SPECIAL EDUCATIONAL SERVICES AND THAT SPENT THE HIGHEST PERCENTAGES, BASED ON THE ADMINISTRATIVE UNIT'S ACTUAL AUDITED EXPENSES, IN THE PRECEDING BUDGET YEAR ON HIGH COSTS INCURRED IN PROVIDING SPECIAL EDUCATION SERVICES TO CHILDREN IN SUCH OUT-OF-DISTRICT PLACEMENTS.

(B) IF ADDITIONAL MONEYS ARE AVAILABLE AFTER THE COMMITTEE HAS AWARDED GRANTS PURSUANT TO SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (II), THE COMMITTEE SHALL THEN PRIORITIZE THOSE ADMINISTRATIVE UNITS WITH ONE OR MORE CHILDREN BEING SERVED IN AN IN-DISTRICT PLACEMENT FOR SPECIAL EDUCATIONAL SERVICES AND THAT SPENT THE HIGHEST PERCENTAGES, BASED ON THE ADMINISTRATIVE UNIT'S ACTUAL AUDITED EXPENSES, IN THE PRECEDING BUDGET YEAR ON HIGH COSTS INCURRED IN PROVIDING SPECIAL EDUCATIONAL SERVICES TO CHILDREN IN SUCH IN-DISTRICT PLACEMENTS.

SECTION 11. 22-28-104 (2) (a), Colorado Revised Statutes, is amended to read:

22-28-104. Establishment of public preschool and kindergarten programs.

(2) (a) (I) For the 2006-07 budget year, ~~and each budget year thereafter~~, fourteen thousand three hundred sixty children may annually participate in the state preschool and kindergarten program.

(II) FOR THE 2007-08 BUDGET YEAR, SIXTEEN THOUSAND THREE HUNDRED SIXTY CHILDREN MAY ANNUALLY PARTICIPATE IN THE STATE PRESCHOOL AND KINDERGARTEN PROGRAM.

(III) FOR THE 2008-09 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, NINETEEN THOUSAND EIGHT HUNDRED SIXTY CHILDREN MAY ANNUALLY PARTICIPATE IN THE STATE PRESCHOOL AND KINDERGARTEN PROGRAM.

SECTION 12. 22-28-105 (2) (a.3), Colorado Revised Statutes, is amended to read:

22-28-105. District preschool and kindergarten program advisory council - duties. (2) The district advisory council shall:

(a.3) Study and assess the need for establishing a district preschool and kindergarten program in the school district and, upon completion of such assessment, IF THERE IS AN IDENTIFIED NEED, submit a request for proposals to any privately funded child care center and publicly funded early childhood education agency. The request for proposals shall state the criteria and guidelines established by the department for determining the eligibility of children to participate in a district preschool and kindergarten program, for district preschool and kindergarten programs, and for parental involvement in a district preschool and kindergarten program. At least once every ~~five~~ TWO years, the district advisory council shall assess whether alternative community providers are available and shall ensure the highest quality service delivery at the lowest cost.

SECTION 13. 22-28-108 (1) (b) (II), Colorado Revised Statutes, is amended to read:

22-28-108. Criteria for district preschool and kindergarten programs.

(1) (b) The state board shall establish, by rule, criteria for school districts to use in establishing district preschool and kindergarten programs, subject to the following requirements:

(II) The maximum number of pupils in a preschool class shall not exceed ~~fifteen~~ SIXTEEN, AND THE MAXIMUM NUMBER OF PUPILS IN A FULL-DAY KINDERGARTEN CLASS SHALL NOT EXCEED TWENTY.

