

**First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO**

**INTRODUCED**

LLS NO. 17-0436.01 Julie Pelegrin x2700

**HOUSE BILL 17-1340**

---

**HOUSE SPONSORSHIP**

**Lundeen and Garnett,**

**SENATE SPONSORSHIP**

**(None),**

---

**House Committees**

Education

**Senate Committees**

---

**A BILL FOR AN ACT**

101      **CONCERNING CREATION OF A LEGISLATIVE INTERIM COMMITTEE TO**  
102      **STUDY SCHOOL FINANCE ISSUES.**

---

**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

The bill creates a legislative interim committee to study school finance issues and make legislative recommendations concerning how to most accurately meet the educational needs of students through the funding of education in Colorado. The interim committee will meet during the 2017 and 2018 legislative interims. The bill specifies issues that the interim committee must study. The interim committee is required

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*



1 THAT THE MEMBERS OF THE INTERIM COMMITTEE REPRESENT SCHOOL  
2 DISTRICTS IN ALL AREAS OF THE STATE, INCLUDING URBAN, SUBURBAN,  
3 AND RURAL SCHOOL DISTRICTS, SCHOOL DISTRICTS OF VARYING WEALTH  
4 IN PROPERTY TAX AND OTHER LOCAL REVENUES, AND SCHOOL DISTRICTS  
5 WITH VARYING STUDENT DEMOGRAPHICS. IF A VACANCY ARISES ON THE  
6 INTERIM COMMITTEE, THE APPROPRIATE APPOINTING AUTHORITY SHALL  
7 APPOINT AN APPROPRIATE PERSON TO FILL THE VACANCY AS SOON AS  
8 POSSIBLE.

9 (b) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL  
10 APPOINT THE CHAIR OF THE INTERIM COMMITTEE FOR THE FIRST INTERIM  
11 AND THE VICE-CHAIR OF THE INTERIM COMMITTEE FOR THE SECOND  
12 INTERIM. THE PRESIDENT OF THE SENATE SHALL APPOINT THE VICE-CHAIR  
13 OF THE INTERIM COMMITTEE FOR THE FIRST INTERIM AND THE CHAIR OF  
14 THE INTERIM COMMITTEE FOR THE SECOND INTERIM.

15 (3) THE CHAIR OF THE INTERIM COMMITTEE SHALL SCHEDULE THE  
16 FIRST MEETING OF THE INTERIM COMMITTEE TO BE HELD NO LATER THAN  
17 AUGUST 1, 2017. THE INTERIM COMMITTEE MAY MEET UP TO FIVE TIMES  
18 DURING EACH INTERIM.

19 (4) THE DIRECTOR OF RESEARCH OF THE LEGISLATIVE COUNCIL  
20 AND THE DIRECTOR OF THE OFFICE OF LEGISLATIVE LEGAL SERVICES SHALL  
21 PROVIDE STAFF ASSISTANCE TO THE INTERIM COMMITTEE.

22 (5) THE INTERIM COMMITTEE MAY INTRODUCE UP TO A TOTAL OF  
23 FIVE BILLS, JOINT RESOLUTIONS, AND CONCURRENT RESOLUTIONS IN EACH  
24 OF THE 2018 AND 2019 LEGISLATIVE SESSIONS. BILLS THAT THE INTERIM  
25 COMMITTEE INTRODUCES ARE EXEMPT FROM THE FIVE-BILL LIMITATION  
26 SPECIFIED IN RULE 24 (b)(1)(A) OF THE JOINT RULES OF THE SENATE AND  
27 THE HOUSE OF REPRESENTATIVES. JOINT RESOLUTIONS AND CONCURRENT

1 RESOLUTIONS THAT THE INTERIM COMMITTEE INTRODUCES ARE EXEMPT  
2 FROM THE LIMITATIONS SET OUT IN RULE 26 (g) OF THE RULES OF THE  
3 HOUSE OF REPRESENTATIVES AND RULE 30 (f) OF THE RULES OF THE  
4 SENATE. THE INTERIM COMMITTEE IS EXEMPT FROM THE REQUIREMENT  
5 SPECIFIED IN RULE 24 (b)(1)(D) AND RULE 24A (d)(8) OF THE JOINT RULES  
6 OF THE SENATE AND THE HOUSE OF REPRESENTATIVES AND IN SECTION  
7 2-3-303 (1)(f), TO REPORT BILLS OR OTHER MEASURES TO THE  
8 LEGISLATIVE COUNCIL.

