

CHAPTER 71

EDUCATION - PUBLIC SCHOOLS

SENATE BILL 13-143

BY SENATOR(S) Grantham, Cadman, Lambert, Lundberg, Steadman;
also REPRESENTATIVE(S) Peniston, Fields, Holbert, Rosenthal, Stephens, Szabo, Waller, Wilson, Wright, Young.

AN ACT**CONCERNING THE INSTITUTE CHARTER SCHOOL ASSISTANCE FUND.**

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

SECTION 1. In Colorado Revised Statutes, 22-30.5-506, **amend** (4) as follows:

22-30.5-506. State charter school institute fund - created. (4) (a) The state charter school institute shall create in the fund an account for payment of the institute's administrative overhead costs, as defined in section 22-30.5-513 (1) (h), which account consists solely of moneys retained by the institute from the institute charter schools' adjusted per pupil revenues and per-pupil on-line funding pursuant to section 22-30.5-513 (4) (a) (I.5) (E). EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION (4), at the end of a budget year, if the amount of unexpended and unencumbered moneys remaining in the account exceeds ~~ten~~ **TWENTY** percent of the ~~total adjusted per pupil revenues and per-pupil on-line funding for institute charter schools~~ AMOUNT RETAINED BY THE INSTITUTION PURSUANT TO SECTION 22-30.5-513 (4) (a) (I.5) (E) for the applicable budget year, the institute shall ~~refund to the institute charter schools~~ **TRANSFER** the amount of the excess ~~The institute shall allocate the refund to each institute charter school on a per-pupil basis by dividing the excess amount by the total pupil enrollment of the institute charter schools for the applicable budget year~~ TO THE INSTITUTE CHARTER SCHOOL ASSISTANCE FUND CREATED IN SECTION 22-30.5-515.5.

(b) THE INSTITUTE BOARD MAY ADOPT A FORMULA TO ANNUALLY ADJUST THE PERCENTAGE LIMIT ON THE FUND BALANCE SPECIFIED IN PARAGRAPH (a) OF THIS SUBSECTION (4) BY MULTIPLYING THE TOTAL PUPIL ENROLLMENT FOR INSTITUTE CHARTER SCHOOLS IN THE PRECEDING BUDGET YEAR BY A PER-PUPIL DOLLAR AMOUNT SET ANNUALLY BY THE INSTITUTE BOARD IN COLLABORATION WITH A

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

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SECTION 2. In Colorado Revised Statutes, 22-30.5-513, **repeal** (4) (a) (I.5) (B) and (4) (d) as follows:

22-30.5-513. Institute charter schools - definitions - funding - at-risk supplemental aid - legislative declaration. (4) (a) (I.5) The institute shall forward to each institute charter school an amount equal to the institute charter school's pupil enrollment multiplied by the accounting district's adjusted per pupil revenues of the institute charter school's accounting district, minus:

(B) ~~An amount equal to one percent of the amount calculated for the institute charter school pursuant to subparagraph (I) of this paragraph (a), which amount the institute shall transfer to the state treasurer for credit to the institute charter school assistance fund created in section 22-30.5-515.5;~~

(d) ~~Notwithstanding the provisions of sub-subparagraph (B) of subparagraph (I.5) of paragraph (a) of this subsection (4), for any budget year in which the total amount of total program funding, including funding for institute charter schools, is reduced pursuant to section 22-54-104 (5) (g), the institute shall not withhold from an institute charter school the amount specified in sub-subparagraph (B) of subparagraph (I.5) of paragraph (a) of this subsection (4).~~

SECTION 3. In Colorado Revised Statutes, 22-30.5-515.5, **amend** (1), (2) introductory portion, (2) (d), and (5) as follows:

22-30.5-515.5. Institute charter school assistance fund - created - grants - loans - rules. (1) (a) There is ~~hereby~~ created in the state treasury the institute charter school assistance fund, referred to in this section as the "fund", that ~~shall consist of one percent of the per pupil funding for institute charter schools that the state charter school institute withholds pursuant to section 22-30.5-513 (4) (a) (I.5)~~ **(B) CONSISTS OF THE MONEYS TRANSFERRED TO THE FUND FROM THE STATE CHARTER SCHOOL INSTITUTE FUND PURSUANT TO SECTION 22-30.5-506 (4).** The moneys in the fund ~~shall be~~ ARE subject to annual appropriation by the general assembly to the institute for the direct and indirect costs associated with awarding grants and interest-free loans pursuant to this section to assist institute charter schools: ~~in meeting~~

(I) ~~TO MEET~~ capital construction needs, including but not limited to obtaining financial assistance for capital construction through the "Building Excellent Schools Today Act", article 43.7 of this title, or repaying bonds issued by the Colorado educational and cultural facilities authority, created in section 23-15-104, C.R.S., for construction of institute charter school buildings; or ~~in addressing other facility or special education services~~

(II) ~~TO ADDRESS REASONABLE~~ funding emergencies, as defined by rule of the institute board.

