

CHAPTER 174

EDUCATION - PUBLIC SCHOOLS

HOUSE BILL 10-1183

BY REPRESENTATIVE(S) Middleton, Apuan, Hullinghorst, Labuda, Looper, Priola, Ryden, Scanlan, Schafer S., Solano, Stephens, Vigil, Carroll T., Todd;
also SENATOR(S) Johnston, Bacon, Foster, Gibbs, Heath, Hodge, Hudak, Newell, Schwartz, Tochtrop, Williams.

AN ACT

CONCERNING AUTHORIZATION OF A PILOT PROGRAM TO COLLECT DATA CONCERNING ALTERNATIVE SCHOOL FINANCE FUNDING MODELS.

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 58
School Funding Models Pilot Program

22-58-101. Legislative declaration. (1) THE GENERAL ASSEMBLY HEREBY FINDS THAT:

(a) THE FUNDING FOR SCHOOL DISTRICTS UNDER THE "PUBLIC SCHOOL FINANCE ACT OF 1994", ARTICLE 54 OF THIS TITLE, IS BASED ON A METHOD OF DETERMINING STUDENT ENROLLMENT AND PER PUPIL STUDENT FUNDING THAT MEETS THE CONSTITUTIONAL REQUIREMENT FOR MAINTAINING A THOROUGH AND UNIFORM SYSTEM OF FREE PUBLIC SCHOOLS THROUGHOUT THE STATE, BUT MAY NOT ADEQUATELY TAKE INTO ACCOUNT THE COSTS OF EDUCATING HIGH-NEEDS OR ALTERNATIVELY ENROLLED STUDENTS AND IS NOT DESIGNED TO PROVIDE INCENTIVES FOR SCHOOL DISTRICTS AND PUBLIC SCHOOLS TO ENSURE THAT THEIR STUDENTS ACHIEVE HIGH ACADEMIC GROWTH; AND

(b) THE CONTINUING ADVANCES OF EDUCATION REFORM AND THE EXPANDED USE OF EDUCATION TECHNOLOGY IN THE STATE SUGGEST THAT OTHER, MORE FLEXIBLE, METHODS OF FUNDING PUBLIC EDUCATION MAY SUPPORT GREATER ACADEMIC ACHIEVEMENT AND HELP TO ENSURE THAT THE LIMITED RESOURCES OF THE STATE

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

WOULD BE ALLOCATED AMONG THE SCHOOL DISTRICTS AND PUBLIC SCHOOLS IN THE MOST FAIR AND EFFECTIVE MANNER POSSIBLE.

(2) THE GENERAL ASSEMBLY THEREFORE FINDS THAT IT IS IN THE BEST INTERESTS OF THE STATE TO ENCOURAGE SCHOOL DISTRICTS AND CHARTER SCHOOLS TO TEST ALTERNATIVE MODELS OF SCHOOL FUNDING BY COLLECTING DATA TO SHOW THE EFFECTS A MODEL WOULD HAVE IF IT WERE IMPLEMENTED, WHILE CONTINUING TO RECEIVE ACTUAL FUNDING PURSUANT TO THE "PUBLIC SCHOOL FINANCE ACT OF 1994", ARTICLE 54 OF THIS TITLE. SCHOOL DISTRICTS AND CHARTER SCHOOLS ARE ENCOURAGED TO CONSIDER FUNDING MODELS THAT MAY ADDRESS, AT A MINIMUM, THE UNIQUE CHALLENGES OF FUNDING STUDENTS WHO ARE SIGNIFICANTLY AT RISK OF ACADEMIC FAILURE, STUDENTS WHO ARE GIFTED AND TALENTED, STUDENTS ENROLLED IN ON-LINE PROGRAMS, STUDENTS WHO RETURN TO PUBLIC SCHOOL AFTER DROPPING OUT, AND STUDENTS CONCURRENTLY ENROLLED IN HIGH SCHOOL AND HIGHER EDUCATION CLASSES. SCHOOL DISTRICTS AND CHARTER SCHOOLS ARE ALSO ENCOURAGED TO CONSIDER MODELS OF EDUCATION FUNDING BASED ON ACHIEVEMENT RATHER THAN ATTENDANCE OR HOURS OF PARTICIPATION.

22-58-102. Definitions. AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "ADVISORY COUNCIL" MEANS THE COUNCIL APPOINTED PURSUANT TO SECTION 22-58-104.