9 (6) ALL EXPENDITURES THAT THE INTERIM COMMITTEE INCURS,  
10 INCLUDING THE COST OF CONTRACTING WITH A PRIVATE ENTITY AS  
11 PROVIDED IN SECTION 2-2-1902 (3), ARE SUBJECT TO APPROVAL BY THE  
12 CHAIR OF THE INTERIM COMMITTEE AND, IF APPROVED, SHALL BE PAID BY  
13 VOUCHERS AND WARRANTS DRAWN AS PROVIDED BY LAW FROM  
14 APPROPRIATIONS MADE BY THE GENERAL ASSEMBLY FOR THE PURPOSES OF  
15 THIS PART 19.

16 **2-2-1902. School finance study - issues - hiring consultant.**

17 (1) THE INTERIM COMMITTEE SHALL, AT A MINIMUM, STUDY THE  
18 FOLLOWING ISSUES:

19 (a) THE COSTS AND BENEFITS OF THE REQUIREMENTS IMPOSED ON  
20 SCHOOL DISTRICTS AND PUBLIC SCHOOLS BY STATE AND FEDERAL LAWS;

21 (b) TAKING INTO ACCOUNT ALL EXISTING FEDERAL, STATE, AND  
22 LOCAL RESOURCES USED TO FUND ELEMENTARY AND SECONDARY  
23 EDUCATION, THE TOTAL AMOUNT AVAILABLE TO FUND PUBLIC EDUCATION  
24 IN EACH SCHOOL DISTRICT, IN AGGREGATE AND PER PUPIL;

25 (c) THE RELATIVE VALUE OF AND RETURN ON RESOURCE  
26 INVESTMENT ACROSS THE TIME FRAME OF A STUDENT'S EDUCATION  
27 CAREER;

1 (d) AN APPROPRIATE, ACCURATE METHOD FOR IDENTIFYING  
2 STUDENTS WHO, BECAUSE OF THEIR LIFE CIRCUMSTANCES, ARE IN GREATER  
3 NEED OF SERVICES AND SUPPORTS TO GIVE THEM OPPORTUNITIES EQUAL  
4 TO THOSE OF THEIR PEERS TO ACHIEVE THEIR ACADEMIC POTENTIAL;

5 (e) FUNDING EACH PUBLIC SCHOOL STUDENT ONLY ON A PER-PUPIL  
6 BASIS THAT CONSISTS OF A BASE AMOUNT PLUS ADDITIONAL FUNDING  
7 ALLOCATIONS ASSOCIATED WITH PARTICULAR ATTRIBUTES OF EACH  
8 STUDENT, TO BE USED TO PROVIDE EDUCATIONAL PROGRAMS TO ADDRESS  
9 STUDENTS' PARTICULAR ATTRIBUTES, AND BASED ON THE PARTICULAR  
10 ATTRIBUTES OF EACH SCHOOL DISTRICT AS FOLLOWS:

11 (I) ALLOCATIONS BASED ON GRADE LEVEL AS FOLLOWS:

12 (A) PRESCHOOL;

13 (B) KINDERGARTEN;

14 (C) GRADES ONE THROUGH FIVE;

15 (D) GRADES SIX THROUGH EIGHT; AND

16 (E) GRADES NINE THROUGH TWELVE;

17 (II) ALLOCATIONS BASED ON A STUDENT'S STATUS AS BEING  
18 AT-RISK BASED ON THE STUDENT'S ELIGIBILITY FOR FREE OR  
19 REDUCED-PRICE MEALS UNDER FEDERAL LAW, TAKING INTO ACCOUNT THE  
20 VARYING ELIGIBILITY LEVELS SPECIFIED IN FEDERAL LAW. IN CONSIDERING  
21 THIS ALLOCATION, THE INTERIM COMMITTEE MUST CONSIDER THE EXTENT  
22 TO WHICH A SCHOOL DISTRICT OR CHARTER SCHOOL USES THE ADDITIONAL  
23 STATE ALLOCATION AND FEDERAL MONEY, INCLUDING MONEY RECEIVED  
24 PURSUANT TO TITLE I OF THE FEDERAL "ELEMENTARY AND SECONDARY  
25 EDUCATION ACT OF 1965", 20 U.S.C. SEC. 6301 ET SEQ., AS AMENDED, TO  
26 PROVIDE SERVICES FOR AT-RISK STUDENTS, AS DEMONSTRATED BY THE  
27 SCHOOL'S LEVEL OF PERFORMANCE ON STATE ASSESSMENTS AND THE

1 SCHOOL PERFORMANCE PLAN.

2 (III) ALLOCATIONS BASED ON A STUDENT'S IDENTIFICATION AS AN  
3 ENGLISH LANGUAGE LEARNER, AS DEFINED IN SECTION 22-24-103, TAKING  
4 INTO ACCOUNT A STUDENT'S EXIT FROM AN ENGLISH LANGUAGE  
5 PROFICIENCY PROGRAM;

6 (IV) ALLOCATIONS BASED ON A STUDENT'S IDENTIFICATION AS  
7 HAVING A SIGNIFICANT READING DEFICIENCY AND REQUIRING READING  
8 INTERVENTIONS PURSUANT TO SECTION 22-7-1205;

9 (V) ALLOCATIONS BASED ON A STUDENT'S STATUS AS BEING A  
10 CHILD WITH A DISABILITY AS DEFINED IN SECTION 22-20-103. THE INTERIM  
11 COMMITTEE MAY CONSIDER DIFFERENT ALLOCATION AMOUNTS WITHIN  
12 THIS CATEGORY BASED ON A STUDENT'S SPECIFIC DISABILITY.

