

## CHAPTER 271

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**EDUCATION - PUBLIC SCHOOLS**

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**HOUSE BILL 07-1066**

BY REPRESENTATIVE(S) Massey, Balmer, Buescher, Gallegos, Hicks, Jahn, Kerr A., Kerr J., Looper, May M., Merrifield, Pommer, Roberts, Rose, Solano, Stafford, Summers, and Todd;  
also SENATOR(S) Schwartz, Boyd, Brophy, Gordon, Groff, Isgar, Kopp, May R., Mitchell S., Morse, Penry, Sandoval, Schultheis, Shaffer, Spence, Tapia, Taylor, Tochtrop, Tupa, Ward, Wiens, and Windels.

**AN ACT****CONCERNING REIMBURSEMENT FOR SUPPLEMENTAL ON-LINE EDUCATION COURSES, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.**

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

**SECTION 1.** Article 5 of title 22, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

**22-5-119. Supplemental on-line education services - legislative declaration - contract - repeal.** (1) (a) (I) THE GENERAL ASSEMBLY FINDS THAT:

(A) ON-LINE EDUCATION COURSES THAT ARE SUPPLEMENTAL TO THE EDUCATION PROGRAM PROVIDED BY A SCHOOL DISTRICT, CHARTER SCHOOL, OR BOCES ARE A VALUABLE RESOURCE FOR SCHOOLS BECAUSE THEY ALLOW A SCHOOL DISTRICT, CHARTER SCHOOL, OR BOCES TO PROVIDE A MUCH RICHER, MORE VARIED CURRICULUM OF COURSES FOR STUDENTS AT ALL LEVELS OF ACHIEVEMENT;

(B) SUPPLEMENTAL ON-LINE EDUCATION COURSES PROVIDE TOOLS FOR SCHOOL DISTRICTS, CHARTER SCHOOLS, AND BOCES TO USE IN DECREASING THE COLLEGE REMEDIATION RATES AND IN HELPING THEIR STUDENTS COMPLY WITH THE HIGHER EDUCATION ADMISSION GUIDELINES;

(C) THE COST OF SUPPLEMENTAL ON-LINE EDUCATION COURSES IS PROHIBITIVE FOR MANY SCHOOL DISTRICTS, CHARTER SCHOOLS, AND BOCES WHOSE STUDENTS MAY BE MOST IN NEED OF THESE COURSES. BECAUSE OF THE VALUE OF THESE COURSES, IT IS APPROPRIATE THAT THE STATE PROVIDE MONEYS TO ASSIST SCHOOL DISTRICTS, CHARTER SCHOOLS, AND BOCES IN PURCHASING SUPPLEMENTAL

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

## ON-LINE EDUCATION COURSES.

(II) IT IS THEREFORE IN THE BEST INTERESTS OF THE STATE TO ENSURE THE AVAILABILITY OF AFFORDABLE SUPPLEMENTAL ON-LINE EDUCATION COURSES FOR SCHOOL DISTRICTS, CHARTER SCHOOLS, AND BOCES BY SUBSIDIZING THE PROVISION OF SUPPLEMENTAL ON-LINE EDUCATION COURSES.

(III) DUE TO ITS EXPERIENCE IN ASSISTING SCHOOL DISTRICTS IN OBTAINING SUPPLEMENTAL ON-LINE COURSES, IT IS FURTHER IN THE BEST INTERESTS OF THE STATE TO DESIGNATE THE MOUNTAIN BOCES TO CONTRACT WITH A PROVIDER OF SUPPLEMENTAL ON-LINE EDUCATION COURSES AS A MECHANISM FOR REIMBURSEMENT OF THE COST OF PROVIDING THE COURSES TO SCHOOL DISTRICTS, CHARTER SCHOOLS, AND BOCES AND TO REDUCE THE COST OF THE COURSES.