(2) "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.

(3) "COMMISSIONER" MEANS THE OFFICE OF THE COMMISSIONER OF EDUCATION CREATED AND EXISTING PURSUANT TO SECTION 1 OF ARTICLE IX OF THE STATE CONSTITUTION.

(4) "PILOT PROGRAM" MEANS THE ALTERNATIVE SCHOOL FUNDING MODELS PILOT PROGRAM CREATED IN SECTION 22-58-103.

(5) "SCHOOL FINANCE ACT" MEANS THE "PUBLIC SCHOOL FINANCE ACT OF 1994", ARTICLE 54 OF THIS TITLE.

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

22-58-103. Alternative school funding models pilot program - created - application - waivers - funding. (1) THERE IS HEREBY CREATED IN THE DEPARTMENT OF EDUCATION THE ALTERNATIVE SCHOOL FUNDING MODELS PILOT PROGRAM TO ENCOURAGE SCHOOL DISTRICTS AND CHARTER SCHOOLS TO IDENTIFY AND COLLECT DATA TO MEASURE THE EFFECTS IF AN ALTERNATIVE MODEL OF CALCULATING SCHOOL FUNDING WERE APPLIED COMPARED TO ACTUAL PER PUPIL FUNDING THAT A SCHOOL DISTRICT OR CHARTER SCHOOL RECEIVES. A SCHOOL DISTRICT OR CHARTER SCHOOL THAT CHOOSES AND IS SELECTED TO PARTICIPATE IN THE PILOT PROGRAM SHALL COLLECT DATA FOR AT LEAST TWO BUDGET YEARS THAT DEMONSTRATE THE EFFECTS OF AN ALTERNATIVE SCHOOL FUNDING MODEL

SELECTED BY THE PARTICIPATING SCHOOL DISTRICT OR CHARTER SCHOOL, INCLUDING BUT NOT LIMITED TO THE DIFFERENCES IN FUNDING THAT THE SCHOOL DISTRICT OR CHARTER SCHOOL WOULD HAVE EXPERIENCED IF IT HAD BEEN FUNDED THROUGH THE ALTERNATIVE SCHOOL FUNDING MODEL RATHER THAN UNDER THE CURRENT SCHOOL FINANCE ACT. THE PARTICIPATING SCHOOL DISTRICT OR CHARTER SCHOOL SHALL SUBMIT THE COLLECTED DATA AND ANY CONCLUSIONS TO THE ADVISORY COUNCIL NO LATER THAN SEPTEMBER 1 OF THE BUDGET YEAR FOLLOWING THE BUDGET YEAR FOR WHICH THE DATA IS COLLECTED.

(2) ON OR BEFORE SEPTEMBER 1, 2010, AND ON OR BEFORE SEPTEMBER 1 EACH BUDGET YEAR THEREAFTER THROUGH 2013, A SCHOOL DISTRICT OR CHARTER SCHOOL THAT CHOOSES TO PARTICIPATE IN THE PILOT PROGRAM SHALL APPLY TO THE STATE BOARD BY SUBMITTING A DESCRIPTION OF THE ALTERNATIVE SCHOOL FUNDING MODEL IT WILL INVESTIGATE, INCLUDING AT A MINIMUM:

(a) WHETHER THE MODEL IS BASED ON PER PUPIL FUNDING OR SOME OTHER UNIT MEASURE OF FUNDING OR USES ANOTHER BASIS FOR DETERMINING THE AMOUNT OF FUNDING AND THE MANNER OF COUNTING THE UNITS, IF ANY;

(b) AN EXPLANATION OF HOW EDUCATION FUNDING IS CALCULATED UNDER THE MODEL;

(c) ANY INCENTIVES THAT THE SCHOOL DISTRICT OR CHARTER SCHOOL EXPECTS THE MODEL TO PROVIDE AND THE ANTICIPATED OUTCOMES OR EFFECTS OF APPLYING THE MODEL;

(d) THE MANNER IN WHICH THE SCHOOL DISTRICT OR CHARTER SCHOOL WILL MEASURE THE EFFECTS OF APPLYING THE MODEL; AND

(e) THE BENEFITS OF, OBSTACLES TO, OR RESTRICTIONS ON IMPLEMENTING THE MODEL STATEWIDE THAT THE SCHOOL DISTRICT OR CHARTER SCHOOL MAY IDENTIFY.

