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An Act

HOUSE BILL 24-1448

BY REPRESENTATIVE(S) McCluskie and Bacon, Boesenecker, English, Epps, Herod, Joseph, Kipp, Lukens, Martinez, Mauro, McCormick, McLachlan, Ortiz, Pugliese, Ricks, Velasco, Weissman, Woodrow, Young, Amabile, Bird, Bradfield, Brown, Daugherty, deGruy Kennedy, Duran, Hernandez, Lindsay, Lynch, Mabrey, Rutinel, Sirota, Soper, Titone, Valdez, Weinberg;

also SENATOR(S) Lundeen and Zenzinger, Baisley, Bridges, Buckner, Coleman, Exum, Fields, Gardner, Ginal, Kirkmeyer, Liston, Mullica, Pelton B., Pelton R., Priola, Rich, Roberts, Simpson, Smallwood, Van Winkle, Will.

CONCERNING THE CREATION OF A MODERNIZED APPROACH TO FUNDING PUBLIC EDUCATION, AND, IN CONNECTION THEREWITH, MAKING AND REDUCING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, **amend** 22-54-101 as follows:

22-54-101. Short title. ~~This article shall be known and may be cited as the "Public School Finance Act of 1994"~~ THE SHORT TITLE OF THIS

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

ARTICLE 54 IS THE "PUBLIC SCHOOL FINANCE ACT OF 2025".

SECTION 2. In Colorado Revised Statutes, **amend** 22-54-102 as follows:

22-54-102. Statewide applicability - intergovernmental agreements - legislative declaration. (1) The general assembly hereby finds and declares that this ~~article~~ ARTICLE 54 is enacted in furtherance of the general assembly's duty under section 2 of article IX of the state constitution to provide for a thorough and uniform system of public schools throughout the state; that a thorough and uniform system requires that all school districts and institute charter schools operate under the same finance formula; and that equity considerations dictate that all districts and institute charter schools be subject to the expenditure and maximum levy provisions of this ~~article~~ ARTICLE 54. Accordingly, the provisions of this ~~article~~ ARTICLE 54 concerning the financing of public schools ~~for budget years beginning on and after July 1, 1994,~~ shall apply to all school districts and institute charter schools organized under the laws of this state.

(2) (a) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT:

(I) A THOROUGH AND UNIFORM SYSTEM OF PUBLIC EDUCATION CREATES A LEARNING ENVIRONMENT IN WHICH ALL LEARNERS ARE CIVICALLY ENGAGED; PHYSICALLY, SOCIALLY, AND EMOTIONALLY HEALTHY; COMPETENT ACADEMIC SCHOLARS; AND, UPON GRADUATION, READY TO CONTRIBUTE PRODUCTIVELY TO THE ECONOMY AND PREPARED FOR A RAPIDLY CHANGING WORLD;

(II) A WORLD-CLASS PUBLIC EDUCATION LEARNING ENVIRONMENT IS CRITICAL TO MEETING THE WORKFORCE DEMANDS FOR COLORADO'S THRIVING AND DYNAMIC ECONOMY;

(III) THE CHANGING REALITIES OF COLORADO'S ECONOMY DEMAND THAT STUDENTS BE AGILE LEARNERS ABLE TO CONTINUOUSLY LEARN, ADAPT, AND SHIFT INTO NEW ROLES BY DEVELOPING CRITICAL THINKING, COLLABORATION, AND PROBLEM-SOLVING SKILLS;

(IV) THE NEEDS OF THE STATE REQUIRE THAT ALL STUDENTS, INCLUDING THOSE WHO ARE UNDERSERVED OR FACE SIGNIFICANT

CHALLENGES IN MEETING COLORADO'S GRADUATION GUIDELINES, COMPLETE HIGH SCHOOL AND ARE READY FOR CAREER OR POSTSECONDARY EDUCATION;

(V) COLORADO'S TOTAL PROGRAM FORMULA, PURSUANT TO SECTION 22-54-104, DRASTICALLY UNDERFUNDS COLORADO'S MOST HISTORICALLY UNDERSERVED STUDENTS, INCLUDING AT-RISK STUDENTS, ENGLISH LANGUAGE LEARNERS, AND STUDENTS WITH SPECIAL NEEDS. SINCE THE COVID-19 PANDEMIC, THE ACHIEVEMENT GAP BETWEEN THESE STUDENTS AND THEIR PEERS HAS GROWN EXPONENTIALLY. RESEARCH SHOWS THAT DIRECTING ADDITIONAL FUNDING TO THESE STUDENTS BOLSTERS THEIR ACADEMIC OUTCOMES.

(VI) COLORADO'S TOTAL PROGRAM FORMULA, PURSUANT TO SECTION 22-54-104, HAS NOT BEEN SIGNIFICANTLY UPDATED SINCE 1994. AS THE GENERAL ASSEMBLY COMMITS TO FULLY BUYING DOWN THE BUDGET STABILIZATION FACTOR, THERE IS AN OPPORTUNE MOMENT TO MODERNIZE THE TOTAL PROGRAM FORMULA TO BETTER MEET THE NEEDS OF STUDENTS, EDUCATORS, COMMUNITIES, AND SCHOOLS.

(VII) IN THE YEARS SINCE THIS ARTICLE 54 WAS ORIGINALLY ENACTED IN 1994, CONSTITUTIONAL PROVISIONS, STATUTORY REQUIREMENTS, PUBLIC EXPECTATIONS, AND STUDENT DEMOGRAPHICS HAVE PLACED GREATER DEMANDS ON COLORADO'S PUBLIC EDUCATION LEARNING ENVIRONMENT; AND

(VIII) CHALLENGES TO RECRUIT AND RETAIN EDUCATORS AND SCHOOL LEADERS, AND IMPEDIMENTS TO BENEFICIAL INNOVATION, CONTINUE TO THREATEN COLORADO'S PUBLIC EDUCATION LEARNING ENVIRONMENT.

(b) TO PROVIDE EACH CHILD IN THIS STATE WITH A HIGH-QUALITY PUBLIC EDUCATION, THE GENERAL ASSEMBLY FINDS AND DECLARES THAT COLORADO'S PUBLIC SCHOOL FINANCE FORMULA MUST BE REDESIGNED AND MODERNIZED TO:

(I) PRIORITIZE EQUITY BY FOCUSING ON INDIVIDUAL STUDENT NEEDS, INCLUDING PRIORITIZED FUNDING FOR STUDENTS EXPERIENCING POVERTY, STUDENTS WITH SPECIAL EDUCATION NEEDS, AND STUDENTS WHO ARE ENGLISH LANGUAGE LEARNERS;

(II) RECOGNIZE AND ADJUST FUNDING FOR DIFFERENCES AMONG

SCHOOL DISTRICTS AND PUBLIC SCHOOLS RELATED TO SIZE, REMOTENESS, AND COST OF LIVING;

(III) PROMOTE GREATER UNDERSTANDING OF PUBLIC EDUCATION FUNDING FOR POLICYMAKERS, EDUCATORS, COMMUNITY MEMBERS, FAMILIES, AND STUDENTS BY CREATING TRANSPARENCY AND SIMPLICITY IN THE SCHOOL FINANCE FORMULA CALCULATION; AND

(IV) RESPONSIBLY PHASE IN A NEW TOTAL PROGRAM FORMULA OVER A PERIOD OF TIME SO THAT IT IS SUSTAINABLE, AND ALLOW SCHOOL DISTRICTS AND SCHOOLS AN AMOUNT OF TIME NECESSARY TO ADJUST TO THE PHASE-IN.

~~(2)~~ (3) The general assembly hereby finds and declares that in enacting this ~~article~~ ARTICLE 54 it has adopted a formula for the support of schools; ~~for the 1994-95 budget year and budget years thereafter;~~ however, the adoption of ~~such~~ THE formula in no way ~~represents~~ IS a commitment on the part of the general assembly concerning the level of total funding for schools. ~~for the 1995-96 budget year or any budget year thereafter.~~

~~(3)~~ (4) (a) ~~Nothing in this article shall be construed to~~ THIS ARTICLE 54 DOES NOT prohibit local governments from cooperating with ~~school~~ districts through intergovernmental agreements to fund, construct, maintain, or manage capital construction projects or other facilities as set forth in section 22-45-103 (1)(c)(I)(A) or (1)(c)(I)(D), including, but not limited to, swimming pools, playgrounds, or ball fields, ~~as long as~~ IF funding for ~~such~~ THE projects is provided solely from a source of local government revenue that is otherwise authorized by law, except impact fees or other similar development charges or fees.

(b) Notwithstanding ~~any provision of paragraph (a) of this subsection (3)~~ SUBSECTION (4)(a) OF THIS SECTION to the contrary, ~~nothing in this subsection (3) shall be construed to~~ THIS SUBSECTION (4) DOES NOT:

(I) Limit or restrict a county's power to require the reservation or dedication of sites and land areas for schools or the payment of ~~moneys~~ MONEY in lieu thereof pursuant to section 30-28-133 (4)(a); ~~C.R.S. or to limit a local government's ability to accept and expend impact fees or other similar development charges or fees contributed voluntarily on or before December 31, 1997, to fund the capital projects of school districts according~~

~~to the terms of agreements voluntarily entered into on or before June 4, 1996, between all affected parties; AND~~

(II) Repealed.

(III) Grant authority to local governments to require the reservation or dedication of sites and land areas for schools or the payment of moneys in lieu thereof MONEY; however, the prohibition on impact fees or other similar development charges or fees contained in this subsection (3) shall not be construed to SUBSECTION (4) DOES NOT restrict the authority of any local government to require the reservation or dedication of sites and land areas for schools or the payment of moneys in lieu thereof if such MONEY IF THE local government otherwise has such THE authority granted by law.

~~(4) If the December 2015 revenue forecast prepared by the legislative council staff estimates that the amount of local property tax revenues that will be available to districts for the 2015-16 budget year will be greater than the amount estimated in the December 2014 revenue forecast, it is the intent of the general assembly, through the supplemental appropriations process during the 2016 regular legislative session, to maintain and not reduce state appropriations for school finance funding after consideration of other forecast changes, including changes in the number of pupils and at-risk pupils enrolled, the inflation rate, and the expected state education fund revenues.~~

~~(5) (a) The general assembly finds that, due to the COVID-19 pandemic beginning during the 2019-20 school year, Colorado's public education system has faced significant disruptions to the delivery of classroom instruction, student learning, and access to critically necessary nutritional, health, and social-emotional support services. Therefore, the general assembly finds that:~~

~~(i) A world-class public education is critical to meeting the workforce demands for Colorado's economy;~~

~~(ii) The changing realities of Colorado's post-pandemic economy demand that students be agile learners able to continuously learn, adapt, and shift into new roles by developing critical thinking, collaboration, and problem-solving skills; and~~

~~(H) The needs of the state require that all students, including those who are underserved or face significant challenges in meeting Colorado's graduation guidelines, complete high school career and college ready.~~

~~(b) To provide each child in this state with a high-quality public education, the general assembly declares that Colorado's public school finance formula must be redesigned and modernized to:~~

~~(f) Prioritize equity, focusing on individual student needs by increasing the funding for students who are economically disadvantaged and students who are English language learners; and~~

~~(H) Address the inequities in school district funding that arise from the dramatic differences in local property wealth and mill levy overrides.~~

~~(c) Further, the general assembly declares that, because English language learner funding will now be included in the school finance formula, it is appropriate to fund this inclusion by redirecting to the state share of total program the amount previously appropriated for the professional development and student support program created in section 22-24-108. The general assembly further declares that the remaining costs of the school finance formula changes are offset by the savings to the state share of total program that occur as a result of correcting the unauthorized reductions in district property tax mill levies as provided in section 22-54-106 (2.1).~~

SECTION 3. In Colorado Revised Statutes, 22-54-103, **amend** (1.3), (6), (6.5), (8.5)(a)(II), (8.5)(b), (10)(a)(II), (10)(a)(III.5), (10)(a)(V), (10)(b)(I) introductory portion, (10)(d), (10)(f), (10)(h)(I) introductory portion, (10.5)(b), (14), and (15); **repeal** (1.5)(a)(V), (1.5)(b), (1.5)(c)(II)(A), (5.5)(a), (7), and (10)(g); and **add** (10.8) as follows:

22-54-103. Definitions. As used in this article 54, unless the context otherwise requires:

(1.3) "Accounting district" means the school district within whose geographic boundaries an institute charter school is physically located.

(1.5) (a) "At-risk pupils" means:

~~(V) For the 2005-06 budget year through the 2020-21 budget year, the number of district pupils who are English language learners plus the greater of:~~

~~(A) The number of district pupils eligible for free lunch; or~~

~~(B) The number of pupils calculated in accordance with the following formula:~~

~~District percentage of pupils eligible for free lunch x District pupil enrollment.~~

~~(b) For purposes of subsection (1.5)(a)(V) of this section:~~

~~(f) "District percentage of pupils eligible for free lunch" means the district pupils eligible for free lunch in grades one through eight divided by the district pupil enrollment in grades one through eight.~~

~~(H) "District pupil enrollment" means the pupil enrollment of the district, as determined in accordance with subsection (10) of this section; minus the number of pupils enrolled in the Colorado preschool program pursuant to article 28 of this title 22 and the number of three-year-old or four-year-old pupils with disabilities receiving educational programs pursuant to article 20 of this title 22.~~

~~(HH) "District pupils eligible for free lunch" means the number of pupils included in the district pupil enrollment who are eligible for free lunch pursuant to the provisions of the federal "Richard B. Russell National School Lunch Act", 42 U.S.C. sec. 1751 et seq.~~

~~(IV) "District pupils who are English language learners" means the number of pupils included in the district pupil enrollment for the preceding budget year who were not eligible for free lunch pursuant to the provisions of the federal "Richard B. Russell National School Lunch Act", 42 U.S.C. sec. 1751 et seq., and who are English language learners, as defined in section 22-24-103 (4), and:~~

~~(A) Whose scores were not included in calculating school academic performance grades as provided in section 22-7-1006.3; or~~

~~(B) Who took an assessment administered pursuant to section~~

~~22-7-1006.3 in a language other than English.~~

(c) For purposes of subsection (1.5)(a)(VI) of this section:

(II) (A) ~~"District pupil enrollment" means, for the 2021-22 and 2022-23 budget years, the pupil enrollment of the district, as determined in accordance with subsection (10) of this section, minus the number of pupils enrolled in the Colorado preschool program pursuant to article 28 of this title 22 and the number of three-year-old or four-year-old pupils with disabilities receiving educational programs pursuant to article 20 of this title 22.~~

(5.5) (a) ~~"District percentage of at-risk pupils" means, for budget years commencing prior to July 1, 2023, the number of at-risk pupils in the district, as determined in accordance with subsection (1.5) of this section, divided by the pupil enrollment of the district, as determined in accordance with subsection (10) of this section, except that pupil enrollment does not include the number of pupils enrolled in the Colorado preschool program pursuant to article 28 of this title 22, as it exists prior to July 1, 2023, and the number of three-year-old or four-year-old pupils with disabilities receiving educational programs pursuant to article 20 of this title 22.~~

(6) ~~"District's total program" means the funding for a district, as determined pursuant to section 22-54-104 or section 22-54-104.3, whichever is applicable, which represents the financial base of support for public education in that district. "DISTRICT TOTAL PROGRAM" OR "DISTRICT'S TOTAL PROGRAM" MEANS A DISTRICT'S FUNDING, AS DETERMINED PURSUANT TO THIS ARTICLE 54, WHICH IS THE FINANCIAL BASE OF SUPPORT FOR PUBLIC EDUCATION IN THAT DISTRICT.~~

(6.5) ~~"English language learner pupils" means the number of district pupils who are English language learners, as defined in section 22-24-103 (4), and for whom the district received RECEIVES funding FOR THE APPLICABLE BUDGET YEAR pursuant to section 22-24-104 (3)(b)(I).~~

(7) ~~"Funded pupil count" means:~~

(a) ~~For budget years commencing prior to July 1, 2002, the greater of:~~

~~(I) The district's pupil enrollment for the applicable budget year; or~~

~~(II) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the immediately preceding budget year; or~~

~~(III) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the two immediately preceding budget years; or~~

~~(IV) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the three immediately preceding budget years;~~

~~(b)(I) For the budget year commencing on July 1, 2002, the district's online pupil enrollment for the applicable budget year plus the greater of:~~

~~(A) The district's pupil enrollment for the applicable budget year; or~~

~~(B) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the immediately preceding budget year; or~~

~~(C) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the two immediately preceding budget years; or~~

~~(D) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the three immediately preceding budget years.~~

~~(H) Repealed.~~

~~(c)(I) For budget years commencing on and after July 1, 2003, but prior to July 1, 2008, the district's online pupil enrollment for the applicable budget year plus the district's preschool and kindergarten program enrollment for the applicable budget year plus the greater of:~~

~~(A) The district's pupil enrollment for the applicable budget year; or~~

~~(B) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the immediately preceding budget year; or~~

~~(C) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the two immediately preceding budget years; or~~

~~(D) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the three immediately preceding budget years.~~

~~(H) and (HH) Repealed.~~

~~(IV) Notwithstanding any provision of law to the contrary, for purposes of subparagraph (I) of this paragraph (c) for budget years beginning on or after July 1, 2004, a district's funded pupil count shall include the certified pupil enrollment and online pupil enrollment of each operating institute charter school for which the district is the accounting district. The department of education shall add the institute charter school's certified pupil enrollment and online pupil enrollment to the funded pupil count of the district prior to calculating the district's total program pursuant to section 22-54-104.~~

~~(d) (i) For budget years commencing on and after July 1, 2008, but prior to July 1, 2009, the district's online pupil enrollment for the applicable budget year plus the district's preschool program enrollment for the applicable budget year plus the district's supplemental kindergarten enrollment for the applicable budget year plus the greater of:~~

~~(A) The district's pupil enrollment for the applicable budget year; or~~

~~(B) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the immediately preceding budget year; or~~

~~(C) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the two immediately preceding budget years; or~~

~~(D) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the three immediately preceding budget years; or~~

~~(E) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the four immediately preceding budget years.~~

~~(H) Notwithstanding any provision of law to the contrary, for purposes of subparagraph (I) of this paragraph (d), a district's funded pupil count shall include the certified pupil enrollment and online pupil enrollment of each operating institute charter school for which the district is the accounting district. The department of education shall add the institute charter school's certified pupil enrollment and online pupil enrollment to the funded pupil count of the district prior to calculating the district's total program pursuant to section 22-54-104.~~

~~(HH) Repealed.~~

~~(IV) The general assembly hereby finds and declares that for the purposes of section 17 of article IX of the state constitution, averaging a district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the four immediately preceding budget years pursuant to sub-subparagraph (E) of subparagraph (I) of this paragraph (d) is a program for accountable education reform and may therefore receive funding from the state education fund created in section 17 (4) of article IX of the state constitution.~~

~~(e) (I) For budget years commencing on and after July 1, 2009, but prior to July 1, 2023, the district's online pupil enrollment for the applicable budget year plus the district's preschool program enrollment for the applicable budget year plus the district's supplemental kindergarten enrollment for the applicable budget year plus the district's extended high school pupil enrollment for the applicable budget year, plus the greater of:~~

~~(A) The district's pupil enrollment for the applicable budget year; or~~

~~(B) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the immediately preceding budget year; or~~

~~(C) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the two immediately preceding budget years; or~~

~~(D) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the three immediately preceding budget years; or~~

~~(E) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the four immediately preceding budget years.~~

~~(H) Notwithstanding any provision of law to the contrary, for purposes of subparagraph (I) of this paragraph (c), a district's funded pupil count shall include the certified pupil enrollment and online pupil enrollment of each operating institute charter school for which the district is the accounting district. The department of education shall add the institute charter school's certified pupil enrollment and online pupil enrollment to the funded pupil count of the district prior to calculating the district's total program pursuant to section 22-54-104.~~

~~(HH) Repealed.~~

~~(IV) The general assembly hereby finds and declares that for the purposes of section 17 of article IX of the state constitution, averaging a district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the four immediately preceding budget years pursuant to sub-subparagraph (E) of subparagraph (I) of this paragraph (c) is a program for accountable education reform and may therefore receive funding from the state education fund created in section 17 (4) of article IX of the state constitution.~~

~~(V) Notwithstanding any provision of law to the contrary, for the 2010-11 budget year and each budget year thereafter, for the purposes of this paragraph (c), a district's pupil enrollment for the applicable budget year and a district's pupil enrollment for any preceding budget year shall not include any pupil who is or was enrolled in a charter school that was originally authorized by the district but was subsequently converted, on or after July 1, 2010, to an institute charter school or to a charter school of a district contiguous to the originally authorizing district.~~

~~(VI) Notwithstanding any provision of this paragraph (e) to the contrary, for the 2013-14 budget year and each budget year thereafter, for the purposes of this subsection (7), if a district's funded pupil count calculated pursuant to this subsection (7) for a budget year is fewer than fifty pupils, the district's funded pupil count for the budget year is fifty pupils.~~

~~(VII) For the 2019-20 budget year and each budget year thereafter, solely for the purpose of averaging pupil enrollment pursuant to subsection (7)(e)(I) of this section for a district that operates a full-day kindergarten educational program, the department of education shall adjust the district's pupil enrollments for the 2018-19, 2017-18, 2016-17, and 2015-16 budget years by counting each pupil enrolled in a full-day kindergarten educational program in one of those budget years as a full-time student. The adjustment to pupil enrollment made pursuant to this subsection (7)(e)(VII) does not affect or change the funded pupil count used to calculate a district's fiscal year spending limitation pursuant to section 20 of article X of the state constitution for a budget year commencing before July 1, 2019.~~

~~(f) (I) For budget years commencing on and after July 1, 2023, the district's online pupil enrollment for the applicable budget year plus the district's supplemental kindergarten enrollment for the applicable budget year plus the district's extended high school pupil enrollment for the applicable budget year, plus the greater of:~~

~~(A) The district's pupil enrollment for the applicable budget year; or~~

~~(B) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the immediately preceding budget year; or~~

~~(C) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the two immediately preceding budget years; or~~

~~(D) The average of the district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the three immediately preceding budget years; or~~

~~(E) The average of the district's pupil enrollment for the applicable~~

~~budget year and the district's pupil enrollment for the four immediately preceding budget years.~~

~~(H) Notwithstanding any provision of law to the contrary, for purposes of subsection (7)(f)(I) of this section, a district's funded pupil count includes the certified pupil enrollment and online pupil enrollment of each operating institute charter school for which the district is the accounting district, as provided pursuant to subsections (7)(f)(H.5) and (7)(f)(H.6) of this section. The department of education shall add the institute charter school's certified pupil enrollment and online pupil enrollment to the funded pupil count of the district prior to calculating the district's total program pursuant to section 22-54-104.~~

~~(H.5) For purposes of subsection (7)(f)(II) of this section, each operating institute charter school's certified pupil enrollment is the greater of:~~

~~(A) The operating institute charter school's pupil enrollment for the applicable budget year;~~

~~(B) The average of the operating institute charter school's pupil enrollment for the applicable budget year and the operating institute charter school's pupil enrollment for the immediately preceding budget year;~~

~~(C) The average of the operating institute charter school's pupil enrollment for the applicable budget year and the operating institute charter school's pupil enrollment for the two immediately preceding budget years;~~

~~(D) The average of the operating institute charter school's pupil enrollment for the applicable budget year and the operating institute charter school's pupil enrollment for the three immediately preceding budget years;
or~~

~~(E) The average of the operating institute charter school's pupil enrollment for the applicable budget year and the operating institute charter school's pupil enrollment for the four immediately preceding budget years.~~

~~(H.6) Notwithstanding any provision of law to the contrary, for purposes of subsection (7)(f)(H.5) of this section, an operating institute charter school's pupil enrollment includes its online pupil enrollment,~~

~~except for multi-district online school pupil enrollment.~~

~~(HH) The general assembly finds and declares that for the purposes of section 17 of article IX of the state constitution, averaging a district's pupil enrollment for the applicable budget year and the district's pupil enrollment for the four immediately preceding budget years pursuant to subsection (7)(f)(I)(E) of this section, and the averaging of an operating institute charter school's pupil enrollment and online pupil enrollment pursuant to subsections (7)(f)(H.5) and (7)(f)(H.6), is a program for accountable education reform and may therefore receive funding from the state education fund created in section 17 (4) of article IX of the state constitution.~~

~~(IV) Notwithstanding any provision of law to the contrary, for the 2010-11 budget year and each budget year thereafter, for the purposes of this subsection (7)(f), a district's pupil enrollment for the applicable budget year and a district's pupil enrollment for any preceding budget year do not include any pupil who is or was enrolled in a charter school that was originally authorized by the district but was subsequently converted, on or after July 1, 2010, to an institute charter school or to a charter school of a district contiguous to the originally authorizing district.~~

~~(V) Notwithstanding any provision of this subsection (7)(f) to the contrary, for the 2013-14 budget year and each budget year thereafter, for the purposes of this subsection (7), if a district's funded pupil count calculated pursuant to this subsection (7) for a budget year is fewer than fifty pupils, the district's funded pupil count for the budget year is fifty pupils.~~

~~(VI) For the 2019-20 budget year and each budget year thereafter, solely for the purpose of averaging pupil enrollment pursuant to subsection (7)(f)(I) of this section for a district that operates a full-day kindergarten educational program, the department of education shall adjust the district's pupil enrollments for the 2018-19, 2017-18, 2016-17, and 2015-16 budget years by counting each pupil enrolled in a full-day kindergarten educational program in one of those budget years as a full-time student. The adjustment to pupil enrollment made pursuant to this subsection (7)(f)(VI) does not affect or change the funded pupil count used to calculate a district's fiscal year spending limitation pursuant to section 20 of article X of the state constitution for a budget year commencing before July 1, 2019.~~

(8.5) (a) "Online pupil enrollment" means:

~~(II) For the 2008-09 budget year, and for budget years thereafter, The number of pupils, on the pupil enrollment count day within the applicable budget year, enrolled in, attending, and actively participating in a multi-district online school, as defined in section 22-30.7-102 (6), created pursuant to article 30.7 of this title~~ TITLE 22.