(b) IT IS FURTHER THE INTENT OF THE GENERAL ASSEMBLY THAT THE AMOUNT NECESSARY TO REDUCE THE COST TO SCHOOL DISTRICTS, CHARTER SCHOOLS, AND BOCES OF PURCHASING SUPPLEMENTAL ON-LINE EDUCATION COURSES BE APPROPRIATED ANNUALLY FROM FEDERAL MINERAL LEASING REVENUES TRANSFERRED TO THE STATE PUBLIC SCHOOL FUND PURSUANT TO SECTION 34-63-102, C.R.S., AND SECTION 22-54-114 (1).

(2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "BOCES" MEANS A BOARD OF COOPERATIVE SERVICES CREATED PURSUANT TO THIS ARTICLE.

(b) "CHARTER SCHOOL" MEANS A DISTRICT CHARTER SCHOOL AUTHORIZED PURSUANT TO PART 1 OF ARTICLE 30.5 OF THIS TITLE OR AN INSTITUTE CHARTER SCHOOL AUTHORIZED PURSUANT TO PART 5 OF ARTICLE 30.5 OF THIS TITLE.

(c) "DEPARTMENT" MEANS THE DEPARTMENT OF EDUCATION CREATED AND EXISTING PURSUANT TO SECTION 24-1-115, C.R.S.

(d) "PROVIDER" MEANS AN ENTITY THAT SELLS SUPPLEMENTAL ON-LINE EDUCATION COURSES THAT ARE TAUGHT BY EMPLOYEES OF THE PROVIDER WHO ARE TEACHERS LICENSED IN COLORADO PURSUANT TO ARTICLE 60.5 OF THIS TITLE.

(e) "SUPPLEMENTAL ON-LINE EDUCATION COURSE" MEANS AN EDUCATION COURSE THAT IS:

(I) TAUGHT BY A TEACHER WHO IS LICENSED PURSUANT TO ARTICLE 60.5 OF THIS TITLE;

(II) DELIVERED VIA AN INTERNET FORMAT TO ONE OR MORE STUDENTS AT A LOCATION THAT IS REMOTE FROM THE DELIVERY POINT; AND

(III) PURCHASED BY A SCHOOL DISTRICT, CHARTER SCHOOL, OR BOCES FROM A PROVIDER TO AUGMENT THE EDUCATION PROGRAM PROVIDED BY THE SCHOOL DISTRICT, CHARTER SCHOOL, OR BOCES.

(3) ON OR BEFORE AUGUST 1, 2007, AND ON OR BEFORE AUGUST 1 OF EACH YEAR

THEREAFTER, THE MOUNTAIN BOCES, SUBJECT TO AVAILABLE APPROPRIATIONS, SHALL CONTRACT WITH A PROVIDER ON AN ANNUAL BASIS TO PROVIDE SUPPLEMENTAL ON-LINE EDUCATION COURSES TO SCHOOL DISTRICTS, CHARTER SCHOOLS, AND BOCES THAT CHOOSE TO PURCHASE THE COURSES. AT A MINIMUM, THE CONTRACT SHALL PROVIDE THAT:

(a) SUPPLEMENTAL ON-LINE EDUCATION COURSES SHALL BE PROVIDED TO A PURCHASING SCHOOL DISTRICT, CHARTER SCHOOL, OR BOCES AT A COST OF NO MORE THAN TWO HUNDRED DOLLARS PER STUDENT PER SEMESTER COURSE; AND

(b) THE COST PER STUDENT PER SEMESTER COURSE CHARGED TO THE SCHOOL DISTRICT, CHARTER SCHOOL, OR BOCES SHALL NOT INCREASE REGARDLESS OF THE NUMBER OF STUDENTS ENROLLED OR THE NUMBER OF COURSES PROVIDED.

(4) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE TO THE DEPARTMENT OF EDUCATION FOR ALLOCATION TO THE MOUNTAIN BOCES MONEYS SUFFICIENT TO ADMINISTER AND FUND THE CONTRACT WITH THE PROVIDER ENTERED INTO PURSUANT TO THIS SECTION. THE MOUNTAIN BOCES MAY EXPEND NOT MORE THAN TWO PERCENT OF THE CONTRACT AMOUNT IN ADMINISTERING THE CONTRACT.