(3) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO THE CONTRARY, A CHARTER SCHOOL THAT APPLIES TO PARTICIPATE IN THE PILOT PROGRAM SHALL FIRST OBTAIN THE WRITTEN CONSENT OF ITS AUTHORIZER AND SHALL SUBMIT A COPY OF THE WRITTEN CONSENT WITH ITS APPLICATION.

(4) A SCHOOL DISTRICT IS ENCOURAGED TO PARTNER WITH ONE OR MORE OTHER SCHOOL DISTRICTS, A BOARD OF COOPERATIVE SERVICES, OR ONE OR MORE CHARTER SCHOOLS IN APPLYING TO PARTICIPATE IN THE PILOT PROGRAM. A SCHOOL DISTRICT MAY ALSO, WITH THE CONSENT OF ONE OR MORE INNOVATION SCHOOLS OR CHARTER SCHOOLS OF THE SCHOOL DISTRICT, CHOOSE TO TEST AN ALTERNATIVE SCHOOL FUNDING MODEL ON A LIMITED BASIS WITHIN SAID CONSENTING SCHOOLS.

(5) THE COMMISSIONER AND THE ADVISORY COUNCIL SHALL REVIEW THE APPLICATIONS RECEIVED PURSUANT TO THIS SECTION AND RECOMMEND APPLICANTS TO THE STATE BOARD FOR SELECTION. THE STATE BOARD, AFTER REVIEWING THE APPLICATIONS AND CONSIDERING THE RECOMMENDATIONS OF THE COMMISSIONER AND THE ADVISORY COUNCIL, SHALL SELECT THE SCHOOL DISTRICTS AND CHARTER SCHOOLS THAT WILL PARTICIPATE IN THE PILOT PROGRAM.

(6)(a) A SCHOOL DISTRICT OR CHARTER SCHOOL THAT THE STATE BOARD SELECTS TO PARTICIPATE IN THE PILOT PROGRAM SHALL SUBMIT TO THE STATE BOARD A LIST OF ANY STATUTES IN THIS TITLE OR STATE BOARD RULES FOR WHICH IT NEEDS WAIVERS IN ORDER TO COLLECT DATA AND MEASURE THE EFFECTS THAT THE ALTERNATIVE SCHOOL FUNDING MODEL WOULD HAVE IF IMPLEMENTED. THE STATE BOARD MAY WAIVE THE STATUTES OR RULES SPECIFIED ON THE LIST; EXCEPT THAT:

(I) THE SCHOOL DISTRICT OR CHARTER SCHOOL SHALL BE REQUIRED TO MEET THE PERFORMANCE TARGETS SPECIFIED FOR THE SCHOOL DISTRICT OR CHARTER SCHOOL PURSUANT TO ARTICLE 11 OF THIS TITLE; AND

(II) THE STATE BOARD MAY NOT WAIVE THE PROVISIONS OF THE "LICENSED PERSONNEL PERFORMANCE EVALUATION ACT", ARTICLE 9 OF THIS TITLE; THE "COLORADO EDUCATOR LICENSING ACT OF 1991", ARTICLE 60.5 OF THIS TITLE; OR THE "TEACHER EMPLOYMENT, COMPENSATION, AND DISMISSAL ACT OF 1990", ARTICLE 63 OF THIS TITLE.

(b) ANY WAIVER GRANTED BY THE STATE BOARD PURSUANT TO THIS SUBSECTION (6) SHALL NOT EXTEND BEYOND THE REPEAL OF THIS ARTICLE.

(7) A SCHOOL DISTRICT OR CHARTER SCHOOL THAT THE STATE BOARD SELECTS FOR PARTICIPATION IN THE PILOT PROGRAM MAY SEEK, ACCEPT, AND EXPEND PUBLIC OR PRIVATE GIFTS, GRANTS, OR DONATIONS TO OFFSET THE COSTS INCURRED IN PARTICIPATING IN THE PILOT PROGRAM.

22-58-104. Advisory council - created - duties - reporting - funding.