~~(b) For budget years beginning on or after July 1, 2004, A district's online pupil enrollment shall include~~ INCLUDES the certified online pupil enrollment of each operating institute charter school for which the district is the accounting district. The department of education shall add the institute charter school's certified online pupil enrollment to the online pupil enrollment of the district prior to calculating the district's total program. ~~pursuant to section 22-54-104.~~

(10) (a) (II) "Pupil enrollment" ~~shall include~~ INCLUDES:

~~(A) For the 2007-08 budget year, a pupil who was enrolled during the 2001-02 school year in an online program authorized pursuant to section 22-33-104.6, as it existed prior to July 1, 2007, and who is enrolled and participates in any such online program on October 1 within the applicable budget year or the school day nearest said date.~~

~~(B) For the 2008-09 budget year, and for budget years thereafter, A pupil who is enrolled in, attending, and actively participating in a single-district online program or online school operated pursuant to article 30.7 of this title~~ TITLE 22.

~~(III.5) For the 2009-10 budget year and budget years thereafter, "pupil enrollment" shall include~~ "PUPIL ENROLLMENT" INCLUDES any juvenile to whom the school district is providing educational services pursuant to section 22-32-141 as of the pupil enrollment count day of the applicable budget year.

~~(V) Notwithstanding the provisions of this paragraph (a), for the 2008-09 budget year and each budget year thereafter, "pupil enrollment" shall not~~ "PUPIL ENROLLMENT" DOES NOT include a pupil who is placed in a facility, as defined in section 22-2-402 (3), and is receiving services through an approved facility school, as defined in section 22-2-402 (1).

~~(b) (I) For budget years commencing before the 2019-20 budget year, a pupil enrolled in a kindergarten educational program pursuant to section 22-32-119 (1) is counted as not more than a half-day pupil. For the 2019-20 budget year and each budget year thereafter, A pupil WHO IS enrolled in a kindergarten educational program pursuant to section 22-32-119 is counted as a full-time pupil, except as otherwise provided in subsection (10)(e.5)(I) of this section. For the 2005-06 budget year and each budget year thereafter, A district shall count and receive funding only for pupils enrolled in a kindergarten educational program who are:~~

~~(d) (f) For budget years commencing prior to July 1, 2023, a three- or four-year-old pupil with a disability receiving an educational program under the "Exceptional Children's Educational Act", article 20 of this title, shall be counted as a half-day pupil.~~

~~(H) Notwithstanding any provision of this subsection (10) to the contrary, for budget years commencing on or after July 1, 2005, but prior to July 1, 2023, a district may choose to determine the number of three- and four-year-old pupils with disabilities enrolled and receiving educational programs under the "Exceptional Children's Educational Act", article 20 of this title 22, as of November 1 within the applicable budget year or the school date nearest said date, rather than on the pupil enrollment count day, as evidenced by the actual attendance of such pupils on November 1 or the school date nearest said date. The "pupil enrollment" of the district must include the number of pupils so enrolled who are counted as half-day pupils.~~

~~(HH) For the 2023-24 budget year and budget years thereafter, A district shall not include a three- or four-year-old pupil with a disability who is receiving an educational program under the "Exceptional Children's Educational Act", article 20 of this title 22, but is not enrolled in kindergarten, in the district's pupil enrollment, but shall certify to the department the number of said three- and four-year-old pupils with disabilities who are receiving an educational program from the district for purposes of receiving funding pursuant to part 1 of article 20 of this title 22.~~

~~(f) (f) For budget years commencing before July 1, 2023, in certifying the district's pupil enrollment to the state board pursuant to the provisions of section 22-54-112, the district shall specify the number of pupils enrolled in kindergarten through twelfth grade, specifying those who~~

~~are enrolled as full-time pupils and those who are enrolled as less than full-time pupils; the number of expelled pupils receiving educational services pursuant to section 22-33-203; the number of pupils enrolled in the district's preschool program; the number of pupils receiving educational programs under the "Exceptional Children's Educational Act", article 20 of this title 22; the number of at-risk pupils; and the number of English language learner pupils.~~

~~(H) For the 2023-24 budget year and each budget year thereafter, In certifying the district's pupil enrollment to the state board pursuant to the provisions of section 22-54-112, the district shall specify the number of pupils enrolled in kindergarten through twelfth grade, specifying those who are enrolled as full-time pupils and those who are enrolled as less than full-time pupils; the number of expelled pupils receiving educational services pursuant to section 22-33-203; the number of at-risk pupils; the number of English language learner pupils; and the number of pupils receiving educational programs under the "Exceptional Children's Educational Act", article 20 of this title 22, who are enrolled in kindergarten through twelfth grade.~~

~~(g) For the 2018-19 and 2019-20 budget years, a district may include in its pupil enrollment pupils who are enrolled in a school that was designated pursuant to section 22-35-103 (10) as an early college before June 6, 2018, and who, after completing four years of high school, enroll for the 2018-19 or 2019-20 budget years in postsecondary courses.~~

~~(h) (I) For the 2019-20 budget year and each budget year thereafter, With regard to a pupil who is simultaneously enrolled in a district or institute charter school and in one or more postsecondary courses, a district or institute charter school must submit evidence of:~~

~~(10.5) (b) On or before July 1, 2012, The state board shall promulgate rules establishing the meaning of "major religious holiday" for the purposes of this subsection (10.5).~~

~~(10.8) "SPECIAL EDUCATION PUPILS" MEANS THE NUMBER OF DISTRICT PUPILS WHO ARE CHILDREN WITH DISABILITIES, AS DEFINED IN SECTION 22-20-103 (5).~~

~~(14) (a) "Statewide average percentage of at-risk pupils" means, for~~

~~budget years commencing prior to July 1, 2023, the total number of at-risk pupils in all districts, as determined in accordance with subsection (1.5) of this section, divided by the pupil enrollment of all districts, as determined in accordance with subsection (10) of this section, except that pupil enrollment does not include the number of pupils enrolled in the Colorado preschool program pursuant to article 28 of this title and the number of three-year-old or four-year-old pupils with disabilities receiving educational programs pursuant to article 20 of this title.~~

~~(b) "Statewide average percentage of at-risk pupils" means for the 2023 budget year and each budget year thereafter, the total number of at-risk pupils in all districts, as determined in accordance with subsection (1.5) of this section, divided by the pupil enrollment of all districts, as determined in accordance with subsection (10) of this section.~~

~~(15) "Supplemental kindergarten enrollment" means the number calculated by subtracting five-tenths from the full-day kindergarten factor for the applicable budget year and then multiplying that number by the number of pupils in the district who are enrolled part-time in a kindergarten educational program for the applicable budget year. For the purposes of this subsection (15), the full-day kindergarten factor for the 2008-09 budget year and each budget year thereafter is fifty-eight hundredths of a full-day pupil.~~

SECTION 4. In Colorado Revised Statutes, **add** 22-54-103.1 as follows:

22-54-103.1. Protection of student data. NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE 54, THE DEPARTMENT OF EDUCATION, THE STATE CHARTER SCHOOL INSTITUTE, AND EACH SCHOOL DISTRICT AND PUBLIC SCHOOL SHALL COMPLY WITH ALL FEDERAL AND STATE LAWS REGARDING THE PROTECTION OF STUDENT DATA, INCLUDING THE FEDERAL "FAMILY EDUCATIONAL RIGHTS AND PRIVACY ACT OF 1974", 20 U.S.C. SEC. 1232g, AS AMENDED, AND ALL REGULATIONS AND GUIDELINES ADOPTED PURSUANT TO IT, AND THE "STUDENT DATA TRANSPARENCY AND SECURITY ACT", ARTICLE 16 OF THIS TITLE 22, AND ANY RULES PROMULGATED PURSUANT TO IT. AT A MINIMUM, THIS INCLUDES REDACTING INFORMATION AS REQUIRED TO COMPLY WITH FEDERAL AND STATE LAWS REGARDING THE PROTECTION OF STUDENT DATA IN PUBLISHED DOCUMENTS OR REPORTS REGARDING FUNDING PURSUANT TO THIS ARTICLE 54.

SECTION 5. In Colorado Revised Statutes, **add** 22-54-103.2 as follows:

22-54-103.2. District total program formula report.

(1) BEGINNING JANUARY 2026, AND EACH JANUARY THEREAFTER, THE DEPARTMENT OF EDUCATION SHALL REPORT, AT A MINIMUM, THE INFORMATION DESCRIBED IN SUBSECTION (2) OF THIS SECTION TO THE EDUCATION COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR THEIR SUCCESSOR COMMITTEES, AS PART OF THE "SMART ACT" PRESENTATION REQUIRED PURSUANT TO PART 2 OF ARTICLE 7 OF TITLE 2.

(2) IN ITS REPORT DESCRIBED PURSUANT TO SUBSECTION (1) OF THIS SECTION, THE DEPARTMENT OF EDUCATION SHALL REPORT, AT A MINIMUM, DATA DEMONSTRATING:

(a) THE SUCCESSES AND CHALLENGES OF DETERMINING A DISTRICT'S TOTAL PROGRAM PURSUANT TO SECTION 22-54-103.3 FOR REPORTS CONCERNING THE 2025-26 BUDGET YEAR THROUGH THE 2029-30 BUDGET YEAR, AND THE SUCCESSES AND CHALLENGES OF DETERMINING A DISTRICT'S TOTAL PROGRAM PURSUANT TO SECTION 22-54-103.5 FOR REPORTS CONCERNING THE 2030-31 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER;

(b) HOW DISTRICT TOTAL PROGRAM, DETERMINED PURSUANT TO SECTION 22-54-103.3 FOR REPORTS CONCERNING THE 2025-26 BUDGET YEAR THROUGH THE 2029-30 BUDGET YEAR AND DETERMINED PURSUANT TO SECTION 22-54-103.5 FOR REPORTS CONCERNING THE 2030-31 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, IS BEING USED AT THE SCHOOL LEVEL, INCLUDING TRADITIONAL PUBLIC SCHOOLS, DISTRICT CHARTER SCHOOLS, AND INSTITUTE CHARTER SCHOOLS, AND INFORMATION CURRENTLY REPORTED BY THE DEPARTMENT OF EDUCATION IN DISTRICT PERFORMANCE SNAPSHOTS; AND

(c) TRENDS AND CHALLENGES WITH DECLINING PUPIL ENROLLMENT, INFLUXES OF NEW ARRIVAL STUDENTS, AND STUDENTS WHO ENROLL IN OR DISENROLL FROM ANY PUBLIC SCHOOL, INCLUDING CHARTER SCHOOLS.

(3) AT A MINIMUM, THE DATA DESCRIBED IN SUBSECTION (2) OF THIS SECTION MUST INCLUDE:

(a) THE STATEWIDE AVERAGE AMOUNT OF PER PUPIL REVENUE FOR AN AT-RISK PUPIL;

(b) THE STATEWIDE AVERAGE AMOUNT OF PER PUPIL REVENUE FOR AN ENGLISH LANGUAGE LEARNER PUPIL;

(c) THE STATEWIDE AVERAGE AMOUNT OF PER PUPIL REVENUE FOR A SPECIAL EDUCATION PUPIL;

(d) THE DISTRICT AVERAGE AMOUNT OF PER PUPIL REVENUE FOR AN AT-RISK PUPIL;

(e) THE DISTRICT AVERAGE AMOUNT OF PER PUPIL REVENUE FOR AN ENGLISH LANGUAGE LEARNER PUPIL;

(f) THE DISTRICT AVERAGE AMOUNT OF PER PUPIL REVENUE FOR A SPECIAL EDUCATION PUPIL;

(g) THE PER PUPIL REVENUE FOR EACH PUBLIC SCHOOL IN THE DISTRICT; AND

(h) THE PROJECTED SHARE OF PER PUPIL REVENUE FOR EACH PUBLIC SCHOOL IN THE DISTRICT, BASED ON ENROLLMENT.

(4) NOTWITHSTANDING THE REQUIREMENT IN SECTION 24-1-136 (11)(a)(I), THE REQUIREMENT TO SUBMIT THE REPORT REQUIRED IN THIS SECTION CONTINUES INDEFINITELY.

SECTION 6. In Colorado Revised Statutes, **add** 22-54-103.3 as follows:

22-54-103.3. District total program - 2025-26 through 2029-30 budget years - definitions - repeal. (1) (a) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR THE 2025-26 BUDGET YEAR THROUGH THE 2029-30 BUDGET YEAR, THE DEPARTMENT OF EDUCATION SHALL DETERMINE EACH DISTRICT'S TOTAL PROGRAM PURSUANT TO THIS SECTION. THE DISTRICT'S TOTAL PROGRAM IS AVAILABLE TO THE DISTRICT TO FUND THE COSTS OF PROVIDING PUBLIC EDUCATION, AND, EXCEPT AS OTHERWISE PROVIDED IN SECTION 22-54-105, THE DISTRICT HAS THE DISCRETION TO DETERMINE THE AMOUNTS AND PURPOSES FOR BUDGETING

AND EXPENDING ITS DISTRICT TOTAL PROGRAM MONEY.

(b) NOTWITHSTANDING SUBSECTION (1)(a) OF THIS SECTION TO THE CONTRARY, IF A DISTRICT IS AN INSTITUTE CHARTER SCHOOL'S ACCOUNTING DISTRICT, THEN THE DISTRICT TOTAL PROGRAM DETERMINATION PURSUANT TO THIS SECTION ALSO REPRESENTS THE INSTITUTE CHARTER SCHOOL'S FINANCIAL BASE OF SUPPORT FOR PUBLIC EDUCATION, EVEN THOUGH THE INSTITUTE CHARTER SCHOOL IS NOT THE DISTRICT'S SCHOOL. THE AMOUNT OF THE DISTRICT'S STATE SHARE OF TOTAL PROGRAM THAT IS WITHHELD FROM THE DISTRICT AND PAID TO THE STATE CHARTER SCHOOL INSTITUTE PURSUANT TO SECTION 22-54-115 (1.3) IS NOT AVAILABLE TO OR UNDER THE CONTROL OF THE DISTRICT BUT IS AVAILABLE TO AND UNDER THE CONTROL OF THE INSTITUTE CHARTER SCHOOL'S GOVERNING BOARD TO FUND THE COSTS OF PROVIDING PUBLIC EDUCATION TO STUDENTS ENROLLED IN THE INSTITUTE CHARTER SCHOOL. THE INSTITUTE CHARTER SCHOOL HAS THE DISCRETION TO DETERMINE THE AMOUNTS AND PURPOSES FOR BUDGETING AND EXPENDING ITS TOTAL PROGRAM MONEY.

(c) AS USED IN THIS SECTION, "FOR THE 2025-26 BUDGET YEAR THROUGH THE 2029-30 BUDGET YEAR" MEANS THE 2025-26 BUDGET YEAR, THE 2026-27 BUDGET YEAR, THE 2027-28 BUDGET YEAR, THE 2028-29 BUDGET YEAR, AND THE 2029-30 BUDGET YEAR.

(2) FOR THE 2025-26 BUDGET YEAR THROUGH THE 2029-30 BUDGET YEAR, THE DEPARTMENT OF EDUCATION SHALL CALCULATE EACH DISTRICT'S TOTAL PROGRAM PURSUANT TO SECTIONS 22-54-103.5 AND 22-54-104.

(3) FOR THE 2025-26 BUDGET YEAR THROUGH THE 2029-30 BUDGET YEAR, A DISTRICT'S TOTAL PROGRAM IS THE GREATER OF THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-104 PLUS ONE-HALF PERCENT OF THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-104, OR:

(a) FOR THE 2025-26 BUDGET YEAR, THE AMOUNT CALCULATED PURSUANT TO SECTION 22-54-104 PLUS AN AMOUNT EQUAL TO EIGHTEEN PERCENT OF THE DIFFERENCE BETWEEN THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-103.5 AND THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-104;

(b) FOR THE 2026-27 BUDGET YEAR, THE AMOUNT CALCULATED

PURSUANT TO SECTION 22-54-104 PLUS AN AMOUNT EQUAL TO THIRTY-FOUR PERCENT OF THE DIFFERENCE BETWEEN THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-103.5 AND THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-104;

(c) FOR THE 2027-28 BUDGET YEAR, THE AMOUNT CALCULATED PURSUANT TO SECTION 22-54-104 PLUS AN AMOUNT EQUAL TO FIFTY PERCENT OF THE DIFFERENCE BETWEEN THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-103.5 AND THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-104;

(d) FOR THE 2028-29 BUDGET YEAR, THE AMOUNT CALCULATED PURSUANT TO SECTION 22-54-104 PLUS AN AMOUNT EQUAL TO SIXTY-SIX PERCENT OF THE DIFFERENCE BETWEEN THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-103.5 AND THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-104; AND

(e) FOR THE 2029-30 BUDGET YEAR, THE AMOUNT CALCULATED PURSUANT TO SECTION 22-54-104 PLUS AN AMOUNT EQUAL TO EIGHTY-TWO PERCENT OF THE DIFFERENCE BETWEEN THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-103.5 AND THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-104.

(4) FOR THE 2024-25 BUDGET YEAR THROUGH THE 2029-30 BUDGET YEAR, THE JOINT BUDGET COMMITTEE SHALL MONITOR THE FISCAL IMPACT OF THE DISTRICT TOTAL PROGRAM DETERMINATIONS PURSUANT TO THIS SECTION AND THE FISCAL IMPACT OF THE TRANSITION TO THE TOTAL PROGRAM FORMULA PURSUANT TO SECTION 22-54-103.5. AT A MINIMUM, THE JOINT BUDGET COMMITTEE SHALL CONSIDER IMMEDIATE AND FORECASTED ECONOMIC CONDITIONS, THE IMPACT OR TREND OF THE STATEWIDE TOTAL LOCAL SHARE OF TOTAL PROGRAM FUNDING, THE IMPACT OR TREND OF THE STATE EDUCATION FUND, AND ANY OTHER DATA-DRIVEN CONSIDERATIONS NECESSARY TO ENSURE THE SUSTAINABLE TRANSITION TO AND IMPLEMENTATION OF A NEW TOTAL PROGRAM FORMULA. THE JOINT BUDGET COMMITTEE AND THE GENERAL ASSEMBLY MAY TAKE ACTION NECESSARY TO ENSURE THE SUSTAINABLE TRANSITION TO AND IMPLEMENTATION OF A NEW TOTAL PROGRAM FORMULA. ON OR AFTER JANUARY 1, 2025, WHEN THE DEPARTMENT OF EDUCATION MAKES MID-YEAR ADJUSTMENTS, THE JOINT BUDGET COMMITTEE SHALL DEVELOP A SUSTAINABILITY PLAN THAT MAKES FINDINGS AND RECOMMENDATIONS

REGARDING HOW THE GENERAL ASSEMBLY CAN FULLY FUND TOTAL PROGRAM DETERMINATIONS PURSUANT TO SECTIONS 22-54-103.3 AND 22-54-103.5. ON OR AFTER JANUARY 1, 2026, AND ON OR AFTER JANUARY 1 EACH YEAR THEREAFTER, WHEN THE DEPARTMENT OF EDUCATION MAKES MID-YEAR ADJUSTMENTS, THE JOINT BUDGET COMMITTEE SHALL REVIEW THE SUSTAINABILITY PLAN AND UPDATE IT AS NECESSARY.

(5) (a) AS USED IN THIS SUBSECTION (5), UNLESS THE CONTEXT OTHERWISE REQUIRES:

(I) "ASSESSMENT YEAR" MEANS A BUDGET YEAR WHEN THE LATTER HALF OF THE BUDGET YEAR OCCURS DURING AN EVEN-NUMBERED CALENDAR YEAR.

(II) "INFLATION" MEANS, FOR ANY BUDGET YEAR, THE ANNUAL PERCENTAGE CHANGE IN THE UNITED STATES DEPARTMENT OF LABOR STATISTICS CONSUMER PRICE INDEX FOR DENVER-BOULDER, OR ITS APPLICABLE SUCCESSOR INDEX, FOR ALL ITEMS PAID BY ALL URBAN CONSUMERS FOR THE CALENDAR YEAR BEFORE THE APPLICABLE BUDGET YEAR.