(5) ON OR BEFORE MARCH 15, 2008, AND ON OR BEFORE MARCH 15 EACH YEAR THEREAFTER, THE MOUNTAIN BOCES SHALL SUBMIT TO THE EDUCATION COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR COMMITTEES, THE JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY, AND THE DEPARTMENT A REPORT SUMMARIZING THE PROVISION OF SUPPLEMENTAL ON-LINE COURSES PURSUANT TO THIS SECTION. AT A MINIMUM, THE REPORT SHALL INCLUDE:

(a) THE NUMBER OF REGISTRANTS IN SUPPLEMENTAL ON-LINE COURSES, DISAGGREGATED BY THE SCHOOL DISTRICT, CHARTER SCHOOL, OR BOCES THAT REGISTERED THE STUDENTS;

(b) THE SUPPLEMENTAL ON-LINE COURSE TITLES OFFERED AND THE NUMBER OF REGISTRANTS PER COURSE;

(c) COMPLETION STATISTICS FOR EACH SUPPLEMENTAL ON-LINE COURSE, DISAGGREGATED BY SEMESTER;

(d) THE NUMBER OF SUPPLEMENTAL ON-LINE COURSES TAKEN FOR BOTH HIGH SCHOOL AND POSTSECONDARY CREDIT, DISAGGREGATED BY POST-SECONDARY INSTITUTION AND SCHOOL DISTRICT;

(e) A LIST OF THE SUPPLEMENTAL ON-LINE COURSES DEVELOPED OR REVISED BY THE CONTRACT PROVIDER;

(f) THE STRATEGIES USED SUCCESSFULLY TO FACILITATE STUDENT SUCCESS IN SUPPLEMENTAL ON-LINE COURSE WORK;

(g) AN ANALYSIS OF THE REASONS SCHOOL DISTRICTS, CHARTER SCHOOLS, AND BOCES USE SUPPLEMENTAL ON-LINE COURSES;

(h) A DESCRIPTION OF ANY UNIQUE USES OF SUPPLEMENTAL ON-LINE COURSES BY SCHOOL DISTRICTS, CHARTER SCHOOLS, AND BOCES;

(i) A DESCRIPTION OF ANY BARRIERS ENCOUNTERED BY SCHOOL DISTRICTS, CHARTER SCHOOLS, OR BOCES IN USING SUPPLEMENTAL ON-LINE COURSES;

(j) A REPRESENTATIVE SAMPLING OF STUDENT AND ADMINISTRATOR COMMENTS REGARDING PARTICIPATION IN SUPPLEMENTAL ON-LINE COURSES;

(k) TREND DATA RELATED TO THE SUPPLEMENTAL ON-LINE LEARNING ENVIRONMENT; AND

(l) AN ACCOUNTING OF THE EXPENDITURE OF THE FUNDS ALLOCATED TO THE MOUNTAIN BOCES PURSUANT TO THIS SECTION, WHICH SHALL INCLUDE AN ACCOUNTING BY THE MOUNTAIN BOCES AND BY THE CONTRACT PROVIDER.

(6) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2010.

**SECTION 2.** Part 1 of article 2 of title 22, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

**22-2-130. Supplemental on-line education grant program - creation - eligibility - award - fund - repeal.** (1) THE GENERAL ASSEMBLY FINDS THAT:

(a) ON-LINE EDUCATION COURSES THAT ARE SUPPLEMENTAL TO THE EDUCATION PROGRAM PROVIDED BY A SCHOOL DISTRICT, CHARTER SCHOOL, OR BOCES ARE A VALUABLE RESOURCE FOR SCHOOLS BECAUSE THEY ALLOW A SCHOOL DISTRICT, CHARTER SCHOOL, OR BOCES TO PROVIDE A MUCH RICHER, MORE VARIED CURRICULUM OF COURSES FOR STUDENTS AT ALL LEVELS OF ACHIEVEMENT. FURTHER, ENROLLMENT IN SUCH COURSES DECREASES THE NEED FOR COLLEGE REMEDIATION AND HELPS PREPARE STUDENTS TO MEET HIGHER EDUCATION ADMISSION GUIDELINES.