SECTION 14. The introductory portion to 22-28-109 (1), Colorado Revised Statutes, is amended to read:

22-28-109. District preschool and kindergarten programs provided by a head start agency or child care agencies. (1) The state recognizes that there is significant value in using existing and established infrastructure through a head start agency or child care agencies, where available, for the provision of a district preschool and kindergarten program. BEFORE THE BOARD OF EDUCATION OF ANY SCHOOL DISTRICT WHOSE PUPIL ENROLLMENT WAS LESS THAN OR EQUAL TO SEVEN HUNDRED FIFTY PUPILS FOR THE PRECEDING BUDGET YEAR EXPENDS MONEY FOR CAPITAL PROJECTS TO PROVIDE ADDITIONAL FACILITIES FOR A DISTRICT PRESCHOOL AND KINDERGARTEN PROGRAM, the board of education of any school district may and is encouraged to provide that SHALL CONSIDER WHETHER the district preschool and kindergarten program MAY be contracted out, in whole or in part, to a head start agency or one or more child care agencies located in the school district. THE BOARD OF ANY SCHOOL DISTRICT, REGARDLESS OF PUPIL ENROLLMENT, MAY CONTRACT OUT THE DISTRICT PRESCHOOL AND KINDERGARTEN PROGRAM ONLY if the provisions of this section are satisfied. In making its determination on whether to contract out the district preschool and kindergarten program, the board of education shall consider the recommendation of the district advisory council along with the following:

SECTION 15. 22-30.5-104 (7), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

22-30.5-104. Charter school - requirements - authority - definitions. (7) (e) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPHS (b) AND (c) OF THIS SUBSECTION (7), ANY SCHOOL DISTRICT THAT HAS SPACE IN DISTRICT FACILITIES THAT IS UNOCCUPIED SHALL BE ALLOWED TO SELL THE FACILITIES OR USE THE FACILITIES FOR A DIFFERENT PURPOSE AND SHALL NOT BE REQUIRED TO MAINTAIN OWNERSHIP OF THE FACILITIES FOR POTENTIAL USE BY A CHARTER SCHOOL.

SECTION 16. 22-30.5-504 (5), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

22-30.5-504. Institute chartering authority - institute charter schools. (5) (c) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBSECTION (5), THE STATE BOARD SHALL NOT DENY EXCLUSIVE AUTHORITY TO A LOCAL BOARD OF EDUCATION BASED UPON A SCHOOL DISTRICT MORATORIUM REGARDING CHARTER SCHOOLS THAT WAS IN EXISTENCE PRIOR TO JULY 1, 2004, BUT WAS REPEALED ON OR BEFORE OCTOBER 1, 2004.

SECTION 17. 22-30.5-505 (2), Colorado Revised Statutes, is amended BY THE

ADDITION OF A NEW PARAGRAPH to read:

22-30.5-505. State charter school institute - institute board - appointment - powers and duties - rules. (2) (d) DURING HIS OR HER TERM OF OFFICE, A MEMBER OF THE INSTITUTE BOARD SHALL NOT BE A MEMBER OF THE GENERAL ASSEMBLY; AN OFFICER, EMPLOYEE, OR BOARD MEMBER OF A SCHOOL DISTRICT OR CHARTER SCHOOL IN THE STATE; OR AN EMPLOYEE OF THE INSTITUTE BOARD OR THE DEPARTMENT OF EDUCATION.

SECTION 18. Article 32 of title 22, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

22-32-119.5. Full-day kindergarten - legislative declaration - phase-in plan - report. (1) (a) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

(I) RIGOROUS RESEARCH PROVES THAT FULL-DAY KINDERGARTEN IS AN EFFECTIVE WAY OF IMPROVING A CHILD'S ACADEMIC PERFORMANCE.

(II) RESEARCH SHOWS THAT CHILDREN WHO HAVE ACADEMIC SUCCESS ARE LESS LIKELY TO DROP OUT OF SCHOOL AND MORE LIKELY TO GRADUATE FROM HIGH SCHOOL AND ENTER AN INSTITUTION OF HIGHER EDUCATION, LEADING THEM TO HIGHER PAYING JOBS THAT PROVIDE FOR A STRONG ECONOMY IN THE STATE.