(b) ~~THE STATE TREASURER MAY INVEST, AS PROVIDED BY LAW, any moneys in the fund not expended for the purpose of this section. may be invested by the state treasurer as provided by law.~~ THE STATE TREASURER SHALL CREDIT TO THE FUND all

interest and income derived from the investment and deposit of moneys in the fund. ~~shall be credited to the fund.~~

(c) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (d) OF THIS SUBSECTION (1), THE BALANCE OF UNEXPENDED AND UNENCUMBERED MONEYS IN THE FUND AT THE END OF A BUDGET YEAR MUST NOT EXCEED SEVEN HUNDRED FIFTY THOUSAND DOLLARS. IF UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF A BUDGET YEAR EXCEED SEVEN HUNDRED FIFTY THOUSAND DOLLARS OR THE LIMIT SET PURSUANT TO PARAGRAPH (d) OF THIS SUBSECTION (1), THE INSTITUTE SHALL ALLOCATE THE EXCESS AMOUNT TO THE INSTITUTE CHARTER SCHOOLS ON A PER-PUPIL BASIS BY DIVIDING THE EXCESS AMOUNT BY THE TOTAL PUPIL ENROLLMENT OF THE INSTITUTE CHARTER SCHOOLS FOR THE APPLICABLE BUDGET YEAR. THE STATE TREASURER SHALL ENSURE THAT any unexpended and unencumbered moneys ~~remaining~~ THAT ARE IN THE FUND AT THE END OF A ~~fiscal year~~ ~~shall~~ BUDGET YEAR UP TO SEVEN HUNDRED FIFTY THOUSAND DOLLARS OR THE LIMIT SET PURSUANT TO PARAGRAPH (d) OF THIS SUBSECTION (1) ~~remain in the fund and shall not be~~ ARE NOT credited or transferred to the general fund or another fund.

(d) THE INSTITUTE BOARD MAY ADOPT A FORMULA TO ANNUALLY ADJUST THE LIMIT ON THE FUND BALANCE SPECIFIED IN PARAGRAPH (c) OF THIS SUBSECTION (1) BY MULTIPLYING THE TOTAL PUPIL ENROLLMENT FOR INSTITUTE CHARTER SCHOOLS IN THE PRECEDING BUDGET YEAR BY A PER-PUPIL DOLLAR AMOUNT SET ANNUALLY BY THE INSTITUTE BOARD IN COLLABORATION WITH A COUNCIL OF INSTITUTE CHARTER SCHOOLS.

(2) An institute charter school that seeks a grant or an interest-free loan pursuant to this section ~~shall~~ MUST submit to the state charter school institute, in accordance with the timelines and procedures adopted by rule of the institute board, an application that includes, at a minimum:

(d) For an institute charter school that seeks a grant or an interest-free loan to ~~assist in addressing a facility or special education services~~ ADDRESS A REASONABLE funding emergency:

(I) A description of the institute charter school's emergency and how it ~~relates to its facility or other capital asset, if applicable~~ QUALIFIES AS A REASONABLE FUNDING EMERGENCY UNDER RULES ADOPTED BY THE INSTITUTE BOARD; AND

(II) ~~A description of the capital construction needed to remedy the emergency if it is a facility emergency;~~

(III) ~~A description of the special education services required by the individualized education program for the student at issue if it is a special education funding emergency; and~~

(IV) A description of when the funding is needed.

(5) The institute board shall promulgate rules pursuant to the "State Administrative Procedure Act", article 4 of title 24, C.R.S., for the implementation of this section, including but not limited to rules ~~specifying~~ THAT DEFINE A REASONABLE FUNDING EMERGENCY AND RULES THAT SPECIFY any information to be

included in an application in addition to the information specified in subsection (2) of this section.

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: March 22, 2013