CHAPTER 206

EDUCATION - PUBLIC SCHOOLS

HOUSE BILL 14-1314

BY REPRESENTATIVE(S) Pettersen, Priola, Ferrandino, Fields, Hamner, Murray, Peniston, Williams, Young, Becker, Conti, Gardner, Ginal, Lee, Rosenthal, Saine, Schafer, Singer, Tyler; also SENATOR(S) Kerr, Balmer, Brophy, Crowder, Heath, Herpin, Kefalas, King, Lambert, Newell, Rivera, Roberts, Scheffel, Todd, Zenzinger.

AN ACT

CONCERNING COOPERATION BETWEEN SCHOOL DISTRICTS AND CHARTER SCHOOLS ON BALLOT QUESTIONS TO AUTHORIZE ADDITIONAL LOCAL REVENUES.

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

SECTION 1. In Colorado Revised Statutes, add 22-30.5-118 and 22-30.5-119 as follows:

22-30.5-118. Needs-based inclusion of charter schools in school district mill levy elections - eligibility - allocation of additional local revenues - definitions.

(1) In enacting this section, it is the intent of the General Assembly to respect the principle of school district local control and to encourage school districts and charter schools to work together to ensure that charter schools' needs for operating revenues can be met. Accordingly, nothing in this section limits in any way the existing ability of a school district to include a charter school in a school district election to approve additional local revenues or to otherwise assist a charter school in obtaining funding to meet its needs for operating revenues in a legal manner mutually agreed upon by the school district and the charter school.

(2) As used in this section, unless the context otherwise requires:

(a) "Additional local revenues" means a mill levy increase for which a school district receives voter approval pursuant to section 22-40-102 (1.5) or (1.7), 22-54-108, or 22-54-108.5.

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.
(b) "Operating Revenues" means moneys used by a school district or a charter school to pay expenses other than capital construction expenses.

(c) "Planning Committee" means a committee formed by a school district to assess and prioritize the school district's needs for operating revenues and to consider seeking additional local revenues.

(3) If a school district has a planning committee, the school district must allow the charter schools that the local board of education authorizes to have at least one representative on the school district's planning committee that represents the group of charter schools and must notify the charter schools of the planning committee's meeting schedule. The charter schools of a school district shall cooperate in determining the person or persons who will represent the interests of charter schools on the planning committee.

(4) A school district that considers submitting, or receives a petition requiring it to submit, a ballot question to the eligible electors of the school district to authorize additional local revenues pursuant to section 22-40-102 (1.5) or (1.7), 22-54-108, or 22-54-108.5 shall invite each charter school authorized by the school district to participate in discussions regarding submission of the question. The school district shall extend the invitation at the earliest possible time but no later than June 1 of the applicable election year. Each school district is encouraged to voluntarily include funding for the operating revenues needs of charter schools in the school district's ballot questions to authorize additional local revenues without requiring a charter school to comply with the operating revenues plan submission process set forth in subsection (5) of this section.

(5) (a) A charter school that has operating revenues needs may request that the local board of education of its chartering school district:

(I) include the charter school's operating revenues needs as part of a ballot question to authorize additional local revenues that the school district submits to the eligible electors of the school district; or

(II) submit a ballot question to authorize additional local revenues for the charter school to the eligible electors of the school district pursuant to section 22-30.5-119.

(b) A charter school that seeks to have its operating revenues needs included as part of a ballot question that the local board of education of its chartering school district submits to the eligible electors of the district or that seeks to obtain funding for its operating revenues needs through the authorization of additional local revenues pursuant to section 22-30.5-119 shall submit an operating revenues plan to the local board of education of its chartering school district. The plan must include:
(I) A statement of the reasons why the operating revenues needs that would be funded through additional local revenues are necessary;

(II) A description of the specific operations that would be funded through additional local revenues; and

(III) A statement of the reasons why revenue sources other than additional local revenues are inadequate to fully fund the charter school’s operating revenues needs.

(6) (a) The local board of education shall review the operating revenues plan submitted by a charter school pursuant to subsection (5) of this section and determine the priority of the charter school’s operating revenues needs in relation to the operating revenues needs of other schools of the district.

(b) At least sixty days before the date by which a school district must certify a ballot question to the county clerk and recorder, the local board of education shall notify the charter school in writing that the school district has or has not prioritized the charter school’s operating revenues needs for inclusion in the ballot question at the upcoming election.

(c) If the local board of education prioritizes the charter school operating revenues needs for inclusion in the ballot question at the upcoming election, the local board of education shall include the charter school’s operating revenues request in the same ballot question being submitted by the school district to authorize additional local revenues.

(d) If the local board of education does not prioritize the charter school’s operating revenues needs for inclusion in the ballot question at the upcoming election, the local board of education shall provide to the charter school, with the notice required in paragraph (b) of this subsection (6), a written statement specifying the reasons for excluding the charter school’s operating revenues needs. The local board of education shall allow the charter school an opportunity to address any issues raised by the board.