(b) ALTHOUGH SMALL OR RURAL SCHOOL DISTRICTS, CHARTER SCHOOLS, AND BOCES MAY HAVE THE GREATEST NEED FOR SUPPLEMENTAL ON-LINE EDUCATION, THESE SCHOOL DISTRICTS, CHARTER SCHOOLS, AND BOCES MAY FACE FINANCIAL OR TECHNICAL BARRIERS WHEN ATTEMPTING TO PROVIDE SUPPLEMENTAL ON-LINE EDUCATION COURSES TO THEIR STUDENTS. OFTEN THESE BARRIERS ARE CONQUERABLE, BUT OUT OF REACH FOR THESE SCHOOL DISTRICTS, CHARTER SCHOOLS, AND BOCES.

(c) IT IS THEREFORE IN THE BEST INTERESTS OF THE STATE TO HELP SMALL OR RURAL SCHOOL DISTRICTS, CHARTER SCHOOLS, AND BOCES PROVIDE SUPPLEMENTAL ON-LINE EDUCATION COURSES TO THEIR STUDENTS BY ALLOWING THESE SCHOOL DISTRICTS, CHARTER SCHOOLS, AND BOCES TO APPLY FOR A GRANT TO HELP THEM OVERCOME THEIR FINANCIAL AND TECHNICAL BARRIERS.

(2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "BOCES" MEANS A BOARD OF COOPERATIVE SERVICES CREATED PURSUANT TO ARTICLE 5 OF THIS TITLE, ALL MEMBER SCHOOL DISTRICTS OF WHICH ARE ELIGIBLE

SCHOOL DISTRICTS.

(b) "ELIGIBLE CHARTER SCHOOL" MEANS:

(I) A CHARTER SCHOOL THAT IS AUTHORIZED BY AN ELIGIBLE SCHOOL DISTRICT PURSUANT TO PART 1 OF ARTICLE 30.5 OF THIS TITLE AND THAT DOES NOT OPERATE AN ON-LINE PROGRAM; OR

(II) AN INSTITUTE CHARTER SCHOOL THAT IS AUTHORIZED PURSUANT TO PART 5 OF ARTICLE 30.5 OF THIS TITLE, THAT ENROLLS FEWER THAN THREE THOUSAND STUDENTS, AS DETERMINED BY THE INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT CERTIFIED BY THE STATE CHARTER SCHOOL INSTITUTE ON BEHALF OF THE INSTITUTE CHARTER SCHOOL TO THE STATE BOARD PURSUANT TO SECTION 22-30.5-513 (3) (a), AND THAT DOES NOT OPERATE AN ON-LINE PROGRAM.

(c) "ELIGIBLE SCHOOL DISTRICT" MEANS A SCHOOL DISTRICT THAT DOES NOT EXPORT AN ON-LINE PROGRAM TO STUDENTS RECEIVING THE PROGRAM AT A LOCATION OUTSIDE OF THE SCHOOL DISTRICT'S GEOGRAPHIC BOUNDARIES AND THAT ENROLLS FEWER THAN THREE THOUSAND STUDENTS, AS DETERMINED BY THE SCHOOL DISTRICT'S PUPIL ENROLLMENT CERTIFIED TO THE STATE BOARD PURSUANT TO SECTION 22-54-112.

(d) "GRANT PROGRAM" MEANS THE SUPPLEMENTAL ON-LINE EDUCATION GRANT PROGRAM CREATED IN SUBSECTION (3) OF THIS SECTION.

(e) "PROVIDER" MEANS AN ENTITY THAT SELLS SUPPLEMENTAL ON-LINE EDUCATION COURSES THAT ARE TAUGHT BY EMPLOYEES OF THE PROVIDER WHO ARE TEACHERS LICENSED IN COLORADO PURSUANT TO ARTICLE 60.5 OF THIS TITLE.

(f) "SUPPLEMENTAL ON-LINE EDUCATION COURSE" MEANS AN EDUCATION COURSE THAT IS:

(I) TAUGHT BY A TEACHER WHO IS LICENSED PURSUANT TO ARTICLE 60.5 OF THIS TITLE;

(II) DELIVERED VIA AN INTERNET FORMAT TO ONE OR MORE STUDENTS AT A LOCATION THAT IS REMOTE FROM THE DELIVERY POINT; AND

(III) PURCHASED BY AN ELIGIBLE SCHOOL DISTRICT, ELIGIBLE CHARTER SCHOOL, OR BOCES FROM A PROVIDER TO AUGMENT THE EDUCATION PROGRAM PROVIDED BY THE ELIGIBLE SCHOOL DISTRICT, ELIGIBLE CHARTER SCHOOL, OR BOCES.

(3) THERE IS HEREBY CREATED THE SUPPLEMENTAL ON-LINE EDUCATION GRANT PROGRAM TO ASSIST AN ELIGIBLE SCHOOL DISTRICT, ELIGIBLE CHARTER SCHOOL, OR BOCES IN PROVIDING SUPPLEMENTAL ON-LINE EDUCATION COURSES TO STUDENTS. SUBJECT TO AVAILABLE APPROPRIATIONS, THE STATE BOARD SHALL AWARD GRANTS PURSUANT TO THIS SECTION TO ASSIST ELIGIBLE SCHOOL DISTRICTS, ELIGIBLE CHARTER SCHOOLS, AND BOCES IN REMOVING FINANCIAL AND TECHNICAL BARRIERS TO PROVIDING SUPPLEMENTAL ON-LINE EDUCATION COURSES. GRANTS AWARDED PURSUANT TO THIS SECTION SHALL BE USED FOR ONE OR MORE OF THE FOLLOWING PURPOSES:

(a) AS ADDITIONAL REIMBURSEMENT FOR THE COST OF PURCHASING SUPPLEMENTAL ON-LINE EDUCATION COURSES; OR

(b) TO INCREASE THE ELIGIBLE SCHOOL DISTRICT'S, ELIGIBLE CHARTER SCHOOL'S, OR BOCES'S ABILITY TO ACCESS SUPPLEMENTAL ON-LINE EDUCATION COURSES BY:

(I) PROVIDING TECHNICAL EQUIPMENT OR HIRING TECHNICAL SPECIALISTS TO AUDIT AND CONFIGURE COMPUTER NETWORKS;

(II) PROVIDING STAFF DEVELOPMENT AND TRAINING FOR ONSITE PERSONNEL; OR

(III) PROVIDING FINANCIAL ASSISTANCE TO HELP HIRE SITE COORDINATORS OR OTHER PERSONNEL NEEDED TO FACILITATE ON-LINE ACCESS.

(4) AN ELIGIBLE SCHOOL DISTRICT, ELIGIBLE CHARTER SCHOOL, OR BOCES MAY APPLY TO THE DEPARTMENT, IN ACCORDANCE WITH THE PROCEDURES AND TIME FRAMES ADOPTED BY RULE OF THE STATE BOARD PURSUANT TO SUBSECTION (5) OF THIS SECTION, TO RECEIVE MONEYS THROUGH THE GRANT PROGRAM. THE DEPARTMENT SHALL ADMINISTER THE GRANT PROGRAM AS PROVIDED IN THIS SECTION.

(5) THE STATE BOARD SHALL PROMULGATE RULES SPECIFYING THE PROCEDURES AND TIME FRAMES FOR APPLYING FOR A GRANT, THE FORM OF THE GRANT APPLICATION, THE INFORMATION TO BE PROVIDED BY THE APPLICANT, AND ANY CRITERIA FOR AWARDED GRANTS THAT ARE IN ADDITION TO THOSE SPECIFIED IN PARAGRAPH (b) OF SUBSECTION (6) OF THIS SECTION.

(6) (a) THE DEPARTMENT SHALL REVIEW EACH GRANT APPLICATION RECEIVED PURSUANT TO THIS SECTION AND SHALL MAKE RECOMMENDATIONS TO THE STATE BOARD CONCERNING WHETHER THE GRANT SHOULD BE AWARDED AND THE AMOUNT OF THE GRANT.