(III) STUDIES SHOW THAT FULL-DAY KINDERGARTEN PROGRAMS ADDRESS ACHIEVEMENT GAP ISSUES AND PROMOTE STUDENT ACHIEVEMENT.

(IV) ALL CHILDREN IN COLORADO DESERVE THE CHANCE TO ATTEND A FULL DAY OF KINDERGARTEN, AS THE BENEFITS OF FULL-DAY KINDERGARTEN CONTINUE THROUGHOUT A CHILD'S EDUCATIONAL EXPERIENCE AND SET THE TONE FOR FUTURE ACADEMIC SUCCESS.

(b) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT WHILE THE BENEFITS OF FULL-DAY KINDERGARTEN PROGRAMS ARE EVIDENT, THE GENERAL ASSEMBLY MAY BE UNABLE TO PROVIDE FUNDING TO ALLOW EVERY ELIGIBLE CHILD IN THE STATE TO ATTEND A FULL DAY OF KINDERGARTEN. AS A RESULT, DETERMINING AN APPROACH TO PHASE IN FULL-DAY KINDERGARTEN PROGRAMS IS THE FIRST STEP TOWARD POTENTIALLY OFFERING FULL-DAY KINDERGARTEN PROGRAMS STATEWIDE. THE DEVELOPMENT OF A PLAN BY EACH LOCAL BOARD OF EDUCATION TO PHASE IN A FULL-DAY KINDERGARTEN PROGRAM AT THE DISTRICT LEVEL IS ESSENTIAL TO ENSURE THAT THE APPROPRIATE MECHANISMS ARE IN PLACE TO SUPPORT AND MAINTAIN HIGH QUALITY FULL-DAY KINDERGARTEN PROGRAMS IN COLORADO.

(2) EACH LOCAL BOARD OF EDUCATION SHALL DEVELOP A PLAN TO POTENTIALLY PHASE IN A FULL-DAY KINDERGARTEN PROGRAM IN THE SCHOOL DISTRICT TO BE FUNDED WITH STATE OR LOCAL MONEYS PROVIDED SPECIFICALLY FOR SUCH PROGRAM. IN DEVELOPING THE PLAN, EACH LOCAL BOARD SHALL CONSIDER THE FOLLOWING:

(a) AVAILABLE SPACE IN EXISTING SCHOOL DISTRICT FACILITIES FOR A FULL-DAY KINDERGARTEN PROGRAM;

(b) THE NEED AND COST OF NEW SCHOOL DISTRICT FACILITIES NECESSARY TO OFFER A FULL-DAY KINDERGARTEN PROGRAM, INCLUDING BUT NOT LIMITED TO, THE COST ASSOCIATED WITH CONSTRUCTION, ACQUISITION, RECONFIGURATION, OR RENOVATION OF NEW OR EXISTING FACILITIES;

(c) A METHOD TO IDENTIFY THE CHILDREN WHO WOULD MOST BENEFIT FROM ATTENDING A FULL DAY OF KINDERGARTEN, INCLUDING BUT NOT LIMITED TO:

(I) CHILDREN WHO LACK OVERALL LEARNING READINESS DUE TO SIGNIFICANT FAMILY RISK FACTORS, WHO ARE IN NEED OF LANGUAGE DEVELOPMENT, OR WHO ARE RECEIVING SERVICES FROM THE DEPARTMENT OF HUMAN SERVICES PURSUANT TO ARTICLE 5 OF TITLE 26, C.R.S., AS NEGLECTED OR DEPENDENT CHILDREN;

(II) CHILDREN WHO ARE CURRENTLY ENROLLED IN THE COLORADO PRESCHOOL AND KINDERGARTEN PROGRAM AS PRESCHOOLERS;