(III) "NON-ASSESSMENT YEAR" MEANS A BUDGET YEAR WHEN THE LATTER HALF OF THE BUDGET YEAR OCCURS DURING AN ODD-NUMBERED CALENDAR YEAR.

(b) (I) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE 54, FOR THE 2024-25 BUDGET YEAR THROUGH THE 2029-30 BUDGET YEARS, IF THE JOINT BUDGET COMMITTEE DETERMINES THAT ANY ONE OF THE CONDITIONS DESCRIBED IN SUBSECTION (5)(c) OF THIS SECTION OCCURRED:

(A) FOR THE NEXT BUDGET YEAR, AND FOR EACH BUDGET YEAR THEREAFTER, THE DEPARTMENT OF EDUCATION SHALL CALCULATE AND DETERMINE EACH DISTRICT'S TOTAL PROGRAM PURSUANT TO THE CALCULATION AND DETERMINATION REQUIRED FOR THE BUDGET YEAR WHEN THE CONDITION DESCRIBED IN SUBSECTION (5)(c) OF THIS SECTION OCCURRED; AND

(B) THE JOINT BUDGET COMMITTEE SHALL PROMPTLY NOTIFY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES; THE PRESIDENT OF THE SENATE; THE MINORITY LEADERS OF THE HOUSE OF REPRESENTATIVES AND

THE SENATE; THE EDUCATION COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR COMMITTEES; AND THE COMMISSIONER OF THE DEPARTMENT OF EDUCATION THAT THE CONDITION DESCRIBED IN SUBSECTION (5)(c) OF THIS SECTION OCCURRED, AND THAT EACH DISTRICT'S TOTAL PROGRAM WILL BE CALCULATED AND DETERMINED PURSUANT TO SUBSECTION (5)(b)(I) OF THIS SECTION FOR THE NEXT BUDGET YEAR, AND FOR EACH BUDGET YEAR THEREAFTER.

(II) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE 54, DURING THE 2024-25 BUDGET YEAR, IF THE JOINT BUDGET COMMITTEE DETERMINES THAT ANY ONE OF THE CONDITIONS DESCRIBED IN SUBSECTION (5)(c) OF THIS SECTION OCCURRED, FOR THE 2025-26 BUDGET YEAR, THE DEPARTMENT OF EDUCATION SHALL CALCULATE AND DETERMINE EACH DISTRICT'S TOTAL PROGRAM PURSUANT TO THE CALCULATION AND DETERMINATION REQUIRED PURSUANT TO SECTION 22-54-104.

(c) (I) THE REQUIREMENTS DESCRIBED IN SUBSECTION (5)(b) OF THIS SECTION ARE INITIATED IF:

(A) IN AN ASSESSMENT YEAR, THE PERCENT CHANGE IN THE STATEWIDE TOTAL LOCAL SHARE OF TOTAL PROGRAM FUNDING FOR THE CURRENT BUDGET YEAR TO THE STATEWIDE TOTAL LOCAL SHARE OF THE TOTAL PROGRAM FUNDING FOR THE PRIOR BUDGET YEAR IS AN AMOUNT THAT IS LESS THAN INFLATION MINUS TWO PERCENT;

(B) IN A NON-ASSESSMENT YEAR, THE STATEWIDE TOTAL LOCAL SHARE OF TOTAL PROGRAM FUNDING FOR THE CURRENT BUDGET YEAR COMPARED TO THE STATEWIDE TOTAL LOCAL SHARE OF THE TOTAL PROGRAM FUNDING FOR THE PRIOR BUDGET YEAR IS AN AMOUNT THAT DECREASED BY TWO PERCENT OR MORE; OR

(C) IN EITHER AN ASSESSMENT YEAR OR A NON-ASSESSMENT YEAR, THE MARCH REVENUE FORECAST RELIED ON BY THE GENERAL ASSEMBLY IN SETTING THE BUDGET FOR THE NEXT STATE FISCAL YEAR ESTIMATES THAT THE INCOME TAX DIVERSION TO THE STATE EDUCATION FUND, AS REQUIRED PURSUANT TO SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, WILL DECREASE BY FIVE PERCENT OR MORE IN EITHER THE CURRENT BUDGET YEAR OR THE NEXT BUDGET YEAR.

(II) THE REQUIREMENTS DESCRIBED IN SUBSECTION (5)(b) OF THIS

SECTION ARE INITIATED IF ANY OF THE FOLLOWING ESTIMATE THAT THE CONDITIONS DESCRIBED IN SUBSECTION (5)(c)(I)(A) OR (5)(c)(I)(B) OF THIS SECTION WILL OCCUR:

(A) INFORMATION CONCERNING LOCAL SHARE OF TOTAL PROGRAM FUNDING RELEVANT TO THIS ARTICLE 54 CONTAINED IN A DECEMBER REVENUE FORECAST PREPARED BY THE LEGISLATIVE COUNCIL STAFF;

(B) INFORMATION CONTAINED IN THE FINAL FISCAL NOTE PREPARED BY THE LEGISLATIVE COUNCIL STAFF CONCERNING THE ESTIMATED IMPACT OF AN ACT OF THE GENERAL ASSEMBLY THAT BECOMES LAW THAT REDUCES PROPERTY TAXES; OR

(C) INFORMATION CONTAINED IN THE FISCAL IMPACT STATEMENT IN THE BALLOT INFORMATION BOOKLET PREPARED BY THE DIRECTOR OF RESEARCH OF THE LEGISLATIVE COUNCIL OF THE GENERAL ASSEMBLY PURSUANT TO SECTION 1-40-124.5, CONCERNING THE ESTIMATED IMPACT OF AN INITIATIVE OR REFERRED MEASURE THAT IS APPROVED BY THE PEOPLE AND BECOMES LAW UPON OFFICIAL DECLARATION OF THE VOTE BY THE GOVERNOR, THAT REDUCES PROPERTY TAXES.

(6) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2031.

SECTION 7. In Colorado Revised Statutes, **add** 22-54-103.5 as follows:

22-54-103.5. District total program - rules - legislative declaration - repeal. (1) (a) FOR THE 2030-31 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, THE DEPARTMENT OF EDUCATION SHALL USE THIS SECTION TO DETERMINE EACH DISTRICT'S TOTAL PROGRAM. THE DISTRICT'S TOTAL PROGRAM IS AVAILABLE TO THE DISTRICT TO FUND THE COSTS OF PROVIDING PUBLIC EDUCATION, AND, EXCEPT AS OTHERWISE PROVIDED IN SECTION 22-54-105, THE DISTRICT HAS THE DISCRETION TO DETERMINE THE AMOUNTS AND PURPOSES FOR BUDGETING AND EXPENDING ITS DISTRICT TOTAL PROGRAM MONEY.

(b) NOTWITHSTANDING SUBSECTION (1)(a) OF THIS SECTION TO THE CONTRARY, IF A DISTRICT IS AN INSTITUTE CHARTER SCHOOL'S ACCOUNTING DISTRICT, THEN THE DISTRICT TOTAL PROGRAM DETERMINATION PURSUANT TO THIS SECTION ALSO REPRESENTS THE INSTITUTE CHARTER SCHOOL'S

FINANCIAL BASE OF SUPPORT FOR PUBLIC EDUCATION, EVEN THOUGH THE INSTITUTE CHARTER SCHOOL IS NOT THE DISTRICT'S SCHOOL. THE AMOUNT OF THE DISTRICT'S STATE SHARE OF TOTAL PROGRAM THAT IS WITHHELD FROM THE DISTRICT AND PAID TO THE STATE CHARTER SCHOOL INSTITUTE PURSUANT TO SECTION 22-54-115 (1.3) IS NOT AVAILABLE TO OR UNDER THE CONTROL OF THE DISTRICT BUT IS AVAILABLE TO AND UNDER THE CONTROL OF THE INSTITUTE CHARTER SCHOOL'S GOVERNING BOARD TO FUND THE COSTS OF PROVIDING PUBLIC EDUCATION TO STUDENTS ENROLLED IN THE INSTITUTE CHARTER SCHOOL. THE INSTITUTE CHARTER SCHOOL HAS THE DISCRETION TO DETERMINE THE AMOUNTS AND PURPOSES FOR BUDGETING AND EXPENDING ITS TOTAL PROGRAM MONEY.

(c) (I) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR THE 2025-26 BUDGET YEAR THROUGH THE 2029-30 BUDGET YEAR, THE DEPARTMENT OF EDUCATION SHALL CALCULATE EACH DISTRICT'S TOTAL PROGRAM PURSUANT TO THIS SECTION FOR THE PURPOSE OF DETERMINING EACH DISTRICT'S TOTAL PROGRAM PURSUANT TO SECTION 22-54-103.3. THE DISTRICT'S TOTAL PROGRAM IS AVAILABLE TO THE DISTRICT TO FUND THE COSTS OF PROVIDING PUBLIC EDUCATION, AND, EXCEPT AS OTHERWISE PROVIDED IN SECTION 22-54-105, THE DISTRICT HAS THE DISCRETION TO DETERMINE THE AMOUNTS AND PURPOSES FOR BUDGETING AND EXPENDING ITS DISTRICT TOTAL PROGRAM MONEY.

(II) NOTWITHSTANDING SUBSECTION (1)(c)(I) OF THIS SECTION TO THE CONTRARY, IF A DISTRICT IS AN INSTITUTE CHARTER SCHOOL'S ACCOUNTING DISTRICT, THEN THE DISTRICT TOTAL PROGRAM CALCULATION PURSUANT TO THIS SECTION ALSO REPRESENTS THE INSTITUTE CHARTER SCHOOL'S FINANCIAL BASE OF SUPPORT FOR PUBLIC EDUCATION, EVEN THOUGH THE INSTITUTE CHARTER SCHOOL IS NOT THE DISTRICT'S SCHOOL. THE AMOUNT OF THE DISTRICT'S STATE SHARE OF TOTAL PROGRAM THAT IS WITHHELD FROM THE DISTRICT AND PAID TO THE STATE CHARTER SCHOOL INSTITUTE PURSUANT TO SECTION 22-54-115 (1.3) IS NOT AVAILABLE TO OR UNDER THE CONTROL OF THE DISTRICT BUT IS AVAILABLE TO AND UNDER THE CONTROL OF THE INSTITUTE CHARTER SCHOOL'S GOVERNING BOARD TO FUND THE COSTS OF PROVIDING PUBLIC EDUCATION TO STUDENTS ENROLLED IN THE INSTITUTE CHARTER SCHOOL. THE INSTITUTE CHARTER SCHOOL HAS THE DISCRETION TO DETERMINE THE AMOUNTS AND PURPOSES FOR BUDGETING AND EXPENDING ITS TOTAL PROGRAM MONEY.

(III) THIS SUBSECTION (1)(c) IS REPEALED, EFFECTIVE JULY 1, 2031.

(2) **District total program formula.** A DISTRICT'S TOTAL PROGRAM IS:

DISTRICT FOUNDATION FUNDING

- + DISTRICT AT-RISK FUNDING
- + DISTRICT ENGLISH LANGUAGE LEARNER FUNDING
- + DISTRICT SPECIAL EDUCATION FUNDING
- + DISTRICT COST OF LIVING FACTOR FUNDING
- + DISTRICT LOCALE FACTOR FUNDING
- + DISTRICT SIZE FACTOR FUNDING
- + DISTRICT EXTENDED HIGH SCHOOL FUNDING
- + DISTRICT ONLINE FUNDING.

(3) **Statewide base per pupil funding.** (Reserved)

(4) **Funded pupil count.** Funded pupil count is:

(a) THE DISTRICT'S ONLINE PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR PLUS THE DISTRICT'S SUPPLEMENTAL KINDERGARTEN ENROLLMENT FOR THE APPLICABLE BUDGET YEAR PLUS THE DISTRICT'S EXTENDED HIGH SCHOOL PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR PLUS THE GREATER OF:

(I) THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR;

(II) THE AVERAGE OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE IMMEDIATELY PRECEDING BUDGET YEAR;

(III) THE AVERAGE OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE TWO IMMEDIATELY PRECEDING BUDGET YEARS; OR

(IV) THE AVERAGE OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE THREE IMMEDIATELY PRECEDING BUDGET YEARS.

(b) (I) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR PURPOSES OF SUBSECTION (4)(a) OF THIS SECTION, A

DISTRICT'S FUNDED PUPIL COUNT INCLUDES THE CERTIFIED PUPIL ENROLLMENT AND ONLINE PUPIL ENROLLMENT OF EACH OPERATING INSTITUTE CHARTER SCHOOL FOR WHICH THE DISTRICT IS THE ACCOUNTING DISTRICT, AS PROVIDED PURSUANT TO SUBSECTIONS (4)(b)(II) AND (4)(b)(III) OF THIS SECTION. THE DEPARTMENT OF EDUCATION SHALL ADD THE INSTITUTE CHARTER SCHOOL'S CERTIFIED PUPIL ENROLLMENT AND ONLINE PUPIL ENROLLMENT TO THE FUNDED PUPIL COUNT OF THE DISTRICT PRIOR TO CALCULATING THE DISTRICT'S TOTAL PROGRAM PURSUANT TO THIS SECTION.

(II) FOR PURPOSES OF SUBSECTION (4)(b)(I) OF THIS SECTION, EACH OPERATING INSTITUTE CHARTER SCHOOL'S CERTIFIED PUPIL ENROLLMENT IS THE GREATER OF:

(A) THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR;

(B) THE AVERAGE OF THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE IMMEDIATELY PRECEDING BUDGET YEAR;

(C) THE AVERAGE OF THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE TWO IMMEDIATELY PRECEDING BUDGET YEARS; OR

(D) THE AVERAGE OF THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE THREE IMMEDIATELY PRECEDING BUDGET YEARS.

(III) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR PURPOSES OF SUBSECTION (4)(b)(II) OF THIS SECTION, AN OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT INCLUDES ITS ONLINE STUDENT ENROLLMENT, EXCEPT FOR MULTI-DISTRICT ONLINE SCHOOL STUDENT ENROLLMENT.

(c) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT FOR THE PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION,

AVERAGING A DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE THREE IMMEDIATELY PRECEDING BUDGET YEARS PURSUANT TO THIS SUBSECTION (4), AND AVERAGING AN OPERATING INSTITUTE CHARTER SCHOOL'S STUDENT ENROLLMENT AND ONLINE PUPIL ENROLLMENT PURSUANT TO THIS SUBSECTION (4), IS A PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND MAY THEREFORE RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

(d) (I) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR THE PURPOSES OF THIS SUBSECTION (4), A DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND A DISTRICT'S PUPIL ENROLLMENT FOR A PRECEDING BUDGET YEAR DO NOT INCLUDE A PUPIL WHO IS OR WAS ENROLLED IN A CHARTER SCHOOL THAT WAS ORIGINALLY AUTHORIZED BY THE DISTRICT BUT WAS SUBSEQUENTLY CONVERTED, ON OR AFTER JULY 1, 2010, TO AN INSTITUTE CHARTER SCHOOL OR TO A CHARTER SCHOOL OF A DISTRICT CONTIGUOUS TO THE ORIGINALLY AUTHORIZING DISTRICT.

(II) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION (4) TO THE CONTRARY, FOR THE PURPOSES OF THIS SUBSECTION (4), IF A DISTRICT'S FUNDED PUPIL COUNT CALCULATED PURSUANT TO THIS SUBSECTION (4) FOR A BUDGET YEAR IS FEWER THAN SIXTY STUDENTS, THE DISTRICT'S FUNDED PUPIL COUNT FOR THE BUDGET YEAR IS SIXTY STUDENTS.

(5) **District foundation funding.** A DISTRICT'S FOUNDATION FUNDING IS:

(STATEWIDE BASE PER PUPIL FUNDING X (DISTRICT FUNDED PUPIL COUNT - DISTRICT EXTENDED HIGH SCHOOL PUPIL ENROLLMENT - DISTRICT ONLINE PUPIL ENROLLMENT)).

(6) **District at-risk funding.** (a) A DISTRICT'S AT-RISK FUNDING IS:

(STATEWIDE BASE PER PUPIL FUNDING X TWENTY-FIVE PERCENT) X DISTRICT AT-RISK PUPIL ENROLLMENT.

(b) NOTWITHSTANDING SUBSECTION (6)(a) OF THIS SECTION, IF A DISTRICT'S FUNDED PUPIL COUNT IS LESS THAN SEVEN THOUSAND PUPILS AND THE DISTRICT PERCENTAGE OF AT-RISK PUPILS IS SEVENTY PERCENT OR

GREATER, THE DISTRICT'S AT-RISK FUNDING IS:

(STATEWIDE BASE PER PUPIL FUNDING X THIRTY-TWO PERCENT)
X DISTRICT AT-RISK PUPIL ENROLLMENT.

(7) **District English language learner funding.** A DISTRICT'S ENGLISH LANGUAGE LEARNER FUNDING IS:

(STATEWIDE BASE PER PUPIL FUNDING X TWENTY-FIVE PERCENT) X
DISTRICT ENGLISH LANGUAGE LEARNER PUPIL ENROLLMENT.

(8) **District extended high school funding.** (a) A DISTRICT'S EXTENDED HIGH SCHOOL FUNDING IS:

(DISTRICT EXTENDED HIGH SCHOOL PUPIL ENROLLMENT X \$9,588, OR
AN AMOUNT DETERMINED PURSUANT SUBSECTION (8)(b) OF THIS
SECTION).

(b) THE DOLLAR AMOUNT IN SUBSECTION (8)(a) OF THIS SECTION
MUST INCREASE BY THE SAME PERCENTAGE THAT THE STATEWIDE BASE PER
PUPIL FUNDING FOR THE APPLICABLE BUDGET YEAR IS INCREASED. THE
AMOUNT MUST BE ROUNDED TO THE NEAREST DOLLAR.

(9) **District online funding.** (a) A DISTRICT'S ONLINE FUNDING IS:

(DISTRICT ONLINE PUPIL ENROLLMENT X \$9,588, OR AN AMOUNT
DETERMINED PURSUANT TO SUBSECTION (9)(b) OF THIS SECTION).

(b) THE DOLLAR AMOUNT IN SUBSECTION (9)(a) OF THIS SECTION
MUST INCREASE BY THE SAME PERCENTAGE THAT THE STATEWIDE BASE PER
PUPIL FUNDING FOR THAT BUDGET YEAR IS INCREASED. THE AMOUNT MUST
BE ROUNDED TO THE NEAREST DOLLAR.

(10) **District special education pupil funding.** A DISTRICT'S SPECIAL EDUCATION PUPIL FUNDING IS:

(STATEWIDE BASE PER PUPIL FUNDING X TWENTY-FIVE PERCENT) X
DISTRICT SPECIAL EDUCATION PUPIL ENROLLMENT.

(11) **District cost of living factor funding - rules.** (a) A DISTRICT'S

COST OF LIVING FACTOR FUNDING IS:

(STATEWIDE BASE PER PUPIL FUNDING X (DISTRICT FUNDED PUPIL COUNT - DISTRICT EXTENDED HIGH SCHOOL PUPIL ENROLLMENT - DISTRICT ONLINE PUPIL ENROLLMENT) X DISTRICT COST OF LIVING FACTOR).

(b) (I) A DISTRICT'S COST OF LIVING FACTOR IS DETERMINED PURSUANT TO SUBSECTION (11)(c) OF THIS SECTION; EXCEPT THAT, NOTWITHSTANDING THIS SUBSECTION (11) TO THE CONTRARY, A DISTRICT'S COST OF LIVING FACTOR MUST NOT EXCEED TWENTY-THREE PERCENT.

(II) THE COST OF LIVING FACTOR ALLOWED FOR EACH DISTRICT PURSUANT TO THIS SUBSECTION (11) REFLECTS THE DIFFERENCES IN THE COSTS OF HOUSING, GOODS, AND SERVICES AMONG REGIONS IN WHICH DISTRICTS ARE LOCATED. THE FACTOR DOES NOT REFLECT ANY ANNUAL INCREASE IN THE COSTS OF HOUSING, GOODS, AND SERVICES CAUSED BY INFLATION.

(c) (I) FOR THE 2025-26 BUDGET YEAR, A DISTRICT'S COST OF LIVING FACTOR IS THE DISTRICT'S COST OF LIVING AMOUNT IDENTIFIED IN THE 2023 COST OF LIVING ANALYSIS ADJUSTED FOR LABOR POOL AREAS, DIVIDED BY THE MINIMUM COST OF LIVING AMOUNT FOR A DISTRICT IDENTIFIED IN THE 2023 COST OF LIVING ANALYSIS ADJUSTED FOR LABOR POOL AREAS, MINUS ONE.

(II) FOR THE 2026-27 AND 2027-28 BUDGET YEARS, A DISTRICT'S COST OF LIVING FACTOR IS THE DISTRICT'S COST OF LIVING AMOUNT IDENTIFIED IN THE 2025 COST OF LIVING ANALYSIS ADJUSTED FOR LABOR POOL AREAS, DIVIDED BY THE MINIMUM COST OF LIVING AMOUNT FOR A DISTRICT IDENTIFIED IN THE 2025 COST OF LIVING ANALYSIS ADJUSTED FOR LABOR POOL AREAS, MINUS ONE.

(III) FOR EVERY TWO-YEAR BUDGET YEAR PERIOD THEREAFTER, A DISTRICT'S COST OF LIVING FACTOR IS THE DISTRICT'S COST OF LIVING AMOUNT, IDENTIFIED IN THE BIENNIAL COST OF LIVING ANALYSIS ADJUSTED FOR LABOR POOL AREAS, DIVIDED BY THE MINIMUM COST OF LIVING AMOUNT FOR A DISTRICT IDENTIFIED IN THE MOST RECENT COST OF LIVING ANALYSIS ADJUSTED FOR LABOR POOL AREAS, MINUS ONE.

(IV) THE COST OF LIVING FACTOR FOR EACH DISTRICT MUST BE CERTIFIED TO THE DEPARTMENT OF EDUCATION BY LEGISLATIVE COUNCIL STAFF FOR EACH TWO-YEAR PERIOD THEREAFTER BASED UPON A NEW COST OF LIVING ANALYSIS. THE CERTIFICATION MUST BE MADE NO LATER THAN APRIL 15 OF THE APPLICABLE YEAR AND IS EFFECTIVE FOR THE BUDGET YEAR BEGINNING ON JULY 1 OF THAT YEAR AND THE BUDGET YEAR THEREAFTER.

(V) THE DEPARTMENT OF EDUCATION SHALL TRANSFER A PORTION OF THE TOTAL AMOUNT APPROPRIATED BY THE GENERAL ASSEMBLY IN THE ANNUAL GENERAL APPROPRIATION BILL FOR THAT BUDGET YEAR FOR ASSISTANCE TO PUBLIC SCHOOLS, PUBLIC SCHOOL FINANCE, AND STATE SHARE OF DISTRICTS' TOTAL PROGRAM FUNDING TO THE LEGISLATIVE COUNCIL TO FUND THE COST OF LIVING ANALYSIS REQUIRED PURSUANT TO THIS SUBSECTION (11). THE AMOUNT TRANSFERRED BY THE DEPARTMENT OF EDUCATION MUST NOT EXCEED THE MAXIMUM AMOUNT SPECIFIED IN A FOOTNOTE RELATED TO THIS APPROPRIATION IN THE ANNUAL GENERAL APPROPRIATION BILL FOR THAT BUDGET YEAR. THE REMAINDER OF THE AMOUNT APPROPRIATED FOR ASSISTANCE TO PUBLIC SCHOOLS, PUBLIC SCHOOL FINANCE, AND STATE SHARE OF DISTRICTS' TOTAL PROGRAM FUNDING MUST BE DISTRIBUTED TO SCHOOL DISTRICTS IN THE MANNER PROVIDED IN SECTION 22-54-106 (4)(c).