(b) IN SELECTING GRANT RECIPIENTS, THE STATE BOARD SHALL GIVE PRIORITY TO GRANT APPLICATIONS FROM ELIGIBLE SCHOOL DISTRICTS, ELIGIBLE CHARTER SCHOOLS, OR BOCES THAT HAVE BEEN FINANCIALLY OR TECHNOLOGICALLY UNABLE TO PROVIDE SUPPLEMENTAL ON-LINE EDUCATION COURSES IN THE PAST AND THAT DEMONSTRATE THE GREATEST NEED FOR A GRANT TO BE ABLE TO BEGIN PROVIDING SUPPLEMENTAL ON-LINE EDUCATION COURSES. IN ADDITION, THE STATE BOARD SHALL CONSIDER:

(I) THE DEGREE TO WHICH STUDENTS ENROLLED IN THE ELIGIBLE SCHOOL DISTRICT OR ELIGIBLE CHARTER SCHOOL OR IN A SCHOOL OPERATED BY A BOCES REQUIRE SUPPLEMENTAL ON-LINE EDUCATION COURSES TO BE ABLE TO MEET THE HIGHER EDUCATION ADMISSION STANDARDS ADOPTED BY THE COLORADO COMMISSION ON HIGHER EDUCATION; AND

(II) OTHER REVENUE SOURCES AVAILABLE TO THE ELIGIBLE SCHOOL DISTRICT, ELIGIBLE CHARTER SCHOOL, OR BOCES TO ASSIST IN OVERCOMING THE FINANCIAL AND TECHNOLOGICAL BARRIERS TO PROVIDING SUPPLEMENT ON-LINE EDUCATION PROGRAMS.

(c) A GRANT AWARDED PURSUANT TO THIS SECTION SHALL NOT EXCEED FIVE THOUSAND DOLLARS IN A FISCAL YEAR. AN ELIGIBLE SCHOOL DISTRICT, ELIGIBLE CHARTER SCHOOL, OR BOCES MAY RECEIVE GRANTS IN CONSECUTIVE YEARS.

(7) (a) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE TO THE DEPARTMENT OF EDUCATION, FROM FEDERAL MINERAL LEASING REVENUES TRANSFERRED TO THE STATE PUBLIC SCHOOL FUND PURSUANT TO SECTION 34-63-102, C.R.S., AND SECTION 22-54-114 (1), AN AMOUNT TO BE USED FOR PURPOSES OF THIS SECTION.

(b) THE DEPARTMENT MAY EXPEND UP TO TWO PERCENT OF THE MONEYS ANNUALLY APPROPRIATED FOR THE GRANT PROGRAM TO OFFSET THE DIRECT AND INDIRECT COSTS INCURRED IN IMPLEMENTING THE GRANT PROGRAM PURSUANT TO THIS SECTION.

(8) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2010.

**SECTION 3. Appropriations.** (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the state public school fund created in section 22-54-114, Colorado Revised Statutes, not otherwise appropriated, to the department of education for allocation to the mountain board of cooperative services, for the fiscal year beginning July 1, 2007, the sum of four hundred eighty thousand dollars (\$480,000), or so much thereof as may be necessary, for the implementation of section 22-5-119, Colorado Revised Statutes. Said amount shall be from federal mineral leasing revenues transferred to the state public school fund pursuant to sections 34-63-102 and 22-54-114 (1), Colorado Revised Statutes.

(2) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the state public school fund created in section 22-54-114, Colorado Revised Statutes, not otherwise appropriated, to the department of education, for the fiscal year beginning July 1, 2007, the sum of fifty thousand dollars (\$50,000), or so much thereof as may be necessary, for the implementation of section 22-2-130, Colorado Revised Statutes. Said amount shall be from federal mineral leasing revenues transferred to the state public school fund pursuant to sections 34-63-102 and 22-54-114 (1), Colorado Revised Statutes.

**SECTION 4. 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 23, 2007