13 (VI) ALLOCATIONS BASED ON A STUDENT'S PARTICIPATION IN  
14 CAREER AND TECHNICAL EDUCATION PROGRAMS OR CONCURRENT  
15 ENROLLMENT PURSUANT TO ARTICLE 35 OF TITLE 22; AND

16 (VII) ALLOCATIONS BASED ON SCHOOL DISTRICT ATTRIBUTES AS  
17 FOLLOWS:

18 (A) THE NUMBER OF STUDENTS ENROLLED IN THE SCHOOL  
19 DISTRICT;

20 (B) WHETHER THE SCHOOL DISTRICT IS RURAL AS DEFINED BY  
21 RULE OF THE STATE BOARD OF EDUCATION;

22 (C) WHETHER THE SCHOOL DISTRICT IS INCREASING OR  
23 DECREASING IN ENROLLMENT; AND

24 (D) THE COST OF LIVING AND PERSONNEL COSTS WITHIN THE  
25 SCHOOL DISTRICT;

26 (f) ELIMINATING DIRECT FUNDING FOR CATEGORICAL PROGRAMS  
27 AND INSTEAD DISTRIBUTING CATEGORICAL PROGRAM FUNDING ON A

1 PER-PUPIL BASIS THROUGHOUT THE STATE USING ALLOCATIONS ADDED TO  
2 THE STATEWIDE PER PUPIL BASE FUNDING AMOUNT FOR EACH STUDENT  
3 WHO IS ELIGIBLE FOR FUNDING THROUGH THE CATEGORICAL PROGRAM,  
4 WHICH ALLOCATIONS WOULD BE USED TO PROVIDE EDUCATIONAL  
5 PROGRAMS RELATED TO THE CATEGORICAL PROGRAM, INCLUDING  
6 HIGH-QUALITY EDUCATOR PROFESSIONAL DEVELOPMENT, TO ELIGIBLE  
7 STUDENTS;

8 (g) STRATEGIES FOR FUNDING TRANSPORTATION FOR STUDENTS  
9 ENROLLED IN ALL PUBLIC SCHOOLS IN A MANNER THAT WOULD BE  
10 INCLUDED WITHIN THE SCHOOL FINANCE FUNDING FORMULA, INCLUDING  
11 CONSIDERATION OF TOTAL MILEAGE TRAVELED ON A PER-PUPIL BASIS;

12 (h) ALTERNATIVE METHODS FOR COUNTING ENROLLED STUDENTS  
13 FOR PURPOSES OF PER PUPIL FUNDING;

14 (i) SCHOOL DISTRICT ORGANIZATION, INCLUDING CONSIDERING  
15 SCHOOL DISTRICT SIZE BASED ON PUPIL ENROLLMENT AND THE  
16 GEOGRAPHIC LOCATION OF SCHOOL DISTRICTS;

17 (j) THE LEVEL OF FUNDING FOR EDUCATION THAT IS AVAILABLE  
18 FROM THE LOCAL RESOURCES AVAILABLE TO EACH LOCAL EDUCATION  
19 PROVIDER AND THE AMOUNT OF LOCAL RESOURCES THAT EACH DISTRICT  
20 CHARTER SCHOOL AND EACH INSTITUTE CHARTER SCHOOL RECEIVES,  
21 INCLUDING CONSIDERATION OF:

22 (I) THE AMOUNT OF PROPERTY TAX REVENUE EACH SCHOOL  
23 DISTRICT ANNUALLY COLLECTS FROM THE TOTAL PROGRAM MILL LEVY  
24 AND ADDITIONAL AUTHORIZED MILL LEVIES FOR OPERATING PURPOSES,  
25 DISAGGREGATED BY RESIDENTIAL PROPERTY TAX REVENUES, BUSINESS  
26 PROPERTY TAX REVENUES, AND REVENUES FROM TAXES ON MINERAL  
27 RESOURCE EXTRACTION;

1           (II) STRATEGIES FOR EQUALIZING MILL LEVIES IN SCHOOL  
2 DISTRICTS AND PUBLIC SCHOOLS ACROSS THE STATE;

3           (III) THE METHODS AND TIMING FOR CALCULATING ASSESSED  
4 PROPERTY VALUATION RELATED TO MINERAL EXTRACTION; AND