(d)(I) THE DEPARTMENT OF EDUCATION SHALL PROMULGATE RULES FOR THE ASSIGNMENT OF A COST OF LIVING FACTOR TO ANY NEW DISTRICT ORGANIZED PURSUANT TO ARTICLE 30 OF THIS TITLE 22, EXCEPT FOR NEW DISTRICTS THAT ARE CREATED AS THE RESULT OF A DECONSOLIDATION AS DESCRIBED IN SECTION 22-30-102 (2)(a), UNTIL THE COST OF LIVING FACTOR FOR THE DISTRICT IS CERTIFIED BY LEGISLATIVE COUNCIL STAFF PURSUANT TO THIS SECTION.

(II) THE RULES PROMULGATED PURSUANT TO THIS SUBSECTION (11)(d) MUST BE DESIGNED TO PROVIDE NEITHER AN INCENTIVE NOR A DISINCENTIVE TO THE ORGANIZATION OF NEW DISTRICTS PURSUANT TO ARTICLE 30 OF THIS TITLE 22 AND MUST INCLUDE PROVISIONS TO ENSURE THAT THE COST OF LIVING FACTOR WITHIN A NEW DISTRICT IS NOT REDUCED SOLELY BECAUSE THE NEW DISTRICT IS THE RESULT OF A CONSOLIDATION OF EXISTING DISTRICTS. THE RULES MUST CONSIDER THE COST OF LIVING FACTORS ASSIGNED TO THE DISTRICTS THAT ARE AFFECTED BY THE ORGANIZATION OF THE NEW DISTRICT AND THE CIRCUMSTANCES OF THE NEW DISTRICT BASED ON THE MOST RECENT COST OF LIVING ANALYSIS

PERFORMED BY THE LEGISLATIVE COUNCIL.

(III) NEW DISTRICTS THAT ARE CREATED AS THE RESULT OF A DECONSOLIDATION AS DESCRIBED IN SECTION 22-30-102 (2)(a) RETAIN THE COST OF LIVING FACTOR OF THE DISTRICT FROM WHICH THEY WERE SEPARATED UNTIL THE COST OF LIVING FACTOR FOR THE NEW DISTRICT IS CERTIFIED BY THE LEGISLATIVE COUNCIL STAFF PURSUANT TO THIS SECTION.

(12) **District locale factor funding.** (a) A DISTRICT'S LOCALE FACTOR FUNDING IS:

(STATEWIDE BASE PER PUPIL FUNDING X (DISTRICT FUNDED PUPIL COUNT - DISTRICT EXTENDED HIGH SCHOOL PUPIL ENROLLMENT - DISTRICT ONLINE PUPIL ENROLLMENT) X DISTRICT LOCALE FACTOR).

(b) A DISTRICT'S LOCALE FACTOR IS:

(I) TWENTY-FIVE PERCENT, IF THE DISTRICT IS CLASSIFIED AS RURAL REMOTE;

(II) TWENTY PERCENT, IF THE DISTRICT IS CLASSIFIED AS RURAL DISTANT;

(III) FIFTEEN PERCENT, IF THE DISTRICT IS CLASSIFIED AS RURAL FRINGE;

(IV) TEN PERCENT, IF THE DISTRICT IS CLASSIFIED AS TOWN REMOTE;

(V) FIVE PERCENT, IF THE DISTRICT IS CLASSIFIED AS TOWN DISTANT;

(VI) TWO AND A HALF PERCENT, IF THE DISTRICT IS CLASSIFIED AS TOWN FRINGE;

(VII) ZERO PERCENT, IF THE DISTRICT IS CLASSIFIED AS SUBURBAN SMALL;

(VIII) ZERO PERCENT, IF THE DISTRICT IS CLASSIFIED AS SUBURBAN MIDSIZE;

(IX) ZERO PERCENT, IF THE DISTRICT IS CLASSIFIED AS SUBURBAN

LARGE;

(X) ZERO PERCENT, IF THE DISTRICT IS CLASSIFIED AS CITY SMALL;

(XI) ZERO PERCENT, IF THE DISTRICT IS CLASSIFIED AS CITY MIDSIZE;
OR

(XII) ZERO PERCENT, IF THE DISTRICT IS CLASSIFIED AS CITY LARGE.

(c) NOTWITHSTANDING SUBSECTION (12)(a) OF THIS SECTION, IF A DISTRICT IS CLASSIFIED AS RURAL REMOTE OR TOWN REMOTE, THE DISTRICT'S LOCALE FACTOR FUNDING IS THE AMOUNT DETERMINED PURSUANT TO SUBSECTION (12)(a) OF THIS SECTION PLUS ONE HUNDRED THOUSAND DOLLARS.

(d) A DISTRICT'S CLASSIFICATION, AS DESCRIBED PURSUANT TO SUBSECTION (12)(b) OR (12)(c) OF THIS SECTION, IS DETERMINED BY THE LATEST CLASSIFICATIONS OR CLASSIFICATION CRITERIA ISSUED BY THE NATIONAL CENTER FOR EDUCATION STATISTICS IN THE INSTITUTE OF EDUCATION SCIENCES OF THE UNITED STATES DEPARTMENT OF EDUCATION.

(e) NOTWITHSTANDING SUBSECTION (12)(d) OF THIS SECTION, IF A DISTRICT DOES NOT ALIGN WITH A CLASSIFICATION ISSUED BY THE NATIONAL CENTER FOR EDUCATION STATISTICS, THE DEPARTMENT OF EDUCATION SHALL DESIGNATE THE DISTRICT'S LOCALE FACTOR BASED ON CONSIDERATIONS THAT ALIGN IT WITH A SIMILARLY SITUATED DISTRICT THAT HAS A CLASSIFICATION ISSUED BY THE NATIONAL CENTER FOR EDUCATION STATISTICS. IF THE DEPARTMENT OF EDUCATION IS REQUIRED TO DESIGNATE THE DISTRICT'S LOCALE FACTOR PURSUANT TO THIS SUBSECTION (12)(e), THE DEPARTMENT OF EDUCATION SHALL CONSULT WITH LEGISLATIVE COUNSEL STAFF CONCERNING THE ADJUSTMENT FOR ANY INFORMATION NECESSARY TO MAKE AN APPROPRIATE DESIGNATION.

(13) **District size factor funding.** (a) A DISTRICT'S SIZE FACTOR FUNDING IS:

(STATEWIDE BASE PER PUPIL FUNDING X (DISTRICT FUNDED PUPIL COUNT - DISTRICT EXTENDED HIGH SCHOOL PUPIL ENROLLMENT - DISTRICT ONLINE PUPIL ENROLLMENT) X DISTRICT SIZE FACTOR).

(b) A DISTRICT'S SIZE FACTOR IS:

(I) IF THE DISTRICT'S FUNDED PUPIL COUNT IS LESS THAN TWO HUNDRED SEVENTY-SIX:

$0.5457 + (0.00376159 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND TWO HUNDRED SEVENTY-SIX}).$

(II) IF THE DISTRICT'S FUNDED PUPIL COUNT IS TWO HUNDRED SEVENTY-SIX OR MORE BUT LESS THAN FOUR HUNDRED FIFTY-NINE:

$0.2385 + (0.00167869 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND FOUR HUNDRED FIFTY-NINE}).$

(III) IF THE DISTRICT'S FUNDED PUPIL COUNT IS FOUR HUNDRED FIFTY-NINE OR MORE BUT LESS THAN ONE THOUSAND TWENTY-SEVEN:

$0.1215 + (0.00020599 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND ONE THOUSAND TWENTY-SEVEN}).$

(IV) IF THE DISTRICT'S FUNDED PUPIL COUNT IS ONE THOUSAND TWENTY-SEVEN OR MORE BUT LESS THAN TWO THOUSAND TWO HUNDRED NINETY-THREE:

$0.0533 + (0.00005387 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND TWO THOUSAND TWO HUNDRED NINETY-THREE}).$

(V) IF THE DISTRICT'S FUNDED PUPIL COUNT IS TWO THOUSAND TWO HUNDRED NINETY-THREE OR MORE BUT LESS THAN THREE THOUSAND FIVE HUNDRED:

$0.0368 + (0.00001367 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND THREE THOUSAND FIVE HUNDRED}).$

(VI) IF THE DISTRICT'S FUNDED PUPIL COUNT IS THREE THOUSAND FIVE HUNDRED OR MORE BUT LESS THAN SIX THOUSAND FIVE HUNDRED:

$0.0297 + (0.00000473 \times \text{THE DIFFERENCE BETWEEN THE FUNDED PUPIL COUNT AND SIX THOUSAND FIVE HUNDRED}).$

(VII) IF THE DISTRICT'S FUNDED PUPIL COUNT IS SIX THOUSAND FIVE HUNDRED OR MORE: 0.00.

(c)(I) IF THE REORGANIZATION OF A DISTRICT OR DISTRICTS RESULTS IN A DISTRICT INVOLVED IN THE REORGANIZATION HAVING A GREATER SIZE FACTOR THAN THE ORIGINAL DISTRICT OR DISTRICTS HAD FOR THE BUDGET YEAR IMMEDIATELY PRECEDING REORGANIZATION, THE DISTRICTS INVOLVED IN THE REORGANIZATION MUST USE, FOR EACH BUDGET YEAR, THE SIZE FACTOR THE ORIGINAL DISTRICT HAD PRIOR TO THE REORGANIZATION OR, IF TWO OR MORE DISTRICTS REORGANIZE INTO A SINGLE DISTRICT, THE SIZE FACTOR OF THE ORIGINAL DISTRICT WITH THE LOWEST SIZE FACTOR FOR THE BUDGET YEAR IMMEDIATELY PRECEDING REORGANIZATION. A DISTRICT INVOLVED IN THE REORGANIZATION SHALL NOT, FOR ANY BUDGET YEAR, USE THE SIZE FACTOR THAT WOULD OTHERWISE BE PROVIDED PURSUANT TO THIS SUBSECTION (13).

(II) IF THE REORGANIZATION OF A DISTRICT OR DISTRICTS RESULTS IN A DISTRICT INVOLVED IN THE REORGANIZATION HAVING A LOWER SIZE FACTOR THAN THE ORIGINAL DISTRICT OR DISTRICTS HAD FOR THE BUDGET YEAR IMMEDIATELY PRECEDING REORGANIZATION, THE NEW DISTRICT OR DISTRICTS MUST USE A SIZE FACTOR DETERMINED AS FOLLOWS:

(A) FOR THE FIRST BUDGET YEAR FOLLOWING REORGANIZATION, THE SIZE FACTOR OF THE ORIGINAL DISTRICT FOR THE BUDGET YEAR IMMEDIATELY PRECEDING REORGANIZATION OR, IF TWO OR MORE DISTRICTS ARE INVOLVED IN THE REORGANIZATION, THE WEIGHTED AVERAGE SIZE FACTOR OF THE ORIGINAL DISTRICTS FOR THE BUDGET YEAR IMMEDIATELY PRECEDING REORGANIZATION. FOR PURPOSES OF THIS SUBSECTION (13)(c)(II)(A), THE WEIGHTED AVERAGE SIZE FACTOR IS THE SUM OF THE AMOUNTS CALCULATED BY MULTIPLYING THE FUNDED PUPIL COUNTS OF THE ORIGINAL DISTRICTS BY THE SIZE FACTOR OF THE ORIGINAL DISTRICTS AND DIVIDING THAT SUM BY THE TOTAL FUNDED PUPIL COUNT OF THE ORIGINAL DISTRICTS.

(B) FOR THE SECOND BUDGET YEAR FOLLOWING REORGANIZATION, THE SIZE FACTOR FOR THE IMMEDIATELY PRECEDING BUDGET YEAR MINUS AN AMOUNT EQUAL TO ONE-FIFTH OF THE DIFFERENCE BETWEEN THE SIZE FACTOR FOR THE IMMEDIATELY PRECEDING BUDGET YEAR AND THE SIZE FACTOR DETERMINED PURSUANT TO SUBSECTION (13)(b) OF THIS SECTION;

(C) FOR THE THIRD BUDGET YEAR FOLLOWING REORGANIZATION, THE SIZE FACTOR FOR THE IMMEDIATELY PRECEDING BUDGET YEAR MINUS AN AMOUNT EQUAL TO ONE-FOURTH OF THE DIFFERENCE BETWEEN THE SIZE FACTOR FOR THE IMMEDIATELY PRECEDING BUDGET YEAR AND THE SIZE FACTOR DETERMINED PURSUANT TO SUBSECTION (13)(b) OF THIS SECTION;

(D) FOR THE FOURTH BUDGET YEAR FOLLOWING REORGANIZATION, THE SIZE FACTOR FOR THE IMMEDIATELY PRECEDING BUDGET YEAR MINUS AN AMOUNT EQUAL TO ONE-THIRD OF THE DIFFERENCE BETWEEN THE SIZE FACTOR FOR THE IMMEDIATELY PRECEDING BUDGET YEAR AND THE SIZE FACTOR DETERMINED PURSUANT TO SUBSECTION (13)(b) OF THIS SECTION;

(E) FOR THE FIFTH BUDGET YEAR FOLLOWING REORGANIZATION, THE SIZE FACTOR FOR THE IMMEDIATELY PRECEDING BUDGET YEAR MINUS AN AMOUNT EQUAL TO ONE-HALF OF THE DIFFERENCE BETWEEN THE SIZE FACTOR FOR THE IMMEDIATELY PRECEDING BUDGET YEAR AND THE SIZE FACTOR DETERMINED PURSUANT TO SUBSECTION (13)(b) OF THIS SECTION; AND

(F) FOR THE SIXTH BUDGET YEAR FOLLOWING REORGANIZATION AND BUDGET YEARS THEREAFTER, THE SIZE FACTOR DETERMINED PURSUANT TO SUBSECTION (13)(b) OF THIS SECTION.

(14) **Total program funding.** (Reserved)

SECTION 8. In Colorado Revised Statutes, 22-54-104, **amend** (1) and (5)(b)(IV); and **add** (7) and (8) as follows:

22-54-104. District total program - legislative declaration - definitions - repeal. (1) (a) For every budget year ~~the provisions of~~ THROUGH THE 2024-25 BUDGET YEAR, this section ~~shall~~ MUST be used to calculate for each district an amount that represents the financial base of support for public education in that district. Such amount shall be known as ~~the district's total program~~ DETERMINE EACH DISTRICT'S TOTAL PROGRAM. The district's total program ~~shall be~~ IS available to the district to fund the costs of providing public education, and, except as otherwise provided in section 22-54-105, ~~the amounts and purposes for which such moneys are budgeted and expended shall be in the discretion of the district~~ THE DISTRICT HAS THE DISCRETION TO DETERMINE THE AMOUNTS AND PURPOSES FOR BUDGETING AND EXPENDING ITS TOTAL PROGRAM MONEY.

~~(b) Notwithstanding the provisions of paragraph (a) of this subsection (1)~~ SUBSECTION (1)(a) OF THIS SECTION TO THE CONTRARY, if a district is ~~the accounting district of an institute charter school~~ AN INSTITUTE CHARTER SCHOOL'S ACCOUNTING DISTRICT, then the ~~calculation of total program pursuant to the provisions of this section shall also represent the financial base of support for the institute charter school~~ TOTAL PROGRAM DETERMINATION PURSUANT TO THIS SECTION ALSO REPRESENTS THE INSTITUTE CHARTER SCHOOL'S FINANCIAL BASE OF SUPPORT, even though the institute charter school is not a school of the district. The amount of the district's state share of total program that is withheld from the district and paid to the state charter school institute pursuant to ~~the provisions of section 22-54-115 (1.3) shall~~ IS NOT BE AVAILABLE TO ~~nor~~ OR under the control of the district but ~~shall be~~ IS under the control of the INSTITUTE CHARTER SCHOOL'S governing board ~~of the institute charter school~~ to fund the costs of providing public education to pupils enrolled in the institute charter school. ~~and the amounts and purposes for which such moneys are budgeted and expended shall be in the discretion of the institute charter school.~~ THE INSTITUTE CHARTER SCHOOL HAS THE DISCRETION TO DETERMINE THE AMOUNTS AND PURPOSES FOR BUDGETING AND EXPENDING ITS TOTAL PROGRAM MONEY.

(c) (I) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR THE 2025-26 BUDGET YEAR THROUGH THE 2029-30 BUDGET YEAR, THE DEPARTMENT OF EDUCATION SHALL CALCULATE EACH DISTRICT'S TOTAL PROGRAM PURSUANT TO THIS SECTION FOR THE PURPOSE OF DETERMINING EACH DISTRICT'S TOTAL PROGRAM PURSUANT TO SECTION 22-54-103.3. THE DISTRICT'S TOTAL PROGRAM IS AVAILABLE TO THE DISTRICT TO FUND THE COSTS OF PROVIDING PUBLIC EDUCATION, AND, EXCEPT AS OTHERWISE PROVIDED IN SECTION 22-54-105, THE DISTRICT HAS THE DISCRETION TO DETERMINE THE AMOUNTS AND PURPOSES FOR BUDGETING AND EXPENDING ITS DISTRICT TOTAL PROGRAM MONEY.

(II) NOTWITHSTANDING SUBSECTION (1)(c)(I) OF THIS SECTION TO THE CONTRARY, IF A DISTRICT IS AN INSTITUTE CHARTER SCHOOL'S ACCOUNTING DISTRICT, THEN THE DISTRICT TOTAL PROGRAM CALCULATION PURSUANT TO THIS SECTION ALSO REPRESENTS THE INSTITUTE CHARTER SCHOOL'S FINANCIAL BASE OF SUPPORT FOR PUBLIC EDUCATION, EVEN THOUGH THE INSTITUTE CHARTER SCHOOL IS NOT THE DISTRICT'S SCHOOL. THE AMOUNT OF THE DISTRICT'S STATE SHARE OF TOTAL PROGRAM THAT IS WITHHELD FROM THE DISTRICT AND PAID TO THE STATE CHARTER SCHOOL INSTITUTE PURSUANT TO SECTION 22-54-115 (1.3) IS NOT AVAILABLE TO OR

UNDER THE CONTROL OF THE DISTRICT BUT IS AVAILABLE TO AND UNDER THE CONTROL OF THE INSTITUTE CHARTER SCHOOL'S GOVERNING BOARD TO FUND THE COSTS OF PROVIDING PUBLIC EDUCATION TO STUDENTS ENROLLED IN THE INSTITUTE CHARTER SCHOOL. THE INSTITUTE CHARTER SCHOOL HAS THE DISCRETION TO DETERMINE THE AMOUNTS AND PURPOSES FOR BUDGETING AND EXPENDING ITS TOTAL PROGRAM MONEY.

(5) For purposes of the formulas used in this section:

~~(b) (IV) For the 1998-99 budget year and budget years thereafter,~~
The funded pupil count used to calculate a district's size factor pursuant to this ~~paragraph (b) shall be~~ SUBSECTION (5)(b) IS the funded pupil count as ~~calculated pursuant to section 22-54-103 (7)~~ reduced by sixty-five percent of the number of pupils included in the funded pupil count that are enrolled in charter schools in the district; except that ~~the provisions of this subparagraph (IV) shall~~ THIS SUBSECTION (5)(b)(IV) only ~~apply~~ APPLIES to those districts with a funded pupil count as ~~calculated pursuant to section 22-54-103 (7)~~ of five hundred or ~~less~~ FEWER.

(7) (a) FOR PURPOSES THIS SECTION, "FUNDED PUPIL COUNT" MEANS THE DISTRICT'S ONLINE PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR PLUS THE DISTRICT'S SUPPLEMENTAL KINDERGARTEN ENROLLMENT FOR THE APPLICABLE BUDGET YEAR PLUS THE DISTRICT'S EXTENDED HIGH SCHOOL PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR PLUS THE GREATER OF:

(I) THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR;

(II) THE AVERAGE OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE IMMEDIATELY PRECEDING BUDGET YEAR;

(III) THE AVERAGE OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE TWO IMMEDIATELY PRECEDING BUDGET YEARS;

(IV) THE AVERAGE OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE THREE IMMEDIATELY PRECEDING BUDGET YEARS; OR

(V) THE AVERAGE OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE FOUR IMMEDIATELY PRECEDING BUDGET YEARS.

(b) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR PURPOSES OF SUBSECTION (7)(a) OF THIS SECTION, A DISTRICT'S FUNDED PUPIL COUNT INCLUDES THE CERTIFIED PUPIL ENROLLMENT AND ONLINE PUPIL ENROLLMENT OF EACH OPERATING INSTITUTE CHARTER SCHOOL FOR WHICH THE DISTRICT IS THE ACCOUNTING DISTRICT, AS PROVIDED PURSUANT TO SUBSECTIONS (7)(c) AND (7)(d) OF THIS SECTION. THE DEPARTMENT OF EDUCATION SHALL ADD THE INSTITUTE CHARTER SCHOOL'S CERTIFIED PUPIL ENROLLMENT AND ONLINE PUPIL ENROLLMENT TO THE FUNDED PUPIL COUNT OF THE DISTRICT PRIOR TO CALCULATING THE DISTRICT'S TOTAL PROGRAM PURSUANT TO THIS SECTION.

(c) FOR PURPOSES OF SUBSECTION (7)(b) OF THIS SECTION, EACH OPERATING INSTITUTE CHARTER SCHOOL'S CERTIFIED PUPIL ENROLLMENT IS THE GREATER OF:

(I) THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR;

(II) THE AVERAGE OF THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE IMMEDIATELY PRECEDING BUDGET YEAR;

(III) THE AVERAGE OF THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE TWO IMMEDIATELY PRECEDING BUDGET YEARS;

(IV) THE AVERAGE OF THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE THREE IMMEDIATELY PRECEDING BUDGET YEARS; OR

(V) THE AVERAGE OF THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE FOUR

IMMEDIATELY PRECEDING BUDGET YEARS.

(d) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR PURPOSES OF SUBSECTION (7)(c) OF THIS SECTION, AN OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT INCLUDES ITS ONLINE PUPIL ENROLLMENT, EXCEPT FOR MULTI-DISTRICT ONLINE SCHOOL PUPIL ENROLLMENT.