(e) Nothing in this subsection (6) requires a local board of education to prioritize the operating revenues plan of a charter school. The local board of education and a charter school may agree to reserve or escrow moneys for the benefit of the charter school.

(f) Notwithstanding the provisions of this subsection (6) concerning the prioritization of a charter school’s operating revenues plan and inclusion in a district ballot question to authorize additional local revenues, the local board of education and a charter school may agree to an alternative financial plan to address a charter school’s operating revenues needs.
(7) When a school district includes a charter school’s operating revenues needs in a district ballot question to authorize additional local revenues:

(a) Before the school district submits the ballot question to the eligible electors of the school district, the local board of education and the charter school must agree to the process by which the school district will distribute the additional local revenues to the charter school; and

(b) The school district and the charter school must bear the costs of submitting the ballot question in proportion to their respective portions of the total additional local revenues that the school district will receive, unless the local board of education and the charter school agree to a different cost-sharing arrangement.

(8) If a charter school requests that a school district submit a ballot question to the eligible electors of the school district pursuant to section 22-30.5-119 to approve additional local revenues, the charter school must pay all of the costs of submitting the ballot question; except that, if the local board of education submits a separate special mill levy ballot question on the same ballot as a ballot question to approve additional local revenues, the school district and the charter school must agree to bear the costs of submitting the special mill levy ballot question. The school district shall distribute to the charter school all of the revenues received as a result of a ballot question submitted pursuant to section 22-30.5-119.

(9) The additional revenues that a charter school receives as a result of inclusion in a district ballot question or a ballot question submitted pursuant to section 22-30.5-119 to authorize additional local revenues are in addition to, and do not replace, the moneys the charter school receives from the school district pursuant to sections 22-30.5.112 to 22-30.5-112.3. A charter school that receives additional revenues as a result of inclusion in a district ballot question or a ballot question submitted pursuant to section 22-30.5-119 is subject to any restrictions on the use of those revenues that may be imposed by the statute that authorizes the school district to seek authorization of the additional local revenues.

(10) Notwithstanding any other provision of this section to the contrary, a school district shall not include a charter school in a district ballot question to authorize additional local revenues or submit a ballot question on the charter school’s behalf pursuant to section 22-30.5-119 unless the charter school that is to receive additional local revenues and the school district have entered into a contract specifying that the ownership of any items purchased using the additional local revenues automatically reverts to the school district if:

(a) The charter school’s charter is revoked or not renewed;
(b) The charter school becomes insolvent and can no longer operate as a charter school; or

(c) The charter school otherwise ceases to operate.

22-30.5-119. Mill levy for charter school operating revenues. (1) With the agreement of all charter schools that will receive the revenues generated by a mill levy to collect additional local revenues, the local board of education may, at any time at which a ballot issue arising under section 20 of article X of the state constitution may be decided, submit to the eligible electors of the school district a question to authorize additional local revenues pursuant to section 22-40-102 (1.5) or (1.7), 22-54-108, or 22-54.108.5 to provide operating revenues for one or more charter schools chartered by the school district. The local board of education shall consult with all affected charter schools that will receive the revenues before determining the amount of the additional local revenues. The local board of education has the discretion to combine the ballot question to authorize additional local revenues with any other tax question that the school district is submitting to the eligible electors of the district or to submit the ballot question as a separate question.

(2) An election called pursuant to subsection (1) of this section shall be conducted pursuant to the provisions of articles 1 to 13 of title 1, C.R.S. Each charter school that is to receive a portion of the additional local revenues shall bear the costs of submitting the ballot question in proportion to the amount of revenues it is to receive unless the charter schools and the school district agree to other cost-sharing arrangements.

(3) If the majority of votes cast at an election held pursuant to this section are in favor of the question, the mill levy of the school district for additional local revenues is as approved by the eligible electors of the district, and taxes shall be levied as approved. Additional local revenues that are approved pursuant to this section by a ballot question submitted as provided in section 22-40-102 (1.5) or (1.7), 22-54-108, or 22-54-108.5 are subject to the limitations on the amount and use of the revenues specified in section 22-40-102 (1.5) or (1.7), 22-54-108, or 22-54-108.5, respectively.

(4) Notwithstanding the provisions of section 22-30.5-118 (6) and any provisions of this section to the contrary, a school district shall not impose a mill levy pursuant to this section to benefit a charter school unless the charter school and the school district enter into a contract specifying that the ownership of any items purchased by the charter school using the revenues received from the mill levy automatically reverts to the school district if:

(a) The charter school’s charter is revoked or not renewed;

(b) The charter school becomes insolvent and can no longer operate.
AS A CHARTER SCHOOL; OR

(c) THE CHARTER SCHOOL OTHERWISE CEASES TO OPERATE.

SECTION 2. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2014 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: May 15, 2014