(III) CHILDREN WHO ARE ELIGIBLE FOR FREE OR REDUCED LUNCH; AND

(IV) CHILDREN WHO ARE ENROLLING IN AN ELEMENTARY SCHOOL THAT RECEIVED AN OVERALL ACADEMIC PERFORMANCE RATING OF LOW OR UNSATISFACTORY PURSUANT TO SECTION 22-7-604 IN THE ACADEMIC YEAR PRECEDING ENROLLMENT;

(d) PROFESSIONAL DEVELOPMENT AND STAFFING NEEDS;

(e) A METHOD TO PRIORITIZE THE CHILDREN TO BE SERVED BY A FULL-DAY KINDERGARTEN PROGRAM IF STATE AND LOCAL FUNDING FOR THE PROGRAM IS INSUFFICIENT TO ALLOW EVERY ELIGIBLE CHILD IN THE SCHOOL DISTRICT TO ATTEND A FULL DAY OF KINDERGARTEN;

(f) A PLAN FOR PARENT AND COMMUNITY OUTREACH AND ENROLLMENT PROCESSES; AND

(g) THE ANTICIPATED ENROLLMENT IN A FULL-DAY KINDERGARTEN PROGRAM, INCLUDING THE PERCENTAGE OF ELIGIBLE CHILDREN IN THE SCHOOL DISTRICT THAT WILL CHOOSE TO ENROLL IN THE PROGRAM.

(3) EACH LOCAL BOARD OF EDUCATION SHALL SUBMIT ITS PLAN TO PHASE IN A FULL-DAY KINDERGARTEN PROGRAM TO THE DEPARTMENT OF EDUCATION ON OR BEFORE FEBRUARY 1, 2008. ANY SCHOOL DISTRICT THAT HAS DEVELOPED A FULL-DAY KINDERGARTEN PLAN WITHIN THE FIVE YEARS PRIOR TO THE EFFECTIVE DATE OF THIS SECTION MAY SUBMIT THE PREVIOUSLY DEVELOPED PLAN TO THE DEPARTMENT IN LIEU OF DEVELOPING A PLAN PURSUANT TO THIS SECTION.

(4) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO:

(a) REQUIRE A CHILD TO ATTEND A FULL DAY OF KINDERGARTEN;

(b) PROHIBIT A SCHOOL DISTRICT FROM OFFERING A HALF-DAY KINDERGARTEN PROGRAM; OR

(c) REQUIRE A LOCAL BOARD OF EDUCATION TO IMPLEMENT THE SCHOOL

DISTRICT'S PLAN TO PHASE IN A FULL-DAY KINDERGARTEN PROGRAM WITHOUT STATE FUNDING FOR THE PROGRAM.

SECTION 19. The introductory portion to 22-44-105 (1), Colorado Revised Statutes, is amended, and the said 22-44-105 (1) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

22-44-105. Budget - contents - mandatory. (1) The budget shall be presented in the STANDARD BUDGET REPORT format established by the state board of education by rule PURSUANT TO SUBSECTION (5) OF THIS SECTION. THE STANDARD BUDGET REPORT FORMAT ESTABLISHED BY THE STATE BOARD SHALL BE SUBSTANTIALLY CONSISTENT FROM YEAR TO YEAR and shall adhere to the following guidelines:

(c.7) THE BUDGET SHALL SUMMARIZE REVENUES BY REVENUE SOURCE AND SHALL SUMMARIZE EXPENDITURES BY FUNCTION, FUND, AND OBJECT.

SECTION 20. 22-44-105, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

22-44-105. Budget - contents - mandatory. (5) NO LATER THAN JULY 1, 2008, THE STATE BOARD OF EDUCATION, WITH INPUT AND RECOMMENDATIONS FROM THE FINANCIAL POLICIES AND PROCEDURES ADVISORY COMMITTEE CREATED IN THE DEPARTMENT OF EDUCATION, SHALL ESTABLISH BY RULE THE STANDARD BUDGET REPORT FORMAT TO BE USED BY EACH BOARD OF EDUCATION.