(e) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT FOR THE PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, AVERAGING A DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE FOUR IMMEDIATELY PRECEDING BUDGET YEARS PURSUANT TO THIS SUBSECTION (7), AND AVERAGING AN OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT AND ONLINE PUPIL ENROLLMENT PURSUANT TO THIS SUBSECTION (7), IS A PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND MAY THEREFORE RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

(f) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR THE PURPOSES OF THIS SUBSECTION (7), A DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND A DISTRICT'S PUPIL ENROLLMENT FOR ANY PRECEDING BUDGET YEAR DO NOT INCLUDE A PUPIL WHO IS OR WAS ENROLLED IN A CHARTER SCHOOL THAT WAS ORIGINALLY AUTHORIZED BY THE DISTRICT BUT WAS SUBSEQUENTLY CONVERTED, ON OR AFTER JULY 1, 2010, TO AN INSTITUTE CHARTER SCHOOL OR TO A CHARTER SCHOOL OF A DISTRICT CONTIGUOUS TO THE ORIGINALLY AUTHORIZING DISTRICT.

(g) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION (7) TO THE CONTRARY, FOR THE PURPOSES OF THIS SUBSECTION (7), IF A DISTRICT'S FUNDED PUPIL COUNT CALCULATED PURSUANT TO THIS SUBSECTION (7) FOR A BUDGET YEAR IS FEWER THAN FIFTY PUPILS, THE DISTRICT'S FUNDED PUPIL COUNT FOR THE BUDGET YEAR IS FIFTY PUPILS.

(h) SOLELY FOR THE PURPOSE OF AVERAGING PUPIL ENROLLMENT PURSUANT TO SUBSECTION (7)(a) OF THIS SECTION FOR A DISTRICT THAT OPERATES A FULL-DAY KINDERGARTEN EDUCATIONAL PROGRAM, THE DEPARTMENT OF EDUCATION SHALL ADJUST THE DISTRICT'S PUPIL ENROLLMENTS FOR THE 2018-19, 2017-18, 2016-17, AND 2015-16 BUDGET YEARS BY COUNTING EACH PUPIL ENROLLED IN A FULL-DAY KINDERGARTEN

EDUCATIONAL PROGRAM IN ONE OF THOSE BUDGET YEARS AS A FULL-TIME STUDENT. THE ADJUSTMENT TO PUPIL ENROLLMENT MADE PURSUANT TO THIS SUBSECTION (7)(h) DOES NOT AFFECT OR CHANGE THE FUNDED PUPIL COUNT USED TO CALCULATE A DISTRICT'S FISCAL YEAR SPENDING LIMITATION PURSUANT TO SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION FOR A BUDGET YEAR COMMENCING BEFORE JULY 1, 2019.

(8) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2031.

SECTION 9. In Colorado Revised Statutes, **add** 22-20-114.3 as follows:

22-20-114.3. Agreements with administrative units for special education services - legislative declaration. (1) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT THE REQUIREMENTS DESCRIBED IN SUBSECTION (2) OF THIS SECTION ARE NECESSARY AS A MATTER OF PUBLIC POLICY.

(2) NO LATER THAN JULY 1, 2025, A DISTRICT OR INSTITUTE CHARTER SCHOOL THAT IS SERVED BY A MULTI-DISTRICT ADMINISTRATIVE UNIT FOR THE ESTABLISHMENT, MAINTENANCE, OR PROVISION OF SPECIAL EDUCATION SERVICES MUST UPDATE AN EXISTING AGREEMENT CONCERNING SPECIAL EDUCATION SERVICES TO CONTAIN PROVISIONS REGARDING THE ALLOCATION OF ANY DISTRICT SPECIAL EDUCATION PUPIL FUNDING RECEIVED BY A SERVED DISTRICT OR INSTITUTE CHARTER SCHOOL PURSUANT TO ARTICLE 54 OF THIS TITLE 22.

SECTION 10. In Colorado Revised Statutes, 22-41-102, **amend** (3)(h) introductory portion; and **add** (3)(i), (3)(j), and (3)(k) as follows:

22-41-102. Fund inviolate. (3) (h) For the 2022-23 state fiscal year ~~and each state fiscal year thereafter~~ THROUGH THE 2023-24 STATE FISCAL YEAR, interest or income earned on the investment of the money in the public school fund must be used or credited as follows:

(i) FOR THE 2024-25 STATE FISCAL YEAR, INTEREST AND INCOME EARNED ON THE INVESTMENT OF THE MONEY IN THE PUBLIC SCHOOL FUND MUST BE USED OR CREDITED AS FOLLOWS:

(I) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE TO THE STATE TREASURER AN AMOUNT NECESSARY TO PAY FOR THE SERVICES OF

THE INVESTMENT CONSULTANT HIRED BY THE PUBLIC SCHOOL FUND INVESTMENT BOARD PURSUANT TO SECTION 22-41-102.5 (5) AND TO PAY FOR ANY REIMBURSEMENT FOR TRAVEL AND OTHER NECESSARY EXPENSES INCURRED BY THE MEMBERS OF THE PUBLIC SCHOOL FUND INVESTMENT BOARD PURSUANT TO SECTION 22-41-102.5 (2);

(II) AFTER THE APPROPRIATION MADE PURSUANT TO SUBSECTION (3)(i)(I) OF THIS SECTION, THE LESSER OF ALL INTEREST AND INCOME OR ELEVEN MILLION DOLLARS IS CREDITED TO THE STATE PUBLIC SCHOOL FUND CREATED IN SECTION 22-54-114 FOR DISTRIBUTION AS PROVIDED IN THAT SECTION;

(III) AFTER MONEY IN THE PUBLIC SCHOOL FUND HAS BEEN APPROPRIATED OR CREDITED PURSUANT TO SUBSECTIONS (3)(i)(I) AND (3)(i)(II) OF THIS SECTION, THE LESSER OF ALL INTEREST AND INCOME OR THIRTY MILLION DOLLARS IS CREDITED TO THE RESTRICTED ACCOUNT OF THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE FUND CREATED IN SECTION 22-43.7-104 (5) FOR USE AS PROVIDED IN THAT SECTION; AND

(IV) ANY ADDITIONAL INTEREST AND INCOME REMAINING IN THE PUBLIC SCHOOL FUND MAY BE CREDITED AS SPECIFIED BY THE GENERAL ASSEMBLY, TAKING INTO CONSIDERATION THE RECOMMENDATIONS OF THE PUBLIC SCHOOL FUND INVESTMENT BOARD DESCRIBED IN SECTION 22-41-102.5 (4)(a)(III), OR, IF NOT CREDITED PURSUANT TO THIS SUBSECTION (3)(i)(IV), REMAINS IN THE PUBLIC SCHOOL FUND.

(j) FOR THE 2025-26 STATE FISCAL YEAR, INTEREST AND INCOME EARNED ON THE INVESTMENT OF THE MONEY IN THE PUBLIC SCHOOL FUND MUST BE USED OR CREDITED AS FOLLOWS:

(I) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE TO THE STATE TREASURER AN AMOUNT NECESSARY TO PAY FOR THE SERVICES OF THE INVESTMENT CONSULTANT HIRED BY THE PUBLIC SCHOOL FUND INVESTMENT BOARD PURSUANT TO SECTION 22-41-102.5 (5) AND TO PAY FOR ANY REIMBURSEMENT FOR TRAVEL AND OTHER NECESSARY EXPENSES INCURRED BY THE MEMBERS OF THE PUBLIC SCHOOL FUND INVESTMENT BOARD PURSUANT TO SECTION 22-41-102.5 (2);

(II) AFTER THE APPROPRIATION MADE PURSUANT TO SUBSECTION (3)(j)(I) OF THIS SECTION, THE LESSER OF ALL INTEREST AND INCOME OR FIVE

MILLION DOLLARS IS CREDITED TO THE STATE PUBLIC SCHOOL FUND CREATED IN SECTION 22-54-114 FOR DISTRIBUTION AS PROVIDED IN THAT SECTION;

(III) AFTER MONEY IN THE PUBLIC SCHOOL FUND HAS BEEN APPROPRIATED OR CREDITED PURSUANT TO SUBSECTIONS (3)(j)(I) AND (3)(j)(II) OF THIS SECTION, THE LESSER OF ALL INTEREST AND INCOME OR THIRTY-SIX MILLION DOLLARS IS CREDITED TO THE RESTRICTED ACCOUNT OF THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE FUND CREATED IN SECTION 22-43.7-104 (5) FOR USE AS PROVIDED IN THAT SECTION; AND

(IV) ANY ADDITIONAL INTEREST AND INCOME REMAINING IN THE PUBLIC SCHOOL FUND MAY BE CREDITED AS SPECIFIED BY THE GENERAL ASSEMBLY, TAKING INTO CONSIDERATION THE RECOMMENDATIONS OF THE PUBLIC SCHOOL FUND INVESTMENT BOARD DESCRIBED IN SECTION 22-41-102.5 (4)(a)(III), OR, IF NOT CREDITED PURSUANT TO THIS SUBSECTION (3)(j)(IV), REMAINS IN THE PUBLIC SCHOOL FUND.

(k) FOR THE 2026-27 STATE FISCAL YEAR AND EACH STATE FISCAL YEAR THEREAFTER, INTEREST AND INCOME EARNED ON THE INVESTMENT OF THE MONEY IN THE PUBLIC SCHOOL FUND MUST BE USED OR CREDITED AS FOLLOWS:

(I) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE TO THE STATE TREASURER AN AMOUNT NECESSARY TO PAY FOR THE SERVICES OF THE INVESTMENT CONSULTANT HIRED BY THE PUBLIC SCHOOL FUND INVESTMENT BOARD PURSUANT TO SECTION 22-41-102.5 (5) AND TO PAY FOR ANY REIMBURSEMENT FOR TRAVEL AND OTHER NECESSARY EXPENSES INCURRED BY THE MEMBERS OF THE PUBLIC SCHOOL FUND INVESTMENT BOARD PURSUANT TO SECTION 22-41-102.5 (2);

(II) AFTER MONEY IN THE PUBLIC SCHOOL FUND HAS BEEN APPROPRIATED PURSUANT TO SUBSECTION (3)(k)(I) OF THIS SECTION, THE LESSER OF ALL INTEREST AND INCOME OR FORTY-ONE MILLION DOLLARS IS CREDITED TO THE RESTRICTED ACCOUNT OF THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE FUND CREATED IN SECTION 22-43.7-104 (5) FOR USE AS PROVIDED IN THAT SECTION; AND

(III) ANY ADDITIONAL INTEREST AND INCOME REMAINING IN THE PUBLIC SCHOOL FUND MAY BE CREDITED AS SPECIFIED BY THE GENERAL ASSEMBLY, TAKING INTO CONSIDERATION THE RECOMMENDATIONS OF THE

PUBLIC SCHOOL FUND INVESTMENT BOARD DESCRIBED IN SECTION 22-41-102.5 (4)(a)(III), OR, IF NOT CREDITED PURSUANT TO THIS SUBSECTION (3)(k)(III), REMAINS IN THE PUBLIC SCHOOL FUND.

SECTION 11. In Colorado Revised Statutes, 22-43.7-104, **amend** (2)(d) as follows:

22-43.7-104. Public school capital construction assistance fund - creation - crediting of money to fund - use of fund - emergency reserve - creation - reserve account - creation and use. (2) (d) (I) For the state fiscal year commencing July 1, 2018, the state treasurer, as provided in section 39-28.8-305 (1)(a), shall credit to the assistance fund the greater of the first forty million dollars received and collected from the excise tax on retail marijuana imposed pursuant to part 3 of article 28.8 of title 39 or ninety percent of the money received and collected from the tax. For the state fiscal year commencing July 1, 2019, and for each state fiscal year thereafter except for the state fiscal year commencing July 1, 2020, the state treasurer, as provided in section 39-28.8-305 (1)(a), shall annually credit to the assistance fund all of the money received and collected from the excise tax on retail marijuana imposed pursuant to part 3 of article 28.8 of title 39. For the state fiscal year commencing July 1, 2020, the state treasurer, as provided in section 39-28.8-305 (1)(a), shall credit to the assistance fund the lesser of the first forty million dollars received and collected from the excise tax on retail marijuana imposed pursuant to part 3 of article 28.8 of title 39 or all of the money received and collected from the tax. For state fiscal years commencing before July 1, 2019, the state treasurer shall credit twelve and five-tenths percent of the amount annually credited pursuant to this subsection (2)(d) to the charter school facilities assistance account, which account is created within the assistance fund. For each state fiscal year commencing on or after July 1, 2019, the state treasurer shall credit to the charter school facilities assistance account a percentage of the amount credited pursuant to this subsection (2)(d) that is equal to the percentage of pupil enrollment, as defined in section 22-54-103 (10), statewide represented by pupils who were enrolled in charter schools for the prior school year. The department of education shall notify the state treasurer of the applicable percentage no later than June 1 of the immediately preceding fiscal year.

(II) IN ADDITION TO THE CREDIT MADE TO THE CHARTER SCHOOL FACILITIES ASSISTANCE ACCOUNT PURSUANT TO SUBSECTION (2)(d)(I) OF

THIS SECTION, THE STATE TREASURER SHALL CREDIT THE FOLLOWING AMOUNTS TO THE CHARTER SCHOOL FACILITIES ASSISTANCE ACCOUNT FROM THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE FUND:

(A) FOR THE STATE FISCAL YEAR COMMENCING ON JULY 1, 2024, ELEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS;

(B) FOR THE STATE FISCAL YEAR COMMENCING ON JULY 1, 2025, TWELVE MILLION DOLLARS;

(C) FOR THE STATE FISCAL YEAR COMMENCING ON JULY 1, 2026, THIRTEEN MILLION DOLLARS;

(D) FOR THE STATE FISCAL YEAR COMMENCING ON JULY 1, 2027, FOURTEEN MILLION DOLLARS; AND

(E) FOR THE STATE FISCAL YEAR COMMENCING ON JULY 1, 2028, FIFTEEN MILLION DOLLARS.

(III) IF ELIGIBILITY CRITERIA ARE SATISFIED, THE DEPARTMENT SHALL APPLY FOR A STATE CHARTER SCHOOL FACILITIES INCENTIVE GRANT AWARDED BY THE UNITED STATES DEPARTMENT OF EDUCATION.

SECTION 12. In Colorado Revised Statutes, 22-43.7-110, **amend** (2)(a)(VII) and (2)(a)(VIII); and **add** (2)(a)(IX) as follows:

22-43.7-110. Financial assistance - grants - financed purchase of an asset agreements. (2) Subject to the following requirements and limitations, the board may also instruct the state treasurer to enter into financed purchase of an asset or certificate of participation agreements on behalf of the state to provide financial assistance to applicants by financing public school facility capital construction projects for which the state board has recommended and the capital development committee has authorized the provision of financial assistance that involves a financed purchase of an asset or certificate of participation agreement pursuant to section 22-43.7-109 (7):

(a) Subject to the limitation specified in subsection (2)(b) of this section, the maximum total amount of annual payments payable by the state during any fiscal year under the terms of all outstanding financed purchase

of an asset or certificate of participation agreements entered into by the state treasurer as instructed by the board pursuant to this subsection (2) is:

(VII) One hundred five million dollars for the 2019-20 fiscal year;
and

(VIII) One hundred twenty-five million dollars for the 2020-21 fiscal year and for each fiscal year thereafter THROUGH THE 2023-24 FISCAL YEAR; AND

(IX) ONE HUNDRED FIFTY MILLION DOLLARS FOR THE 2024-25 FISCAL YEAR AND FOR EACH FISCAL YEAR THEREAFTER.

SECTION 13. In Colorado Revised Statutes, 22-43.7-111, **add** (1)(f) as follows:

22-43.7-111. Reporting requirements - auditing by state auditor.

(1) Notwithstanding section 24-1-136 (1)(a)(I), no later than February 15, 2010, and no later than each February 15 thereafter, the board shall present a written report to the education and finance committees of the house of representatives and the senate and the capital development committee, or any successor committees, regarding the provision of financial assistance to applicants pursuant to this article 43.7. The report must include, at a minimum:

(f) BEGINNING IN THE REPORT DUE NO LATER THAN FEBRUARY 15, 2026, AND CONTINUING ANNUALLY PURSUANT TO SUBSECTION (1) OF THIS SECTION, IN ADDITION TO THE REPORTING REQUIREMENTS DESCRIBED IN SUBSECTIONS (1)(a) THROUGH (1)(e) OF THIS SECTION, THE REPORT MUST ALSO SEPARATELY SPECIFY ALL THE INFORMATION DESCRIBED IN SUBSECTIONS (1)(a) THROUGH (1)(e) OF THIS SECTION AS EACH RELATES TO CHARTER SCHOOLS, AS APPLICABLE.

SECTION 14. In Colorado Revised Statutes, **repeal** 22-54-104.1.

SECTION 15. In Colorado Revised Statutes, 22-54-104.2, **amend** (1); and **repeal** (2) as follows:

22-54-104.2. Legislative declaration. (1) The general assembly hereby finds and declares that, for purposes of section 17 of article IX of the

state constitution, ~~the expansion of the definition of "at-risk pupils", as defined in section 22-54-103 (1.5)(a)(V), to include district pupils who are English language learners, as defined in section 22-54-103 (1.5)(b)(IV); the increase in the at-risk factor pursuant to section 22-54-104 (5)(f)(II) for districts whose percentage of at-risk pupils is greater than the statewide average percentage of at-risk pupils and whose funded pupil count is greater than fifty thousand, the requirement that districts that receive at-risk funding spend a portion of their at-risk funding on implementation of the district's English language proficiency program pursuant to section 22-54-105 (3)(b)(I) and the increase in the at-risk factor from 11.2% to 12% for the 2005-06 budget year and each budget year thereafter pursuant to section 22-54-104 (2)(b)(H)(A) (2)(b)(II) and (5)(f) are important elements of accountable programs to meet state academic standards and may therefore receive funding from the state education fund created in section 17 (4) of article IX of the state constitution.~~

~~(2) The general assembly further finds and declares that, for purposes of section 17 of article IX of the state constitution, the enactment of the definition of "at-risk funded pupil count", as defined in section 22-54-103 (1), to allow up to three-year averaging of the number of at-risk pupils, is an important element of accountable education reform and may therefore receive funding from the state education fund created in section 17 (4) of article IX of the state constitution.~~

SECTION 16. In Colorado Revised Statutes, 22-54-104.3, **amend** (2.7)(a), (2.7)(d)(I) introductory portion, and (2.7)(d)(I)(A); and **repeal** (3) and (5) as follows:

22-54-104.3. Total program for budget years - special provisions. (2.7) (a) ~~For the 1997-98 budget year and budget years thereafter, Notwithstanding the provisions of section 22-54-104 (2) and (6)~~ THIS ARTICLE 54, a district's total program for the applicable budget year ~~shall~~ **MUST** not exceed the district's total program for the prior budget year multiplied by ~~100%~~ **ONE HUNDRED PERCENT** plus the district's maximum annual percentage change in the applicable fiscal year spending.

~~(d) (I) For the 1998-99 budget year and budget years thereafter, If a district's total program is calculated pursuant to paragraph (a) of this subsection (2.7)~~ **SUBSECTION (2.7)(a) OF THIS SECTION** and the district is capable of receiving an increase in its total program within the limitations

on its fiscal year spending for the applicable budget year under section 20 of article X of the state constitution, the district may certify to the department that it may receive an additional increase in its total program for the applicable budget year in an amount equal to the lesser of:

(A) The difference between the district's total program for the applicable budget year calculated pursuant to ~~paragraph (a) of this subsection (2.7)~~ SUBSECTION (2.7)(a) OF THIS SECTION and the district's total program for the applicable budget year ~~calculated~~ DETERMINED pursuant to ~~section 22-54-104 (2) or (6)~~ THIS ARTICLE 54; or

(3) ~~Notwithstanding the provisions of section 22-54-104 (2), for the 1994-95 budget year, if a district's 1994-95 total formula per pupil funding is less than the district's 1993-94 total per pupil funding, the total program for such district shall be calculated in accordance with the following formula:~~

~~(a) If the district's 1994-95 funded pupil count is equal to or less than the district's 1993-94 funded pupil count, the formula shall be:~~

~~District 1993-94 funded pupil count x District 1993-94 total per pupil funding;~~

~~(b) If the district's 1994-95 funded pupil count is greater than the district's 1993-94 funded pupil count, the formula shall be:~~

~~District 1993-94 total funding + ((District 1994-95 funded pupil count - District 1993-94 funded pupil count) x District 1994-95 total formula per pupil funding);~~

~~(5) For purposes of subsection (3) of this section and section 22-54-104 (6):~~

~~(a) to (d) Repealed.~~

~~(e) A district's "prior year total per pupil funding" means the amount which results from dividing the district's prior year total program by the district's prior year funded pupil count.~~

~~(f) A district's "total formula per pupil funding" means the total program for a district for the applicable budget year, as calculated pursuant to section 22-54-104 (2), divided by the district's funded pupil count for the~~

applicable budget year.

~~(g) (Deleted by amendment, L. 95, p. 613, § 15, effective May 22, 1995.)~~

SECTION 17. In Colorado Revised Statutes, 22-54-105, **amend** (3)(a); and **repeal** (3)(b) as follows:

22-54-105. Instructional supplies and materials - capital reserve and insurance reserve - at-risk funding - preschool funding. (3) (a) ~~For the 1997-98 budget year and budget years thereafter,~~ Every district that receives at-risk funding pursuant to ~~the provisions of section 22-54-104~~ THIS ARTICLE 54 shall expend in total at least seventy-five percent of the district's at-risk funding on direct instruction or staff development, or both, for the educational program of at-risk pupils in the district.