5           (IV) OTHER SOURCES OF FUNDING FOR PUBLIC EDUCATION  
6 AVAILABLE TO EACH INSTITUTE CHARTER SCHOOL AND EACH SCHOOL  
7 DISTRICT, OR AVAILABLE TO SCHOOLS OF A SCHOOL DISTRICT, INCLUDING  
8 DISTRICT CHARTER SCHOOLS, INDIVIDUALLY OR BY CAMPUS, AND THE  
9 AMOUNT RECEIVED FROM EACH SOURCE; AND

10          (k) THE CAPITAL CONSTRUCTION NEEDS OF EACH SCHOOL  
11 DISTRICT, DISTRICT CHARTER SCHOOL, AND INSTITUTE CHARTER SCHOOL,  
12 INCLUDING SCHOOL DISTRICTS' CAPACITY TO ISSUE BONDS AND THE  
13 RELATIONSHIP OF BONDING CAPACITY TO THE ABILITY TO OBTAIN  
14 AUTHORIZATION FOR OTHER MILL LEVIES, AND WHETHER THERE ARE  
15 AREAS OF STUDENT ENROLLMENT GROWTH OR DECLINE WITHIN THE STATE  
16 PUBLIC EDUCATION SYSTEM.

17          (2) BASED ON THE STUDY OF ISSUES DESCRIBED IN SUBSECTION (1)  
18 OF THIS SECTION, THE INTERIM COMMITTEE SHALL MAKE LEGISLATIVE  
19 RECOMMENDATIONS TO THE GENERAL ASSEMBLY ADDRESSING HOW TO  
20 MOST ACCURATELY MEET THE EDUCATIONAL NEEDS OF INDIVIDUAL  
21 STUDENTS THROUGH THE FUNDING OF EDUCATION IN COLORADO.

22          (3) SUBJECT TO AVAILABLE APPROPRIATIONS, THE INTERIM  
23 COMMITTEE SHALL CONTRACT WITH A PRIVATE ENTITY TO ASSIST IN  
24 GATHERING INFORMATION AND ANALYZING THE ISSUES SPECIFIED IN  
25 SUBSECTION (1) OF THIS SECTION. THE PRIVATE ENTITY MUST ALSO  
26 REPORT THE ADDITIONAL COST PER STUDENT, IF ANY, THAT THE STATE  
27 AND SCHOOL DISTRICTS WOULD INCUR BY FUNDING THE PUBLIC SCHOOLS



1 ON A PER-PUPIL BASIS USING DELINEATED GRADE LEVELS, NEED, AND  
2 LOCATION ALLOCATIONS AND IDENTIFY DEFICIENCIES IN AVAILABLE  
3 RESOURCES AND THE EXISTING LEVEL OF FUNDING. THE INTERIM  
4 COMMITTEE SHALL NOT CONTRACT WITH A PRIVATE ENTITY THAT HAS  
5 EVER PREVIOUSLY CONTRACTED WITH THE STATE OF COLORADO, OR AN  
6 AGENCY OR POLITICAL SUBDIVISION THEREOF, FOR A STUDY OR ANALYSIS  
7 OF SCHOOL FINANCE IN COLORADO.

8 (4) AS SOON AS POSSIBLE AFTER BEING APPOINTED, THE CHAIR AND  
9 VICE-CHAIR OF THE INTERIM COMMITTEE SHALL APPOINT A VOLUNTARY  
10 ADVISORY COMMITTEE OF INTERESTED PERSONS, INCLUDING  
11 REPRESENTATIVES OF SCHOOL DISTRICT BOARDS OF EDUCATION, SCHOOL  
12 DISTRICT SUPERINTENDENTS, SCHOOL ADMINISTRATORS, BOARDS OF  
13 COOPERATIVE SERVICES, EDUCATORS, CHARTER SCHOOLS, PARENTS,  
14 STUDENTS, MEMBERS OF THE BUSINESS COMMUNITY, EDUCATION  
15 ADVOCACY ORGANIZATIONS, ADVOCATES FOR INNOVATIVE EDUCATION  
16 MODELS, AND OTHER TAXPAYERS. THE ADVISORY COMMITTEE SHALL  
17 PROVIDE TO THE INTERIM COMMITTEE INPUT AND RECOMMENDATIONS  
18 CONCERNING THE ISSUES THAT THE INTERIM COMMITTEE IS REQUIRED TO  
19 STUDY.

20 **2-3-1903. Repeal of part.** THIS PART 19 IS REPEALED, EFFECTIVE  
21 JULY 1, 2019.

22 **SECTION 2. Safety clause.** The general assembly hereby finds,  
23 determines, and declares that this act is necessary for the immediate  
24 preservation of the public peace, health, and safety.