SECTION 21. 22-44-111, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

22-44-111. Budget - filing. (3) EACH BOARD OF EDUCATION SHALL SUBMIT ITS ADOPTED ANNUAL BUDGET TO THE DEPARTMENT OF EDUCATION ON OR BEFORE JANUARY 31, 2009, AND ON OR BEFORE JANUARY 31 EACH YEAR THEREAFTER. THE BUDGET SHALL INCLUDE DATA AVAILABLE TO THE BOARD OF EDUCATION AS OF DECEMBER 31 OF THE IMMEDIATELY PRECEDING CALENDAR YEAR.

SECTION 22. 22-55-107, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

22-55-107. Categorical programs - increases in funding. (3) FOR THE 2008-09 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, ON OR BEFORE FEBRUARY 15, THE EDUCATION COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND SENATE, OR ANY SUCCESSOR COMMITTEES, MAY SUBMIT TO THE JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY A JOINT RECOMMENDATION REGARDING THE ALLOCATION OF THE INCREASE IN TOTAL STATE FUNDING FOR ALL CATEGORICAL PROGRAMS AS REQUIRED BY SUBSECTION (1) OF THIS SECTION FOR THE NEXT BUDGET YEAR. THE JOINT BUDGET COMMITTEE SHALL CONSIDER BUT SHALL NOT BE BOUND BY ANY JOINT RECOMMENDATIONS MADE PURSUANT TO THIS SUBSECTION (3) WHEN DEVELOPING THE ANNUAL GENERAL APPROPRIATION BILL FOR THE BUDGET YEAR FOR WHICH THE JOINT RECOMMENDATION IS MADE.

SECTION 23. 22-28-103 (8), Colorado Revised Statutes, is amended to read:

22-28-103. Definitions. As used in this article, unless the context otherwise requires:

(8) "School district" means any public school district organized under the laws of Colorado ~~except~~ OR AN INSTITUTE CHARTER SCHOOL CREATED PURSUANT TO PART 5 OF ARTICLE 30.5 OF THIS TITLE. "SCHOOL DISTRICT" SHALL NOT INCLUDE a junior college district.

SECTION 24. 22-54-124 (1) (f.6) (I) and (1) (f.6) (II) (C), Colorado Revised Statutes, are amended to read:

22-54-124. State aid for charter schools - use of state education fund moneys.
(1) As used in this section:

(f.6) (I) For the budget years commencing on or after July 1, 2003, "qualified charter school" means:

(A) A charter school that is not operating in a school district facility and that has capital construction costs; ~~or~~

(B) A charter school that is operating in a school district facility and that has capital construction costs; OR

(C) A CHARTER SCHOOL THAT IS OPERATING OR WILL OPERATE IN THE NEXT BUDGET YEAR IN A FACILITY THAT IS LISTED ON THE STATE INVENTORY OF REAL PROPERTY AND IMPROVEMENTS AND OTHER CAPITAL ASSETS MAINTAINED BY THE DEPARTMENT OF PERSONNEL PURSUANT TO SECTION 24-30-1303.5, C.R.S., AND THAT IS OBLIGATED TO MAKE LEASE PAYMENTS FOR USE OF THE FACILITY.

(II) For budget years commencing on or after July 1, 2003, "qualified charter school" does not include:

(C) A charter school that is operating or will operate in the next budget year in a facility that is listed on the state inventory of real property and improvements and other capital assets maintained by the department of personnel pursuant to section 24-30-1303.5, C.R.S., AND THAT IS NOT OBLIGATED TO MAKE LEASE PAYMENTS FOR USE OF THE FACILITY.

SECTION 25. 22-30.5-513 (1) (g), Colorado Revised Statutes, is amended to read:

22-30.5-513. Institute charter schools - funding - repeal. (1) As used in this section, unless the context otherwise requires:

(g) "Accounting district's per pupil on-line funding" means the ~~minimum per pupil funding, as defined in section 22-54-104 (3.5)~~ ON-LINE FUNDING, AS SPECIFIED IN SECTION 22-54-104 (4.5), for any budget year DIVIDED BY THE ON-LINE PUPIL ENROLLMENT.

SECTION 26. 22-33-104.6 (6) (a), Colorado Revised Statutes, is amended to read:

22-33-104.6. On-line program - legislative declaration - authorized - definitions. (6) (a) For the 2003-04 budget year and for each budget year thereafter, if a student who meets the requirements of paragraph (a) of subsection (4) of this section or is exempt under rules adopted by the state board transfers after October 1 to an on-line program within the school district in which the student was included in pupil enrollment for the applicable budget year, the student shall be included in the school district's on-line pupil enrollment, and the department of education shall accordingly reduce the per pupil funding received by the school district for the transferring student to the amount of ~~minimum per pupil~~ ON-LINE funding, as specified in ~~section 22-54-104 (3.5)~~ SECTION 22-54-104 (4.5) DIVIDED BY THE SCHOOL DISTRICT'S ON-LINE PUPIL ENROLLMENT, for the entire school year in which the student transferred.

SECTION 27. 22-60.5-111 (10) (a) (I), Colorado Revised Statutes, is amended to read:

22-60.5-111. Authorization - types - applicants' qualifications. (10) **School speech-language pathology assistant authorization.** (a) The department of education may issue a school speech-language pathology assistant authorization to a person who meets the criteria specified by rule of the state board of education, which at a minimum shall include:

(I) (A) EXCEPT AS OTHERWISE PROVIDED IN SUB-SUBPARAGRAPH (B) OF THIS SUBPARAGRAPH (I), completion of at least a bachelor's degree in speech communication, speech-language pathology, or communication disorders-speech sciences, WHICH IS from an accepted institution of higher education.

(B) IF A SCHOOL DISTRICT'S PUPIL ENROLLMENT IS THREE THOUSAND PUPILS OR LESS, A SCHOOL SPEECH-LANGUAGE PATHOLOGY ASSISTANT HIRED BY THE DISTRICT SHALL NOT BE REQUIRED TO HAVE A DEGREE HIGHER THAN A BACHELOR'S DEGREE IN SPEECH COMMUNICATION, SPEECH-LANGUAGE PATHOLOGY, OR COMMUNICATION DISORDERS-SPEECH SCIENCES, WHICH IS FROM AN ACCEPTED INSTITUTION OF HIGHER EDUCATION.

SECTION 28. Repeal. 22-20-114.5 (1) (c), 22-30.5-105 (2) (b), 22-30.5-110 (2) (c), 22-30.5-508 (2), 22-32-109.6 (2) (b), (2) (c), (2) (e), (3), and (4), and 22-54-104 (5) (a) (XII), Colorado Revised Statutes, are repealed.

SECTION 29. Appropriation - adjustments to the 2007 long bill. (1) For the implementation of this act, appropriations made in the annual general appropriation act to the department of education, for the fiscal year beginning July 1, 2007, shall be adjusted as follows:

(a) The appropriation for assistance to public schools, grant programs and other distributions, for national credential fee assistance, is increased by twenty-five thousand dollars (\$25,000). Said sum shall be from the state education fund created in section 17 (4) of article IX of the state constitution.

(b) The cash funds exempt appropriation for assistance to public schools, public school finance, for the state share of districts' total program funding, is decreased by forty-one million thirty-seven thousand one hundred nineteen dollars

(\$41,037,119). Said sum shall be from the state education fund created in section 17 (4) of article IX of the state constitution.

(c) The general fund appropriation for assistance to public schools, public school finance, for the state share of districts' total program funding, is increased by four million six hundred fifty-five thousand fifty-six dollars (\$4,655,056).

SECTION 30. 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: May 9, 2007