~~(b) (f) Notwithstanding the provisions of paragraph (a) of this subsection (3), for the 2001-02 budget year and budget years thereafter, any district that receives at-risk funding pursuant to section 22-54-104 and qualifies for a higher at-risk factor as provided in section 22-54-104 (5)(f)(II) shall expend an amount calculated pursuant to subparagraph (II) of this paragraph (b) on implementation of the district's English language proficiency program as provided in article 24 of this title. It is the intent of the general assembly that each school district expend said amount on English language proficiency programs that are either taught in English or that are designed to move students as quickly as possible into programs taught in English. The district shall expend at least seventy-five percent of the remaining amount of at-risk funding received on direct instruction or staff development, or both, for the educational program of at-risk pupils in the district.~~

~~(II) The amount of at-risk funding expended pursuant to subparagraph (I) of this paragraph (b) shall be equal to the difference between the amount of at-risk funding generated by an increase in the at-risk factor of 0.36 of a percentage point versus an increase of 0.34 of a percentage point for each percentage point that the district percentage of at-risk pupils exceeds the statewide average percentage of at-risk pupils.~~

SECTION 18. In Colorado Revised Statutes, 22-54-106, **amend** (2.1)(c)(I) and (2.1)(e)(II); and **repeal** (2) as follows:

22-54-106. Local and state shares of district total program - legislative declaration - definition - repeal. (2) (a) ~~Except as provided in subsection (2)(c) of this section for reorganized districts, for the 2007 property tax year and property tax years thereafter through the 2019 property tax year, each district shall levy the lesser of:~~

~~(I) The number of mills levied by the district for the immediately preceding property tax year;~~

~~(II) (A) Subject to the provisions of sub-subparagraph (B) of this subparagraph (II), the number of mills that will generate property tax revenue in an amount equal to the district's total program for the applicable budget year minus the amount of specific ownership tax revenue paid to the district.~~

~~(B) Regardless of the applicability of section 22-54-104 (5)(g), for the purposes of this subparagraph (II), a district's total program shall be the amount calculated pursuant to section 22-54-104 (2).~~

~~(III) For a district that has not obtained voter approval to retain and spend revenues in excess of the property tax revenue limitation imposed on the district by section 20 of article X of the state constitution, the number of mills that may be levied by the district under the property tax revenue limitation imposed on the district by section 20 of article X of the state constitution. In the calculation of local growth for purposes of determining the property tax revenue limitation imposed on a district under this subparagraph (III), a district's student enrollment shall be the district's funded pupil count.~~

~~(IV) Repealed.~~

~~(V) Twenty-seven mills.~~

~~(b) (I) (A) If a district's total program for the 1994-95 budget year was calculated pursuant to section 22-54-104.3, for the 1995 property tax year, the levy calculated pursuant to paragraph (a) of this subsection (2) shall be reduced by the number of mills required to generate the difference between the district's total program for the 1994-95 budget year, as calculated pursuant to section 22-54-104.3 (3), and the district's total program for the 1994-95 budget year, as calculated pursuant to section~~

~~22-54-104 (2). The amount by which property tax revenue is reduced pursuant to this paragraph (b) shall be counted toward the limitation on additional local revenues as provided in section 22-54-108 (3).~~

~~(B) Notwithstanding the provisions of sub-subparagraph (A) of this subparagraph (I), if the mill levy was calculated pursuant to subparagraph (II) of paragraph (a) of this subsection (2), the difference between the district's total program for the 1994-95 budget year, as calculated pursuant to section 22-54-104.3 (3), and the district's total program for the 1994-95 budget year, as calculated pursuant to section 22-54-104 (2), shall be added to the total program as calculated pursuant to section 22-54-104 (2) to calculate the levy pursuant to this subparagraph (I).~~

~~(II) If after calculating the mill levy pursuant to subparagraph (I) of this paragraph (b) the district's levy exceeds 41.75 mills, the district shall levy 41.75 mills.~~

~~(III) For the 1995-96 budget year, if the amount of property tax generated for the 1994-95 budget year by the number of mills by which the mills levied by the district for the 1994-95 budget year exceeded 40.080 mills was equal to or exceeded the difference between the district's total program for the 1994-95 budget year, as calculated pursuant to section 22-54-104.3 (3), and the district's total program for the 1994-95 budget year, as calculated pursuant to section 22-54-104 (2), the district may levy the difference between the levy pursuant to subparagraph (I) and subparagraph (II) of this paragraph (b). For the 1996-97 budget year and budget years thereafter, the district may continue to impose a mill levy that will generate the amount of revenue produced by the calculation described in this subparagraph (III) for the 1995-96 budget year. The amount of property tax generated pursuant to this subparagraph (III) shall be counted toward the limitation on additional local revenues as provided in section 22-54-108 (3)(f).~~

~~(c) (I) Notwithstanding any other provision of this subsection (2), if there is a reorganization pursuant to article 30 of this title, except for a detachment and annexation, and if such reorganization involves districts with differing mill levies, then in its first year of operation, the new district shall levy a number of mills that is based on the total property taxes collected in the preceding year from property included within the new district divided by the total valuation for assessment in the preceding year~~

~~of property located within the new district but in no event more than 41.75 mills. This paragraph (c) shall not apply to any new district whose levy would otherwise be calculated pursuant to subparagraph (H) of paragraph (a) of this subsection (2).~~

~~(H) If there is a detachment and annexation pursuant to article 30 of this title and if such detachment and annexation involves districts with differing mill levies, then in the first year after the detachment and annexation, the annexing district shall calculate its levy pursuant to paragraph (a) of this subsection (2).~~

(2.1) (c) For the 2021 property tax year and each property tax year thereafter, except as otherwise provided in subsection (2.1)(e) of this section for reorganized districts, each district shall levy the lesser of:

(I) The number of mills that will generate property tax revenue in an amount equal to the district's total program for the applicable budget year minus the amount of specific ownership tax revenue paid to the district. ~~Regardless of the applicability of section 22-54-104(5)(g), for the purposes of this subsection (2.1)(c)(I), a district's total program is the amount calculated pursuant to section 22-54-104 (2).~~

(e) Notwithstanding any other provision of this subsection (2.1) to the contrary, for the 2020 property tax year and each property tax year thereafter, if there is a reorganization pursuant to article 30 of this title 22 that results in the creation of a new district, then in the first year of operation the new district shall levy the lesser of:

(II) The number of mills that will generate property tax revenue in an amount equal to the district's total program for the first year of operation minus the amount of specific ownership tax revenue paid to the district. ~~Regardless of the applicability of section 22-54-104(5)(g), for the purposes of this subsection (2.1)(c)(II), the district's total program is the amount calculated pursuant to section 22-54-104 (2).~~

SECTION 19. In Colorado Revised Statutes, **add** 22-54-107.7 as follows:

22-54-107.7. Override mill levy match - working group - creation - report - repeal. (1) THERE IS CREATED BY THE LEGISLATIVE

COUNCIL STAFF AN OVERRIDE MILL LEVY MATCH WORKING GROUP TO MEET DURING THE 2024 INTERIM AND MAKE RECOMMENDATIONS CONCERNING MODIFYING THE OVERRIDE MILL LEVY MATCH, CREATED PURSUANT TO SECTION 22-54-107.9, TO ENSURE MORE EQUITABLE FUNDING DISTRIBUTIONS AND GREATER ACCESS TO FUNDING FOR ELIGIBLE DISTRICTS AND ELIGIBLE INSTITUTE CHARTER SCHOOLS, MAKE RECOMMENDATIONS CONCERNING WHICH ELIGIBLE DISTRICTS AND ELIGIBLE INSTITUTE CHARTER SCHOOLS WILL RECEIVE A DISTRIBUTION FROM THE MILL LEVY OVERRIDE MATCH FUND PURSUANT TO SECTION 22-54-107.9 FOR THE 2024-25 BUDGET YEAR, AND TO IDENTIFY AND ANALYZE INEQUITIES BETWEEN NEIGHBORING DISTRICTS THAT HAVE DIFFERING MILL LEVY OVERRIDES, LEVELS OF PROPERTY TAX BASES, OR DEMONSTRATED LEVELS OF LOCAL EFFORT.

(2) (a) THE OVERRIDE MILL LEVY MATCH WORKING GROUP MUST INCLUDE:

(I) SEVEN NONLEGISLATIVE MEMBERS WHO ARE CHIEF FINANCIAL OFFICERS APPOINTED AS FOLLOWS:

(A) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL APPOINT ONE MEMBER WHO IS A CHIEF FINANCIAL OFFICER OF A RURAL DISTRICT, ONE MEMBER WHO IS A CHIEF FINANCIAL OFFICER OF A SMALL RURAL DISTRICT, ONE MEMBER WHO IS A CHIEF FINANCIAL OFFICER OF A SUBURBAN DISTRICT, AND ONE MEMBER WHO IS A CHIEF FINANCIAL OFFICER OF AN URBAN DISTRICT LOCATED IN OR NEAR THE DENVER METROPOLITAN AREA; AND

(B) THE SENATE MINORITY LEADER SHALL APPOINT ONE MEMBER WHO IS THE CHIEF FINANCIAL OFFICER OF A RURAL DISTRICT, ONE MEMBER WHO IS THE CHIEF FINANCIAL OFFICER OF A SUBURBAN DISTRICT, AND ONE MEMBER WHO IS THE CHIEF FINANCIAL OFFICER OF AN URBAN DISTRICT THAT IS NOT LOCATED IN OR NEAR THE DENVER METROPOLITAN AREA.

(II) ONE MEMBER OF THE MAJORITY PARTY IN THE HOUSE OF REPRESENTATIVES, APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, WHO SHALL SERVE AS THE CHAIR; AND

(III) ONE MEMBER OF THE MINORITY PARTY IN THE SENATE, APPOINTED BY THE MINORITY LEADER OF THE SENATE, WHO SHALL SERVE AS THE VICE-CHAIR.

(b) LEGISLATIVE COUNCIL STAFF SHALL ASSIST THE OVERRIDE MILL LEVY MATCH WORKING GROUP IN FULFILLING ITS DUTIES REQUIRED PURSUANT TO THIS SECTION.

(3) (a) THE OVERRIDE MILL LEVY MATCH WORKING GROUP SHALL NOT SUBMIT BILL DRAFTS AS PART OF ITS RECOMMENDATIONS.

(b) MEETINGS OF THE OVERRIDE MILL LEVY MATCH WORKING GROUP ARE SUBJECT TO THE OPEN MEETINGS PROVISIONS CONTAINED IN PART 4 OF ARTICLE 6 OF TITLE 24. EXCEPT AS OTHERWISE PROVIDED IN PART 2 OF ARTICLE 72 OF TITLE 24, OR OTHER APPLICABLE STATE OR FEDERAL LAW, RECORDS OF THE OVERRIDE MILL LEVY MATCH WORKING GROUP ARE SUBJECT TO PART 2 OF ARTICLE 72 OF TITLE 24.

(4) THE OVERRIDE MILL LEVY MATCH WORKING GROUP MUST MEET AT LEAST THREE TIMES BUT NO MORE THAN FIVE TIMES DURING THE 2024 LEGISLATIVE INTERIM, UNLESS ADDITIONAL MEETINGS ARE AUTHORIZED BY THE EXECUTIVE COMMITTEE OF THE LEGISLATIVE COUNCIL.

(5) ON OR BEFORE DECEMBER 31, 2024, THE OVERRIDE MILL LEVY MATCH WORKING GROUP SHALL SUBMIT A REPORT TO THE EXECUTIVE COMMITTEE OF THE LEGISLATIVE COUNCIL, THE EDUCATION COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR COMMITTEES, AND THE JOINT BUDGET COMMITTEE CONCERNING ITS RECOMMENDATIONS TO MODIFY THE OVERRIDE MILL LEVY MATCH.

(6) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2026.

SECTION 20. In Colorado Revised Statutes, 22-54-107.9, **amend** (3)(b)(II); **repeal** (1)(1); and **add** (3.5) as follows:

22-54-107.9. Override mill levy match - calculation - distribution - fund created - definitions. (1) As used in this section, unless the context otherwise requires:

(1) "~~Total program~~" means the amount of total program funding for a district calculated pursuant to section 22-54-104 (2) before application of the budget stabilization factor.

(3) (b) If more than ten percent of a district's funded pupil count for

the applicable budget year is attributable to the district's online pupil enrollment, the department shall calculate the district's adjusted total program as follows:

(II) The department shall subtract from the district's total program for the applicable budget year an amount equal to the district's reduced online pupil enrollment, calculated pursuant to subsection (3)(b)(I) of this section, multiplied by the per pupil online funding amount for the applicable budget year as described in ~~section 22-54-104 (4.5)(c)(II) before application of the budget stabilization factor~~ THIS ARTICLE 54.

(3.5) (a) FOR THE 2023-24 BUDGET YEAR, THE DEPARTMENT SHALL:

(I) CALCULATE FOR EACH DISTRICT AN AMOUNT EQUAL TO THE DISTRICT'S ASSESSED VALUE OF REAL PROPERTY FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1, 2023 DIVIDED BY THE DISTRICT'S PUPIL ENROLLMENT DIVIDED BY TWO THOUSAND; AND

(II) DETERMINE THE MEDIAN AMOUNT OF ALL CALCULATIONS MADE PURSUANT TO SUBSECTION (3.5)(a)(I) OF THIS SECTION.

(b) FOR EACH DISTRICT, THE DEPARTMENT SHALL DETERMINE IF:

(I) THE DISTRICT'S AMOUNT CALCULATED PURSUANT TO SUBSECTION (3.5)(a)(I) OF THIS SECTION IS LESS THAN THE AMOUNT DETERMINED PURSUANT TO SUBSECTION (3.5)(a)(II) OF THIS SECTION;

(II) THE NUMBER OF MILLS THE DISTRICT IS AUTHORIZED BY ITS ELIGIBLE ELECTORS TO LEVY PURSUANT TO SECTION 22-54-108 IS GREATER THAN ZERO; AND

(III) THE DISTRICT HAS AN AMOUNT THAT IS GREATER THAN 0.9 AFTER CALCULATING THE MAXIMUM NUMBER OF MILLS THE DISTRICT IS AUTHORIZED TO LEVY PURSUANT TO SECTION 22-54-108 (3)(b)(V) MINUS THE NUMBER OF MILLS THE DISTRICT IS AUTHORIZED BY ITS ELIGIBLE ELECTORS TO LEVY PURSUANT TO SECTION 22-54-108.

(c) FOR EACH DISTRICT THAT SATISFIES EVERY CONDITION DESCRIBED PURSUANT TO SUBSECTION (3.5)(b) OF THIS SECTION, THE DEPARTMENT SHALL CALCULATE FOR EACH DISTRICT AN AMOUNT EQUAL TO:

(MEDIAN AMOUNT DETERMINED PURSUANT TO SUBSECTION (3.5)(a)(II) OF THIS SECTION - DISTRICT AMOUNT CALCULATED PURSUANT TO SUBSECTION (3.5)(a)(I) OF THIS SECTION) X DISTRICT'S PUPIL ENROLLMENT.

(d) NOTWITHSTANDING ANY PROVISION OF THIS SECTION, FOR THE 2023-24 BUDGET YEAR, EACH DISTRICT MUST RECEIVE THE GREATER OF THE AMOUNT DETERMINED PURSUANT TO SUBSECTION (3.5)(c) OF THIS SECTION OR THE AMOUNT DETERMINED PURSUANT TO SUBSECTION (3) OF THIS SECTION.

(e) NO LATER THAN JUNE 10, 2024, THE STATE TREASURER SHALL TRANSFER NINE MILLION ONE HUNDRED THIRTY-FIVE THOUSAND SIX HUNDRED NINETY-EIGHT DOLLARS (\$9,135,698) FROM THE STATE EDUCATION FUND TO THE MILL LEVY OVERRIDE MATCH FUND.

SECTION 21. In Colorado Revised Statutes, 22-54-108, **amend** (1), (2), (3)(a), (3)(b)(I), (3)(b)(II), (3)(b)(III), (3)(b)(IV)(A), (3)(b)(IV)(B), and (5)(b); and **add** (3)(b)(VI) as follows:

22-54-108. Authorization of additional local revenues - definitions. (1) Effective July 1, 1994, a district which desires to raise and expend local property tax revenues in excess of the district's total program ~~as determined in accordance with section 22-54-104~~ may submit the question of whether the district should be authorized to raise and expend additional local property tax revenues, subject to the limitations of subsection (3) of this section, thereby authorizing an additional levy in excess of the levy authorized under section 22-54-106 for the district's general fund for the then current budget year and each budget year thereafter. The question authorized by this subsection (1) ~~shall~~ **MUST** be submitted at an election held in accordance with section 20 of article X of the state constitution and title 1. ~~C.R.S.~~

(2) Effective July 1, 1994, upon proper submittal to a district of a valid initiative petition, the district shall submit to the eligible electors of the district the question of whether the district should be authorized to raise and expend additional local property tax revenues in excess of the district's total program, ~~as determined in accordance with section 22-54-104~~, subject to the limitations of subsection (3) of this section, thereby authorizing an additional levy in excess of the levy authorized under section 22-54-106 for

the district's general fund for the then current budget year and each budget year thereafter. The question authorized by this subsection (2) ~~shall~~ MUST be submitted at an election held in accordance with section 20 of article X of the state constitution and title 1. C.R.S. An initiative petition under this subsection (2) ~~shall~~ MUST be signed by at least five percent of the eligible electors in the district at the time the petition is filed.

(3) (a) Notwithstanding the provisions of section 20 of article X of the state constitution which allow districts to seek voter approval for spending and revenue increases, ~~the provisions of this subsection (3) shall limit~~ LIMITS a district's authority to raise and expend local property tax revenues in excess of the district's total program. ~~as determined in accordance with section 22-54-104.~~

(b) (I) Except as otherwise provided in subsections (3)(b)(II), (3)(b)(III), (3)(b)(IV), ~~and~~ (3)(b)(V), AND (3)(b)(VI) of this section, the total additional local property tax revenues that may be received pursuant to elections held pursuant to this section must not exceed under any circumstances twenty percent of the district's total program ~~as determined pursuant to section 22-54-104 (2)~~ or two hundred thousand dollars, whichever is greater.

(II) (A) Effective July 1, 2002, ~~and subject to the provisions of sub-subparagraph (B) of this subparagraph (H);~~ the total additional local property tax revenues that may be received pursuant to elections held pursuant to this section ~~shall~~ MUST not exceed under any circumstances twenty percent of the district's total program ~~as determined pursuant to section 22-54-104 (2)~~ or two hundred thousand dollars, whichever is greater, plus an amount equal to the maximum dollar amount of property tax revenue that the district could have generated for the 2001-02 budget year if, in accordance with the provisions of section 22-54-107.5, the district submitted a question to and received approval of the eligible electors of the district at an election held in November 2001.

(B) ~~Regardless of the applicability of section 22-54-104 (5)(g), for the purposes of this subparagraph (H), a district's total program shall be the amount calculated pursuant to section 22-54-104 (2).~~

(III) (A) On and after May 21, 2009, ~~and subject to the provisions of sub-subparagraph (B) of this subparagraph (H);~~ the total additional local

property tax revenues that may be received pursuant to an election held pursuant to this section ~~shall~~ MUST not exceed under any circumstances twenty-five percent of the district's total program ~~as determined pursuant to section 22-54-104 (2)~~ or two hundred thousand dollars, whichever is greater, plus an amount equal to the maximum dollar amount of property tax revenue that the district could have generated for the 2001-02 budget year if, in accordance with the provisions of section 22-54-107.5, the district submitted a question to and received approval of the eligible electors of the district at an election held in November 2001.

~~(B) Regardless of the applicability of section 22-54-104 (5)(g), for purposes of this subparagraph (III), a district's total program shall be the amount calculated pursuant to section 22-54-104 (2).~~

~~(IV) (A) On and after May 22, 2015, and subject to the provisions of sub-subparagraph (B) of this subparagraph (IV), the total additional local property tax revenues that a small rural district may receive pursuant to an election held pursuant to this section shall MUST not exceed under any circumstances thirty percent of the small rural district's total program as determined pursuant to section 22-54-104 (2) or two hundred thousand dollars, whichever is greater, plus an amount equal to the maximum dollar amount of property tax revenue that the small rural district could have generated for the 2001-02 budget year if, in accordance with the provisions of section 22-54-107.5, the small rural district submitted a question to and received approval of the eligible electors of the district at an election held in November 2001.~~

~~(B) Regardless of the applicability of section 22-54-104 (5)(g), for purposes of this subparagraph (IV), a small rural district's total program is the amount calculated pursuant to section 22-54-104 (2).~~

(VI) (A) ON OR AFTER JULY 1, 2024, THE TOTAL ADDITIONAL LOCAL PROPERTY TAX REVENUES THAT A DISTRICT OR SMALL RURAL DISTRICT MAY RECEIVE PURSUANT TO AN ELECTION HELD PURSUANT TO THIS SECTION MUST NOT EXCEED UNDER ANY CIRCUMSTANCE: THE AMOUNT DETERMINED PURSUANT TO SUBSECTION (3)(b)(V) OF THIS SECTION FOR THE 2023-24 BUDGET YEAR, OR THE AMOUNT DETERMINED PURSUANT TO SUBSECTION (3)(b)(VI)(D) OF THIS SECTION, WHICHEVER IS GREATER.

(B) FOR THE 2024-25 BUDGET YEAR, THE DEPARTMENT OF

EDUCATION, IN CONSULTATION WITH LEGISLATIVE COUNCIL STAFF, SHALL CALCULATE FOR EACH DISTRICT THE AMOUNT EQUAL TO:

(DISTRICT'S PER PUPIL FUNDING DETERMINED PURSUANT TO SECTION 22-54-104 (3) - STATEWIDE BASE PER PUPIL FUNDING) X DISTRICT'S FUNDED PUPIL COUNT FOR THE 2024-25 BUDGET YEAR EXCLUDING THE DISTRICT'S ONLINE PUPIL ENROLLMENT AND THE DISTRICT'S EXTENDED HIGH SCHOOL PUPIL ENROLLMENT
+ (DISTRICT'S PER PUPIL FUNDING DETERMINED PURSUANT TO SECTION 22-54-104 (3) - STATEWIDE BASE PER PUPIL FUNDING) X DISTRICT'S AT-RISK PUPIL ENROLLMENT FOR THE 2024-25 BUDGET YEAR X TWELVE PERCENT
+ (DISTRICT'S PER PUPIL FUNDING DETERMINED PURSUANT TO SECTION 22-54-104 (3) - STATEWIDE BASE PER PUPIL FUNDING) X DISTRICT'S ENGLISH LANGUAGE LEARNER PUPIL ENROLLMENT FOR THE 2024-25 BUDGET YEAR X EIGHT PERCENT.

(C) FOR THE 2024-25 BUDGET YEAR, THE DEPARTMENT OF EDUCATION, IN CONSULTATION WITH LEGISLATIVE COUNCIL STAFF, SHALL CALCULATE FOR EACH DISTRICT THE AMOUNT EQUAL TO THE DISTRICT'S COST OF LIVING FACTOR PLUS THE DISTRICT'S SIZE FACTOR FOR THE 2024-25 BUDGET YEAR CALCULATED PURSUANT TO SECTION 22-54-103.5 MULTIPLIED BY THE STATEWIDE BASE PER PUPIL FUNDING FOR THE 2024-25 BUDGET YEAR MULTIPLIED BY THE DISTRICT'S FUNDED PUPIL COUNT FOR THE 2024-25 BUDGET YEAR EXCLUDING THE DISTRICT'S ONLINE PUPIL ENROLLMENT AND THE DISTRICT'S EXTENDED HIGH SCHOOL PUPIL ENROLLMENT.

(D) THE DEPARTMENT OF EDUCATION SHALL COMPARE FOR EACH DISTRICT THE AMOUNTS CALCULATED PURSUANT TO SUBSECTIONS (3)(b)(VI)(B) AND (3)(b)(VI)(C) OF THIS SECTION. IF THE AMOUNT CALCULATED PURSUANT TO SUBSECTION (3)(b)(VI)(C) OF THIS SECTION IS LESS THAN THE AMOUNT CALCULATED PURSUANT TO SUBSECTION (3)(b)(VI)(B) OF THIS SECTION, THE DEPARTMENT OF EDUCATION SHALL DETERMINE THE DOLLAR AMOUNT DIFFERENCE BETWEEN THE AMOUNTS CALCULATED PURSUANT TO SUBSECTIONS (3)(b)(VI)(B) AND (3)(b)(VI)(C) OF THIS SECTION DIVIDE THAT DOLLAR AMOUNT DIFFERENCE BY THE DISTRICT'S TOTAL PROGRAM FOR THE 2024-25 BUDGET YEAR AND ADD THAT PERCENTAGE TO THE DISTRICT'S MILL LEVY OVERRIDE CAP FOR THE 2023-24 BUDGET YEAR.