(1) THERE IS HEREBY CREATED THE ADVISORY COUNCIL FOR THE PILOT PROGRAM, WHICH COUNCIL SHALL CONSIST OF ELEVEN MEMBERS APPOINTED ON OR BEFORE JULY 1, 2010, AS FOLLOWS:

(a) FOUR MEMBERS OF THE GENERAL ASSEMBLY, APPOINTED ONE EACH BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES, THE PRESIDENT OF THE SENATE, AND THE MINORITY LEADER OF THE SENATE;

(b) TWO MEMBERS OF THE STATE BOARD APPOINTED BY THE CHAIR OF THE STATE BOARD WHO ARE NOT MEMBERS OF THE SAME POLITICAL PARTY;

(c) A MEMBER APPOINTED BY THE STATE BOARD WHO HAS EXPERTISE IN SCHOOL FINANCE;

(d) A MEMBER APPOINTED BY THE STATE BOARD FROM A STATEWIDE ORGANIZATION THAT REPRESENTS TEACHERS;

(e) A MEMBER APPOINTED BY THE STATE BOARD FROM A STATEWIDE ORGANIZATION THAT REPRESENTS SCHOOL DISTRICT BOARDS OF EDUCATION;

(f) A MEMBER APPOINTED BY THE STATE BOARD FROM A STATEWIDE ORGANIZATION THAT REPRESENTS SCHOOL EXECUTIVES; AND

(g) THE COMMISSIONER OF EDUCATION OR HIS OR HER DESIGNEE.

(2)(a) THE MEMBERS OF THE ADVISORY COUNCIL SHALL SERVE AT THE PLEASURE OF THE APPOINTING AUTHORITY. IF A VACANCY ARISES ON THE ADVISORY COUNCIL, THE APPLICABLE APPOINTING AUTHORITY SHALL APPOINT A NEW MEMBER WHO MEETS THE QUALIFICATIONS FOR THE OFFICE SPECIFIED IN SUBSECTION (1) OF THIS SECTION.

(b) THE MEMBERS OF THE ADVISORY COUNCIL SHALL SERVE WITHOUT COMPENSATION. THE MEMBERS OF THE ADVISORY COUNCIL SHALL ALSO SERVE WITHOUT REIMBURSEMENT FOR EXPENSES; EXCEPT THAT THE ADVISORY COUNCIL MAY RECEIVE REIMBURSEMENT IF THE ADVISORY COUNCIL RECEIVES MONEYS PURSUANT TO SUBSECTION (5) OF THIS SECTION IN AN AMOUNT SUFFICIENT TO REIMBURSE THE MEMBERS' EXPENSES.

(3) THE ADVISORY COUNCIL SHALL REVIEW THE APPLICATIONS RECEIVED PURSUANT TO SECTION 22-54-103 AND RECOMMEND APPLICANTS TO THE STATE BOARD FOR SELECTION.

(4) UPON RECEIPT OF THE DATA COLLECTED BY PARTICIPATING SCHOOL DISTRICTS AND CHARTER SCHOOLS, THE ADVISORY COUNCIL SHALL REVIEW THE DATA AND ANNUALLY PREPARE A SUMMARY REPORT FOR THE STATE BOARD, THE GOVERNOR'S OFFICE, AND THE GENERAL ASSEMBLY. ON OR BEFORE JANUARY 15, 2012, AND ON OR BEFORE JANUARY 15 EACH YEAR THEREAFTER THROUGH 2015, THE ADVISORY COUNCIL SHALL SUBMIT THE SUMMARY REPORT TO THE STATE BOARD, THE GOVERNOR, AND THE EDUCATION COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR COMMITTEES.

(5) THE ADVISORY COUNCIL MAY SEEK, ACCEPT, AND EXPEND PUBLIC OR PRIVATE GIFTS, GRANTS, OR DONATIONS OR SERVICES IN KIND TO ASSIST THE ADVISORY COUNCIL IN IMPLEMENTING THE PILOT PROGRAM. ANY MONEYS RECEIVED PURSUANT TO THIS SUBSECTION (5) SHALL BE CREDITED TO THE LEGISLATIVE DEPARTMENT CASH FUND CREATED IN SECTION 2-2-1601, C.R.S.

22-58-105. Repeal of article. THIS ARTICLE IS REPEALED, EFFECTIVE JULY 1, 2015. NOTWITHSTANDING THE PROVISIONS OF SECTION 2-3-1203, C.R.S., THE ADVISORY COUNCIL SHALL NOT BE SUBJECT TO REVIEW PRIOR TO REPEAL.

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: April 29, 2010