(E) THE DEPARTMENT OF EDUCATION SHALL MAKE DETERMINATIONS PURSUANT TO SUBSECTIONS (3)(b)(VI)(B), (3)(b)(VI)(C), AND (3)(b)(VI)(D) OF THIS SECTION AFTER IT MAKES MID-YEAR REVISIONS TO REPLACE PROJECTIONS WITH ACTUAL FIGURES WHEN DETERMINING EACH DISTRICT'S TOTAL PROGRAM FOR THE 2024-25 BUDGET YEAR.

(F) ON OR AFTER JULY 1, 2030, A DISTRICT SHALL NOT SUBMIT A QUESTION TO THE ELIGIBLE ELECTORS OF THE DISTRICT PURSUANT TO THIS SUBSECTION (3)(b)(VI).

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

(b) "Total program", on and after July 1, 2023, means a district's or small rural district's total program ~~calculated pursuant to section 22-54-104 (2), before application of the budget stabilization factor pursuant to section 22-54-104 (5)(g)~~ plus the amount the district or small rural district receives for students enrolled through the Colorado universal preschool program pursuant to part 2 of article 4 of title 26.5.

SECTION 22. In Colorado Revised Statutes, 22-54-108.5, **amend** (1)(a), (1)(b), and (1)(e) as follows:

22-54-108.5. Authorization of additional local revenues for full-day kindergarten - definitions. (1) (a) Notwithstanding any law to the contrary, effective July 1, 2007, any district that chooses to raise and expend local property tax revenues in excess of the district's total program, ~~as determined in accordance with section 22-54-104,~~ and in addition to any property tax revenues levied pursuant to sections 22-54-107 and 22-54-108, may submit the question of whether the district should be authorized to raise and expend additional local property tax revenues, thereby authorizing an additional levy in excess of the levy authorized under sections 22-54-106, 22-54-107, and 22-54-108, to provide funding for excess full-day kindergarten program costs in the district for the then-current budget year and each budget year thereafter. The question authorized by this ~~paragraph~~ ~~(a)~~ SUBSECTION (1)(a) may also include a question of whether to impose an additional mill levy of a stated amount and limited duration to meet the initial capital construction needs of the district associated with the establishment of a full-day kindergarten program. If a mill levy for capital construction needs associated with the district's full-day kindergarten program is approved for more than one year, the board of education of the

district may, without calling an election, decrease the amount or duration of the mill levy in subsequent years. The questions authorized by this ~~paragraph (a) shall~~ SUBSECTION (1)(a) MUST be submitted at an election held in accordance with section 20 of article X of the state constitution and title 1. ~~C.R.S.~~

(b) Notwithstanding any law to the contrary, effective July 1, 2007, upon proper submittal to a district of a valid initiative petition, the district shall submit to the eligible electors of the district the question of whether the district should be authorized to raise and expend additional local property tax revenues in excess of the district's total program, ~~as determined in accordance with section 22-54-104~~ and in addition to any property tax revenues levied pursuant to sections 22-54-107 and 22-54-108, thereby authorizing an additional levy in excess of the levy authorized under sections 22-54-106, 22-54-107, and 22-54-108, to provide funding for excess full-day kindergarten program costs in the district for the then-current budget year and each budget year thereafter. The question authorized by this ~~paragraph (b) shall~~ SUBSECTION (1)(b) may also include a question of whether to impose an additional mill levy of a stated amount and limited duration to meet the initial capital construction needs of the district associated with the establishment of a full-day kindergarten program. If a mill levy for capital construction needs associated with the district's full-day kindergarten program is approved for more than one year, the board of education of the district may, without calling an election, decrease the amount or duration of the mill levy in subsequent years. The questions authorized by this ~~paragraph (b) shall~~ SUBSECTION (1)(b) MUST be submitted at an election held in accordance with section 20 of article X of the state constitution and title 1. ~~C.R.S.~~ An initiative petition under this ~~paragraph (b) shall~~ SUBSECTION (1)(b) MUST be signed by at least five percent of the eligible electors in the district at the time the petition is filed.

(e) Notwithstanding the provisions of section 20 of article X of the state constitution that allow districts to seek voter approval for spending and revenue increases, the provisions of this subsection (1) ~~shall~~ limit a district's authority to raise and expend local property tax revenues in excess of the district's total program. ~~as determined in accordance with section 22-54-104.~~

SECTION 23. In Colorado Revised Statutes, 22-54-108.7, **amend** (1)(a) as follows:

22-54-108.7. Authorization of additional local revenues for cash funding of capital construction, new technology, existing technology upgrade, and maintenance needs - definition. (1) (a) Notwithstanding any law to the contrary, any district that chooses to raise and expend local property tax revenue in excess of the district's total program, ~~as determined in accordance with section 22-54-104,~~ and in addition to any revenue generated by property tax levied pursuant to sections 22-54-106, 22-54-107, 22-54-107.5, 22-54-108, and 22-54-108.5, may submit the question of whether the district should be authorized to raise and expend additional local property tax revenue, thereby authorizing an additional levy in excess of the levy authorized under sections 22-54-106, 22-54-107, and 22-54-108, to provide ongoing cash funding for the capital construction, new technology, existing technology upgrade, and maintenance needs of the district. A question authorized by this ~~paragraph (a)~~ SUBSECTION (1)(a) must be submitted at an election held in accordance with section 20 of article X of the state constitution and title 1. ~~C.R.S.~~

SECTION 24. In Colorado Revised Statutes, 22-54-122, **amend** (2) as follows:

22-54-122. Small attendance center aid. (2) (a) A district meeting the eligibility requirements of subsection (1) of this section ~~shall be~~ IS eligible to receive aid for each small attendance center as calculated by: Multiplying the pupil enrollment of the small attendance center by an amount equal to thirty-five percent of the difference between the district per pupil funding ~~as calculated pursuant to section 22-54-104,~~ and the district per pupil funding, ~~as calculated pursuant to section 22-54-104~~ except using the size factor calculated using the funded pupil count of the small attendance center; and then multiplying ~~such~~ THE amount by the percentage determined by dividing the difference between two hundred and the funded pupil count of the small attendance center by two hundred.

(b) An institute charter school meeting the eligibility requirements of subsection (1.5) of this section ~~shall be~~ IS eligible to receive aid as a small attendance center as calculated by: Multiplying the pupil enrollment of the institute charter school by an amount equal to thirty-five percent of the difference between the district per pupil funding of the institute charter school's accounting district ~~as calculated pursuant to section 22-54-104~~ and ~~such~~ THE district per pupil funding, ~~as calculated pursuant to section 22-54-104,~~ except using the size factor calculated using the pupil

enrollment of the institute charter school, and then multiplying such amount by the percentage determined by dividing the difference between two hundred and the pupil enrollment of the institute charter school by two hundred.

SECTION 25. In Colorado Revised Statutes, 22-54-129, **amend** (1)(g) as follows:

22-54-129. Facility school funding - legislative declaration - definitions. (1) As used in this section, unless the context otherwise requires:

(g) "Statewide base per pupil funding" means the amount annually specified in ~~section 22-54-104 (5)(a)~~ THIS ARTICLE 54.

SECTION 26. In Colorado Revised Statutes, 19-1-115.5, **amend** (1)(a)(I) as follows:

19-1-115.5. Placement of children out of home - legislative declaration. (1) (a) (I) The general assembly hereby finds that the number of children in out-of-home placement has increased significantly. The general assembly further finds that the facility in which a child is placed out of home is often not located in the same school district as the child's school district of residence. Nevertheless, the general assembly finds that, ~~under the provisions of~~ PURSUANT TO the "Public School Finance Act of ~~1994~~ 2025", article 54 of title 22, ~~C.R.S.~~ children in foster home placement are considered residents of the school district in which the foster home is located. Accordingly, the school district in which the child is placed must accommodate the child and provide the child with the necessary educational services that serve the child's best interests while absorbing the costs associated with such services within the constraints of the school district's existing budget. The general assembly finds that in many circumstances it is not possible to meet the best interests of the child in out-of-home placement and the needs of other children enrolled in the school district within the confines of the district's budget.

SECTION 27. In Colorado Revised Statutes, 22-1-122, **amend** (6)(b) as follows:

22-1-122. Transportation token program - legislative declaration

- **eligibility - fund.** (6) (b) ~~So long as~~ IF an eligible student is enrolled before the pupil enrollment count day, the parent or legal guardian of an eligible student may choose to enroll the eligible student in and transport the eligible student to a public school in another school district that has available space. ~~Such~~ THE school district shall enroll the eligible student and include the eligible student in the district's pupil enrollment for purposes of the "Public School Finance Act of ~~1994~~ 2025".

SECTION 28. In Colorado Revised Statutes, 22-2-117, **amend** (1)(b)(I) and (1)(d) as follows:

22-2-117. Additional power - state board - waiver of requirements - rules. (1) (b) The state board shall not waive any of the requirements specified in any of the following statutory provisions:

(I) The "Public School Finance Act of ~~1994~~ 2025", article 54 of this ~~title~~ TITLE 22;

(d) In addition to any requirements for a waiver application that are specified in this subsection (1), any application submitted by a school district that has a funded pupil count, as ~~defined in section 22-54-103 (7)~~ DETERMINED PURSUANT TO ARTICLE 54 OF THIS TITLE 22, of three thousand or more pupils shall demonstrate that ~~such~~ THE application has the consent of a majority of the appropriate accountability committee, a majority of the affected licensed administrators, and a majority of the teachers of the affected school or district.

SECTION 29. In Colorado Revised Statutes, 22-30-105, **amend** (1) introductory portion and (1)(b) as follows:

22-30-105. Activation of the school district organization planning process. (1) The appointment of a school organization planning committee charged to study school district organization ~~shall~~ MUST occur when the commissioner is notified that any of the following conditions exist:

(b) A petition committee, as defined in section 22-30-103 (10), presents a petition to the commissioner and to the county clerk and recorder of each county in which the headquarters of a school district that will be affected by the actions of a planning committee are located requesting the

appointment of a school organization planning committee. ~~Such~~ THE petition ~~shall~~ MUST contain a statement indicating the school districts ~~to be~~ involved. If only one school district is involved, the petition ~~shall~~ MUST be signed by fifteen percent of that school district's eligible electors. If multiple school districts are involved, the petition ~~shall~~ MUST be signed by fifteen percent of the eligible electors in each involved school district; except that, if the petition requests only consideration of detachment and annexation, the petition ~~shall~~ MUST be signed by twenty-five percent of the eligible electors residing in the area to be detached and annexed. If multiple school districts are involved, the petition does not request consideration of a detachment and annexation, and the pupil enrollment of a school district for purposes of the "Public School Finance Act of ~~1994~~ 2025" is greater than thirty thousand pupils, the petition ~~shall~~ MUST be signed by five percent of the eligible electors in that school district. ~~Such petitions shall be~~ A PETITION IS deemed sufficient by the county clerk and recorder in the county of each involved school district. Only one ~~such~~ petition may be presented to the commissioner and the county clerk and recorder in the county of each involved school district in any three consecutive calendar years.

SECTION 30. In Colorado Revised Statutes, 22-30-114, **amend** (1)(k) as follows:

22-30-114. Requirements for plan of organization. (1) The plan of organization must include, but need not be limited to, consideration of the following:

(k) If the plan of organization results in the creation of a new school district, a source of operating funds to be used by the new school district prior to receiving the state share of the total district program pursuant to the "Public School Finance Act of ~~1994~~ 2025", article 54 of this ~~title~~ TITLE 22, on July 1 of the new school district's first budget year.

SECTION 31. In Colorado Revised Statutes, **amend** 22-30-120.5 as follows:

22-30-120.5. Effective date for purposes of school finance. Notwithstanding the provisions of section 22-30-120, for purposes of determining funding ~~under~~ PURSUANT TO the "Public School Finance Act of ~~1994~~ 2025", article 54 of this ~~title~~ TITLE 22, any plan of organization approved at a special school district organization election ~~shall~~ MUST take

effect on the next July 1 following certification of the election results.

SECTION 32. In Colorado Revised Statutes, 22-30-129, **amend** (7) as follows:

22-30-129. Dissolution and annexation - exemptions from the school district organization planning process. (7) The dissolution and annexation of a school district is effective for all purposes on the date specified in the final plan of organization; except that, for purposes of determining funding pursuant to the "Public School Finance Act of ~~1994~~ 2025", article 54 of this title 22, a final plan of organization approved by the affected local school boards pursuant to this section takes effect on the next July 1 following submission of the map and legal description of the annexing school districts to the commissioner pursuant to subsection (6) of this section. The annexing school districts continue as bodies corporate in the same manner as before approval of the organization plan.

SECTION 33. In Colorado Revised Statutes, 22-30.5-103, **amend** (6.5) as follows:

22-30.5-103. Definitions. As used in this part 1, unless the context otherwise requires:

(6.5) "Private school" means a primary or secondary educational institution for students in kindergarten through twelfth grade or any portion thereof that may or may not have attained nonprofit status, that does not receive state funding through the "Public School Finance Act of ~~1994~~ 2025", article 54 of this ~~title~~ TITLE 22, and that is supported in whole or in part by tuition payments or private donations.

SECTION 34. In Colorado Revised Statutes, 22-30.5-104, **amend** (6)(a) and (6)(c)(IV) as follows:

22-30.5-104. Charter school - requirements - authority - rules - definitions. (6) (a) Pursuant to contract, a charter school may operate free from specified school district policies and free from state rules ~~as provided in paragraph (b) of this subsection~~ (6) PURSUANT TO SUBSECTION (6)(b) OF THIS SECTION. Pursuant to contract, a local board of education may waive locally imposed school district requirements, without seeking approval of the state board; except that a charter school shall not, by contract or

otherwise, operate free of the requirements contained in the "Public School Finance Act of ~~1994~~ 2025", article 54 of this title TITLE 22, the requirements specified in part 4 of article 11 of this title TITLE 22 concerning school accountability committees, or the requirements contained in the "Children's Internet Protection Act", article 87 of this title TITLE 22.

(c) A school district, on behalf of a charter school, may apply to the state board for a waiver of a state statute or state rule that is not an automatic waiver. Notwithstanding any provision of this subsection (6) to the contrary, the state board may not waive any statute or rule relating to:

(IV) The "Public School Finance Act of ~~1994~~ 2025", article 54 of this title 22;

SECTION 35. In Colorado Revised Statutes, 22-30.5-112, **amend** (1)(a)(II), (2)(a.5)(II), (2)(a.5)(II.5), and (2)(e)(II)(B) as follows:

22-30.5-112. Charter schools - financing - guidelines - definitions. (1) (a) (II) ~~On and after July 1, 2023,~~ For purposes of the "Public School Finance Act of ~~1994~~ 2025", article 54 of this title 22, pupils enrolled in a charter school are included in the pupil enrollment or the online pupil enrollment, whichever is applicable, of the school district that granted its charter. The school district that granted its charter shall report to the department the number of pupils included in the school district's pupil enrollment and the school district's online pupil enrollment that are actually enrolled in each charter school.

(2) (a.5) As used in this subsection (2):

(II) "District per pupil revenues" means the district's total program as defined in section 22-54-103 (6) for any budget year divided by the district's funded pupil count as ~~defined in section 22-54-103 (7) for said~~ DETERMINED BY ARTICLE 54 OF THIS TITLE 22 FOR THE APPLICABLE budget year.

(II.5) "District per pupil online funding" means a school district's online funding, as ~~specified in section 22-54-104 (4.5)~~ DETERMINED BY ARTICLE 54 OF THIS TITLE 22, divided by the district's online pupil enrollment for any budget year.

(2) (e) (II) (B) Notwithstanding the provisions of subsection (2)(e)(II)(A) of this section, ~~to the contrary~~ if the general assembly amends the "Public School Finance Act of ~~1994~~ 2025", article 54 of this title 22, to count a student enrolled in kindergarten only as a half-day pupil, with or without the addition of supplemental kindergarten enrollment as defined in section 22-54-103 (15) for purposes of calculating the funded pupil count as ~~defined in section 22-54-103 (7)~~ DETERMINED BY ARTICLE 54 OF THIS TITLE 22, a charter school may charge the student's parents tuition or a fee for the portion of the school day for which it does not receive funding for the student pursuant to the "Public School Finance Act of ~~1994~~ 2025"; except that the amount of tuition or fee charged ~~shall~~ MUST not exceed the amount of tuition or fee that the charter school charged to attend a full-day kindergarten educational program for the 2018-19 budget year, adjusted for inflation and prorated by the percentage of the school day for which the student is no longer funded by the "Public School Finance Act of ~~1994~~ 2025". As used in this subsection (2)(e)(II)(B), "inflation" means the annual percentage change in the United States department of labor bureau of labor statistics consumer price index for Denver-Aurora-Lakewood for all items paid by all urban consumers, or its applicable successor index.

SECTION 36. In Colorado Revised Statutes, 22-30.5-112.1, **amend** (1)(b), (1)(g), (1)(i), and (1)(j.2) as follows:

22-30.5-112.1. Charter schools - exclusive jurisdiction districts - authorized on or after July 1, 2004 - financing - definitions. (1) As used in this section, unless the context otherwise requires:

(b) "At-risk funding" means the amount of funding determined in accordance with the ~~formulas described in section 22-54-104 (4)~~ APPLICABLE AT-RISK FUNDING FORMULA PURSUANT TO ARTICLE 54 OF THIS TITLE 22.

(g) "District funded pupil count" ~~shall have the same meaning as provided in section 22-54-103 (7)~~ MEANS THE FUNDED PUPIL COUNT DETERMINED PURSUANT TO ARTICLE 54 OF THIS TITLE 22.

(i) "District per pupil online funding" means a school district's online funding, ~~as specified in section 22-54-104 (4.5)~~ AS DETERMINED IN ARTICLE 54 OF THIS TITLE 22, divided by the district's online pupil enrollment for any budget year.

(j.2) "English language learner funding" means the amount of funding determined in accordance with the ~~formula described in section 22-54-104 (4.3)~~ APPLICABLE ENGLISH LANGUAGE LEARNER FUNDING FORMULA PURSUANT TO ARTICLE 54 OF THIS TITLE 22.

SECTION 37. In Colorado Revised Statutes, 22-30.5-507, **amend** (7)(b)(IV) as follows:

22-30.5-507. Institute charter school - requirements - authority - rules - definitions. (7) (b) An institute charter school may apply to the state board, through the institute, for a waiver of state statutes and state rules that are not automatic waivers. The state board may waive state statutory requirements or rules promulgated by the state board; except that the state board may not waive any statute or rule relating to:

(IV) The provisions of the "Public School Finance Act of ~~1994~~ 2025", article 54 of this title 22;

SECTION 38. In Colorado Revised Statutes, 22-30.5-513, **amend** (1)(c), (1)(d.2), (1)(e), (1)(g), (2)(e)(II), and (3)(b) as follows:

22-30.5-513. Institute charter schools - funding - at-risk supplemental aid - legislative declaration - definitions. (1) As used in this section, unless the context otherwise requires:

(c) "Accounting district's at-risk funding" means the amount of funding for at-risk pupils in the accounting district determined in accordance with the ~~formulas~~ APPLICABLE AT-RISK FUNDING FORMULA described in ~~section 22-54-104 (4)~~ PURSUANT TO ARTICLE 54 OF THIS TITLE 22.

(d.2) "Accounting district's English language learner funding" means the amount of funding for English language learner pupils in the accounting district determined in accordance with the APPLICABLE ENGLISH LANGUAGE LEARNER FUNDING formula described in ~~section 22-54-104 (4.3)~~ PURSUANT TO ARTICLE 54 OF THIS TITLE 22.

(e) "Accounting district's funded pupil count" ~~shall have the same meaning as the term "district funded pupil count" defined in section 22-54-103 (7)~~ MEANS THE FUNDED PUPIL COUNT DETERMINED PURSUANT TO

ARTICLE 54 OF THIS TITLE 22.

(g) "Accounting district's per pupil online funding" means THE online funding ~~as specified in section 22-54-104(4.5)~~, FORMULA DESCRIBED PURSUANT TO ARTICLE 54 OF THIS TITLE 22 for any budget year divided by the online pupil enrollment.

(2)(e)(II) Notwithstanding the provisions of subsection (2)(e)(I) of this section to the contrary, if the general assembly amends the "Public School Finance Act of ~~1994~~ 2025", article 54 of this title 22, to count a student enrolled in kindergarten only as a half-day pupil, with or without the addition of supplemental kindergarten enrollment as defined in section 22-54-103 (15) for purposes of calculating the funded pupil count as ~~defined in section 22-54-103(7)~~ DETERMINED PURSUANT TO ARTICLE 54 OF THIS TITLE 22, an institute charter school may charge the student's parents tuition or a fee for the portion of the school day for which it does not receive funding for the student pursuant to the "Public School Finance Act of ~~1994~~ 2025"; except that the amount of tuition or fee charged ~~shall~~ MUST not exceed the amount of tuition or fee that the institute charter school charged to attend a full-day kindergarten educational program for the 2018-19 budget year, adjusted for inflation and prorated by the percentage of the school day for which the student is no longer funded by the "Public School Finance Act of ~~1994~~ 2025". As used in this subsection (2)(e)(II), "inflation" means the annual percentage change in the United States department of labor bureau of labor statistics consumer price index for Denver-Aurora-Lakewood for all items paid by all urban consumers, or its applicable successor index.

(3)(b) For purposes of the "Public School Finance Act of ~~1994~~ 2025", article 54 of this ~~title~~ TITLE 22, the department shall add the pupils enrolled in an institute charter school to the funded pupil count and the online pupil enrollment of the institute charter school's accounting district.

SECTION 39. In Colorado Revised Statutes, 22-30.5-513.1, **amend** (2)(b) as follows:

22-30.5-513.1. Mill levy equalization - fund created - legislative declaration - definitions. (2)(b) The institute shall annually distribute the money appropriated or transferred to the fund to the institute charter schools on an equal per-pupil basis; except that, in any budget year, an institute

charter school ~~shall~~ MUST not receive a per pupil amount that is greater than the total amount of additional mill levy revenue, as defined in section 22-32-108.5, that the accounting district for the institute charter school is authorized to collect, divided by the funded pupil count, as ~~defined in section 22-54-103~~ DETERMINED PURSUANT TO ARTICLE 54 OF THIS TITLE 22, of the accounting district for the applicable budget year. The money distributed pursuant to this section is in addition to money distributed to institute charter schools pursuant to section 22-30.5-513. The institute has continuous spending authority over all interest and income in the fund.

SECTION 40. In Colorado Revised Statutes, 22-30.7-107, **amend** (2) introductory portion and (2)(b) as follows:

22-30.7-107. Funding. (2) ~~For the 2008-09 budget year, and for each budget year thereafter,~~ For purposes of determining total program funding pursuant to article 54 of this ~~title~~ TITLE 22:

(b) (I) A school district that is providing a multi-district online school, or a school district in which a district charter school is providing a multi-district online school, shall include each student who is enrolled in the multi-district online school as of the pupil enrollment count day of the applicable budget year in the school district's online pupil enrollment for the applicable budget year and ~~shall~~ MUST receive online funding as specified in ~~section 22-54-104(4.5)~~ ARTICLE 54 OF THIS TITLE 22.

(II) An institute charter school that is providing a multi-district online school shall include each student who is enrolled in the multi-district online school as of the pupil enrollment count day of the applicable budget year in the institute charter school's online enrollment for the applicable budget year and ~~shall~~ MUST receive online funding as specified in ~~section 22-54-104(4.5)~~ ARTICLE 54 OF THIS TITLE 22.

SECTION 41. In Colorado Revised Statutes, 22-32-108.5, **amend** (2)(g) as follows:

22-32-108.5. Board of education - distribution of additional mill levy revenue - legislative declaration - definitions. (2) As used in this section, unless the context otherwise requires:

(g) "Per pupil mill levy share" means an amount equal to the total

amount of additional mill levy revenue that a participating school district collects for a budget year divided by the school district's funded pupil count, as defined in section ~~22-54-103~~ DETERMINED PURSUANT TO ARTICLE 54 OF THIS TITLE 22, for that budget year.

SECTION 42. In Colorado Revised Statutes, 22-32-119, **amend** (1)(b) as follows:

22-32-119. Kindergartens - definition. (1) (b) Notwithstanding the provisions of subsection (1)(a) of this section to the contrary, if the general assembly amends the "Public School Finance Act of ~~1994~~ 2025", article 54 of this title 22, to count a student enrolled in kindergarten only as a half-day pupil, with or without the addition of supplemental kindergarten enrollment as defined in section 22-54-103 (15) for purposes of calculating the funded pupil count as defined in section ~~22-54-103 (7)~~ DETERMINED PURSUANT TO ARTICLE 54 OF THIS TITLE 22, a school district may charge the student's parents tuition or a fee for the portion of the school day for which it does not receive funding for the student pursuant to the "Public School Finance Act of ~~1994~~ 2025"; except that the amount of tuition or fee charged ~~shall~~ MUST not exceed the amount of tuition or fee that the school district charged to attend a full-day kindergarten educational program for the 2018-19 budget year, adjusted for inflation and prorated by the percentage of the school day for which the student is no longer funded by the "Public School Finance Act of ~~1994~~ 2025". As used in this subsection (1)(b), "inflation" means the annual percentage change in the United States department of labor bureau of labor statistics consumer price index for Denver-Aurora-Lakewood for all items paid by all urban consumers, or its applicable successor index.

SECTION 43. In Colorado Revised Statutes, 22-32-141, **amend** (4)(a) as follows:

22-32-141. Student awaiting trial as adult - educational services - definitions. (4) (a) In any budget year in which a school district is providing educational services to a juvenile pursuant to this section on the pupil enrollment count day of ~~said~~ THE budget year, the school district may include the juvenile in its pupil enrollment, as defined in section 22-54-103 (10), for purposes of determining the school district's total program funding under the "Public School Finance Act of ~~1994~~ 2025", article 54 of this ~~title~~ TITLE 22.

SECTION 44. In Colorado Revised Statutes, 22-32.5-108, **amend** (3) introductory portion and (3)(a) as follows:

22-32.5-108. District of innovation - waiver of statutory and regulatory requirements. (3) Designation as a district of innovation ~~shall~~ **MUST** not affect a school district's:

(a) Total program funding calculated pursuant to the "Public School Finance Act of ~~1994~~ 2025", article 54 of this ~~title~~ TITLE 22; or

SECTION 45. In Colorado Revised Statutes, 22-33-104.5, **amend** (6)(a) as follows:

22-33-104.5. Home-based education - guidelines - legislative declaration - definitions. (6) (a) If a child is participating in a nonpublic home-based educational program but also attending a public school for a portion of the school day, the school district of the public school ~~shall be entitled to~~ **MAY** count ~~such~~ **THE** child in accordance with the provisions of section 22-54-103 (10) for purposes of determining pupil enrollment ~~under~~ **PURSUANT TO** the "Public School Finance Act of ~~1994~~ 2025", article 54 of this ~~title~~ TITLE 22.

SECTION 46. In Colorado Revised Statutes, 22-35-105, **amend** (2) introductory portion and (2)(a) as follows:

22-35-105. Financial provisions - payment of tuition. (2) If a qualified student concurrently enrolls in a course offered by an institution of higher education, the institution ~~shall be~~ **IS** responsible for course content, placement of the student in the course, and the quality of instruction. In addition, because the qualified student is receiving academic credit at ~~his or her~~ **THE QUALIFIED STUDENT'S** local education provider for the course pursuant to section 22-35-104 (5):

(a) The qualified student ~~shall be~~ **IS** included in the funded pupil count of ~~his or her~~ **THE STUDENT'S** school district or, in the case of a student enrolled in an institute charter school, of the school's accounting district, as determined pursuant to ~~the provisions of section 22-54-103 (7)~~ **ARTICLE 54 OF THIS TITLE 22**; and

SECTION 47. In Colorado Revised Statutes, 22-35-108, **amend** (3)

as follows:

22-35-108. Accelerating students through concurrent enrollment program - objectives - non-tuition expenses - rules. (3) A local education provider may include each qualified student whom the local education provider designates to participate in the ASCENT program pursuant to this section in the district's funded pupil count, or, in the case of a qualified student enrolled in an institute charter school, in the funded pupil count of the school's accounting district, as ~~provided in section 22-54-103 (7)~~ DETERMINED PURSUANT TO ARTICLE 54 OF THIS TITLE 22.

SECTION 48. In Colorado Revised Statutes, 22-35-108.5, **amend** (3)(a) and (3)(b) as follows:

22-35-108.5. Teacher recruitment education and preparation (TREP) program - objectives - selection criteria - rules. (3) (a) The local education provider that enrolls a qualified student who is designated by the department as a TREP program participant may include the student in the school district's funded pupil count, or, in the case of a student enrolled in an institute charter school, in the funded pupil count of the institute charter school's accounting district as ~~provided in section 22-54-103 (7)~~ DETERMINED PURSUANT TO ARTICLE 54 OF THIS TITLE 22.

(b) A local education provider that receives extended high school funding, as described in ~~section 22-54-104 (4.7)~~ ARTICLE 54 OF THIS TITLE 22, in a budget year for program participants may expend the funding on behalf of TREP program participants who enroll in an institution of higher education during that budget year and on behalf of the TREP program participants who, by May 1 of that budget year, are admitted to an institution of higher education to participate in the TREP program during the next budget year.

SECTION 49. In Colorado Revised Statutes, 22-35-111, **amend** (2) as follows:

22-35-111. Rules. (2) ~~By July 1, 2020,~~ The state board shall adopt rules to specify the number of postsecondary credits in which a qualified student must be concurrently enrolled to qualify for full-time membership for purposes of the "Public School Finance Act of ~~1994~~ 2025", article 54 of this title 22.

SECTION 50. In Colorado Revised Statutes, 22-35.3-102, **amend** (8) as follows:

22-35.3-102. Definitions. As used in this article 35.3, unless the context otherwise requires:

(8) "Funded pupil count" ~~has the same meaning as provided in section 22-54-103 (7)~~ MEANS THE FUNDED PUPIL COUNT AS DETERMINED PURSUANT TO ARTICLE 54 OF THIS TITLE 22.

SECTION 51. In Colorado Revised Statutes, 22-35.3-104, **amend** (1)(a) as follows:

22-35.3-104. P-tech schools - funding. (1) (a) To calculate district total program pursuant to ~~section 22-54-104~~ ARTICLE 54 OF THIS TITLE 22, a school district that is approved to operate a p-tech school pursuant to section 22-35.3-103, including a p-tech school that is a district charter school, may include the students who are enrolled in grades nine through twelve in the p-tech school in the school district's pupil enrollment, as defined in section 22-54-103 (10), and may include the students who are enrolled in grades thirteen and fourteen in the p-tech school in the school district's district extended high school pupil enrollment.

SECTION 52. In Colorado Revised Statutes, 22-35.6-103, **amend** (1) as follows:

22-35.6-103. High school innovative learning pilot program - created - rules. (1) There is created in the department the high school innovative learning pilot program to authorize full-time funding for students enrolled in grades nine through twelve in high schools operated by selected local education providers to enable the local education providers to provide innovative learning opportunities for high school students to support them in successful transitions from high school to postsecondary education or the workforce. The department shall administer the pilot program by reviewing applications and selecting the local education providers that propose an innovative learning plan that meets the requirements specified in section 22-35.6-104 and is designed to ensure that students enrolled in grades nine through twelve may participate in innovative learning opportunities before graduation. A local education provider that is selected to participate in the pilot program is authorized to count students who are enrolled in grades

nine through twelve and are participating in innovative learning opportunities as full-time pupils for purposes of the "Public School Finance Act of ~~1994~~ 2025", article 54 of this title 22, regardless of the actual number of teacher-pupil instruction hours and teacher-pupil contact hours for each pupil.

SECTION 53. In Colorado Revised Statutes, 22-40-102, **amend** (1.7)(a) and (6)(a) as follows:

22-40-102. Certification - tax revenues - repeal. (1.7) (a) The board of education of any school district, at the regular biennial election for school district directors or on the dates authorized by section 22-54-108 for elections for additional local property tax revenues under the "Public School Finance Act of ~~1994~~ 2025" shall submit to the eligible electors of the district the question of whether to impose a mill levy for the payment of excess transportation costs. If a majority of the votes cast at ~~any such~~ THE election are in favor of the question, an additional mill levy ~~shall be~~ IS levied each year, and revenues received ~~therefrom shall~~ MUST be deposited into the transportation fund of the district created in section 22-45-103 (1)(f).

(6) (a) Each school district, with ~~such~~ assistance as may be required from the department of education, shall inform the county treasurer for each county within the district's boundaries no later than December 15 of each year of ~~said~~ THE district's general fund mill levy in the absence of funds estimated to be received by ~~said~~ THE district pursuant to the "Public School Finance Act of ~~1994~~ 2025", article 54 of this title 22, and the estimated funds to be received for the general fund of the district from the state.

SECTION 54. In Colorado Revised Statutes, 22-43.7-201, **amend** (4)(a)(II)(A) as follows:

22-43.7-201. Full-day kindergarten facility capital construction fund - creation - grants - definitions. (4) (a) As used in this subsection (4), unless the context otherwise requires:

(II) "Equitable adjustment factor" means, with respect to both an applicant and a potential applicant that does not actually apply for a grant as authorized by this subsection (4), the sum of the applicant's:

(A) Size factor, as determined pursuant to ~~section 22-54-104 (5)(b)(1.5)~~ ARTICLE 54 OF THIS TITLE 22;

SECTION 55. In Colorado Revised Statutes, **amend** 22-52-107 as follows:

22-52-107. Funding of second chance program. It is the intent of the general assembly that, after the initial appropriation made to the department of education for the fiscal year beginning July 1, 1985, The responsibilities and duties specified in this article shall MUST be performed by the department of education and the participating school districts through the funding available pursuant to the "Public School Finance Act of 1994 2025", article 54 of this title TITLE 22.

SECTION 56. In Colorado Revised Statutes, 22-55-102, **amend** (14) and (18) as follows:

22-55-102. Definitions. As used in this article 55, unless the context otherwise requires:

(14) "Statewide base per pupil funding" means the amount specified for each budget year in ~~section 22-54-104 (5)(a)~~ ARTICLE 54 OF THIS TITLE 22.

(18) "Total program" or "total program education funding" means a district's total program as determined pursuant to ~~section 22-54-104 (1)~~ ARTICLE 54 OF THIS TITLE 22.

SECTION 57. In Colorado Revised Statutes, 22-55-104, **amend** (3) introductory portion as follows:

22-55-104. Procedures relating to state education fund revenue estimates - legislative declaration. (3) ~~By February 1, 2002, and by each February 1 thereafter,~~ ON OR BEFORE EACH FEBRUARY 1, the ~~staff of the~~ legislative council STAFF OF THE GENERAL ASSEMBLY, in consultation with the state auditor, the office of state planning and budgeting, the state treasurer, the department of education, and the joint budget committee, shall cause to be conducted a review of the model used to forecast revenues in and expenditures from the fund and the spending requirements of the "Public School Finance Act of 1994 2025", article 54 of this title TITLE 22.

Copies of the review shall MUST promptly be transmitted to the joint budget committee, and the office of state planning and budgeting, and the education committees of the senate and the house of representatives. The review shall MUST include, but need not be limited to, the following:

SECTION 58. In Colorado Revised Statutes, 22-55-106, **amend** (2) as follows:

22-55-106. Statewide base per pupil funding - increases. (2) The general assembly may annually appropriate moneys MONEY in the state education fund, the general fund, any other state fund, or some combination thereof, as necessary in the sole discretion of the general assembly, to satisfy the requirements of subsection (1) of this section, and such moneys shall THE MONEY MUST be distributed to public school districts and the state charter school institute in accordance with the provisions of the "Public School Finance Act of ~~1994~~ 2025", article 54 of this title TITLE 22.

SECTION 59. In Colorado Revised Statutes, 24-77-104.5, **amend** (3)(a) introductory portion and (3)(a)(I) as follows:

24-77-104.5. General fund exempt account - referendum C money - specification of uses for health care and education - definitions. (3) (a) Funding for preschool through twelfth grade education, as used in subparagraph (II) of paragraph (b) of subsection (1) SUBSECTION (1)(b)(II) of this section, shall be IS limited to funding for:

(I) Per-pupil funding for preschool through twelfth grade education through the "Public School Finance Act of ~~1994~~ 2025", article 54 of title 22, C.R.S. or any successor act;

SECTION 60. In Colorado Revised Statutes, 25.5-10-206, **amend** as it will become effective July 1, 2024, (7)(b) as follows:

25.5-10-206. Authorized long-term services and supports - conditions of funding - purchase of services and supports - adult protective services data system check - boards of county commissioners - appropriation. (7) (b) Each school district shall pay to the case management agency purchasing programs attended by a student with an intellectual and developmental disability, who is domiciled in the school district and may be counted in the district's pupil enrollment, an amount at

least equal to the district's per pupil revenues as determined pursuant to the "Public School Finance Act of ~~1994~~ 2025", article 54 of title 22. This subsection (7) applies to students who are less than twenty-two years of age.

SECTION 61. In Colorado Revised Statutes, 26.5-4-202, **amend** (2)(a)(I) as follows:

26.5-4-202. Legislative declaration. (2) (a) The general assembly further finds and declares that:

(I) In 2000, the voters approved section 17 of article IX of the state constitution, which requires the general assembly to annually increase, by at least the rate of inflation, the statewide base per pupil funding, as defined by the "~~Public School Finance Act of 1994~~", article 54 of title 22, for public education from preschool through twelfth grade;

SECTION 62. In Colorado Revised Statutes, 26.5-4-208, **amend** (6)(b) as follows:

26.5-4-208. Preschool provider funding - per-child rates - local contribution - distribution and use of money - definitions - repeal. (6) As used in this section, unless the context otherwise requires:

(b) "~~Funded pupil count~~" ~~has the same meaning as provided in section 22-54-103~~ MEANS THE FUNDED PUPIL COUNT AS DETERMINED PURSUANT TO ARTICLE 54 OF TITLE 22.

SECTION 63. In Colorado Revised Statutes, 34-63-102, **amend** (5.4) introductory portion and (5.4)(e)(III) as follows:

34-63-102. Creation of mineral leasing fund - distribution - advisory committee - local government permanent fund created - transfer of money - definitions. (5.4) Except as otherwise provided in subsection (5.5) of this section, on and after July 1, 2008, all ~~moneys~~ MONEY other than bonus payments, as defined in ~~paragraph (b) of subsection (5.3)~~ SUBSECTION (5.3)(b) of this section, credited to the mineral leasing fund created in ~~subparagraph (II) of paragraph (a) of subsection (1)~~ SUBSECTION (1)(a)(II) of this section ~~shall~~ MUST be distributed on a quarterly basis for quarters beginning on July 1, October 1, January 1, and April 1 of each state fiscal year as follows:

(e) (III) The executive director of the department of local affairs shall make the distributions required by ~~subparagraphs (f) and (h) of this paragraph (e)~~ SUBSECTIONS (5)(e)(I) AND (5)(e)(II) OF THIS SECTION at the same time as the executive director makes distributions to counties pursuant to ~~paragraph (c) of this subsection (5.4)~~ SUBSECTION (5.4)(c) OF THIS SECTION, and the total amount of the distributions made to all school districts within a single county ~~shall~~ MUST be in proportion to the amount of the ~~moneys~~ MONEY distributed directly to the county pursuant to ~~said paragraph (c)~~ SUBSECTION (5.4)(c) OF THIS SECTION. Where more than one school district exists within a county, the distribution to each school district ~~shall~~ MUST be the percentage that the most recent funded pupil count, as determined pursuant to the "Public School Finance Act of ~~1994~~ 2025", article 54 of title 22, ~~C.R.S.~~ for pupils enrolled in the county attributable to that school district bears to the most recent total funded pupil count for all pupils attributable to the county.

SECTION 64. In Colorado Revised Statutes, 39-5-132, **amend** (5) as follows:

39-5-132. Assessment and taxation of new construction. (5) ~~Moneys~~ MONEY received by a school district pursuant to this section ~~shall~~ MUST be deposited in the district's capital reserve fund and ~~shall~~ MUST not be included in calculating the amount of revenue ~~which~~ THAT a district is entitled to receive from the property tax levy for the general fund of the district under the "Public School Finance Act of ~~1994~~ 2025", article 54 of title 22. ~~C.R.S.~~

SECTION 65. In Colorado Revised Statutes, 39-10-103, **amend** (2) as follows:

39-10-103. Tax statement - repeal. (2) Each tax notice ~~shall~~ MUST contain information regarding the actual school district general fund mill levy and the school district general fund mill levy in absence of funds estimated to be received by school districts pursuant to the "Public School Finance Act of ~~1994~~ 2025", article 54 of title 22, and the estimated funds to be received for the general funds of districts from the state.

SECTION 66. In Colorado Revised Statutes, 39-10-114, **amend** (1)(a)(I)(B) as follows:

39-10-114. Abatement - cancellation of taxes. (1) (a) (I) (B) The assessor shall certify the proportional amount of the total amount of abatements and refunds granted pursuant to the provisions of this section to the appropriate taxing entities at the same time ~~that~~ AS the certification of valuation for assessment is ~~made~~ pursuant to ~~the provisions of~~ section 39-5-128. Any taxing entity may adjust the amount of its tax levy authorized pursuant to the provisions of section 29-1-301 ~~C.R.S.~~ by an additional amount ~~which~~ THAT does not exceed the proportional share of the total amount of abatements and refunds made pursuant to ~~the provisions of~~ this section. After calculating the amount of property tax revenues necessary to satisfy the requirements of the "Public School Finance Act of ~~1994~~ 2025", article 54 of title 22, ~~C.R.S.~~ any school district shall add an amount equal to the proportional share of the total amount of abatements and refunds granted pursuant to the provisions of this section prior to the setting of the mill levy for such school district. Any additional amount added pursuant to the provisions of this subsection (1) ~~shall~~ MUST not be included in the total amount of revenue levied in ~~said~~ THE year for the purposes of computing the limit for the succeeding year pursuant to the provisions of section 29-1-301. ~~C.R.S.~~ ~~Where~~ WHEN a final determination is made granting an abatement or refund pursuant to the provisions of this section, the abatement or refund granted ~~shall~~ MUST be payable at such time as determined by the board of county commissioners after consultation with affected taxing entities but no later than upon the payment of property taxes for the property tax year in which ~~said~~ THE final determination was made. For the purposes of this ~~sub-subparagraph (B)~~ SUBSECTION (1)(a)(I)(B), a taxing entity's proportional share of the total amount of abatements and refunds granted ~~shall~~ MUST be based upon the amount of tax levied by a taxing entity on ~~such~~ THE real property in proportion to the total amount of tax levied on ~~such~~ THE real property by such taxing entities.

SECTION 67. In Colorado Revised Statutes, 43-4-502, **amend** (2) as follows:

43-4-502. Legislative declaration. (2) It is further the intent of the general assembly that no provision of this part 5 ~~shall affect~~ AFFECTS the FORMER "Public School Finance Act of 1973", article 50 of title 22, ~~C.R.S.~~ the FORMER "Public School Finance Act of 1988", article 53 of title 22, ~~C.R.S.~~ the FORMER "Public School Finance Act of 1994", article 54 of title 22, ~~C.R.S.~~ THE "PUBLIC SCHOOL FINANCE ACT OF 2025, ARTICLE 54 OF TITLE 22, or any additional school financing mechanisms adopted by the

general assembly.

SECTION 68. Appropriation. For the 2024-25 state fiscal year, \$184,433 is appropriated to the department of education. This appropriation is from the general fund and is based on an assumption that the division will require an additional 1.8 FTE. To implement this act, the department may use this appropriation for administration related to public school finance.

SECTION 69. Appropriation. For the 2024-25 state fiscal year, \$11,500,000 is appropriated to the department of education. This appropriation is from the charter school facilities assistance account, an account within the public school capital construction assistance fund, created in section 22-43.7-104 (2)(d), C.R.S. To implement this act, the department may use this appropriation for state aid for charter school facilities.

SECTION 70. Appropriation - adjustments to 2024 long bill.

(1) To implement this act, appropriations made in the annual general appropriation act for the 2024-25 state fiscal year to the department of education are adjusted as follows:

(a) The cash funds appropriation from the state public school fund created in section 22-54-114 (1), C.R.S., estimated to be from interest and income earned on the investment of money in the public school fund that is credited to the state public school fund pursuant to section 22-41-102 (3)(h), C.R.S., for the state share of districts' total program funding is decreased by \$5,000,000; and

(b) The cash funds appropriation from the state public school fund created in section 22-54-114 (1) C.R.S., from interest and income earned on the investment of money in the public school fund that is credited to the state public school fund pursuant to section 22-41-102 (3)(h), C.R.S., for at-risk per pupil additional funding is decreased by \$5,000,000.

(2) For the 2024-25 state fiscal year, \$10,000,000 is appropriated to the department of education. This appropriation is from the state education fund created in section 17 (4)(a) of article IX of the state constitution. To implement this act, the department may use this appropriation as follows:

(a) \$5,000,000 for the state share of districts' total program funding;

and

(b) \$5,000,000 for at-risk per pupil additional funding.

SECTION 71. Appropriation. (1) For the 2024-25 state fiscal year, \$32,875 is appropriated to the legislative department. This appropriation is from the general fund. To implement this act, the department may use this appropriation as follows:

(a) \$2,359 for use by the general assembly;

(b) \$22,047 for use by the legislative council, which amount is based on an assumption that the legislative council will require an additional 0.3 FTE; and

(c) \$8,469 for the committee on legal services, which amount is based on an assumption that the committee will require an additional 0.1 FTE.

SECTION 72. Appropriation. For the 2023-24 state fiscal year, \$11,374,594 is appropriated to the department of education. This appropriation is from the mill levy override match fund created in section 22-54-107.9 (6)(a), C.R.S. To implement this act, the department may use this appropriation for mill levy override matching pursuant to section 22-54-107.9, C.R.S.

SECTION 73. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for

the support and maintenance of the departments of the state and state institutions.

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Steve Fenberg
PRESIDENT OF
THE SENATE

Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO