First Regular Session Seventy-second General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 19-1036.01 Brita Darling x2241

SENATE BILL 19-246

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A BILL FOR AN ACT

101 CONCERNING THE FINANCING OF PUBLIC <u>SCHOOLS</u>, <u>AND</u>, <u>IN</u>
102 CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Bill Summary

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

Section 1 of the bill increases the statewide base per pupil funding for the 2019-20 budget year by \$182.76 to account for inflation, for a new statewide base per pupil funding of \$6,951.53.

Section 2 sets the minimum district total program funding for the 2019-20 budget year. The district total program funding reflects a \$102 million reduction in the dollar amount of the budget stabilization factor

SENATE rd Reading Unamended April 24, 2019

SENATE Amended 2nd Reading April 23, 2019 over the prior budget year.

Section 3 amends the professional development and student support program (program) for English language learners and educators who work with English language learners to distribute money appropriated for the program's services and educator professional development activities proportionately, based on the level of English language proficiency of the students served by the program.

Section 4, for the 2019-20 budget year, distributes \$25 million on a per pupil basis to large rural school districts and small rural school districts, including district charter schools and each institute charter school whose accounting district is a large or small rural school district. Large rural school districts share 55% of the appropriation, and small rural school districts share 45% of the appropriation. The bill bases the distribution on a school district's funded pupil count for the 2018-19 budget year. The bill specifies the intended uses of the money.

Section 5 distributes \$5 million to school districts, including district charter schools and the state charter school institute schools, to address behavioral health issues in schools. Each school district and the state charter school institute receive an initial allocation of \$20,000. The remaining appropriation is then distributed on a per pupil basis to the school district and state charter school institute based on the school district's total funded pupil count for the 2018-19 budget year and the total student enrollment in institute charter schools for the 2018-19 budget year.

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

2 SECTION 1. In Colorado Revised Statutes, 22-54-104, add

- 3 (5)(a)(XXVI) as follows:
- 4 **22-54-104. District total program definitions.** (5) For
- 5 purposes of the formulas used in this section:
- 6 (a) (XXVI) FOR THE 2019-20 BUDGET YEAR, THE STATEWIDE BASE
- 7 PER PUPIL FUNDING IS \$6,951.53, WHICH IS AN AMOUNT EQUAL TO
- 8 \$6,768.77, SUPPLEMENTED BY \$182.76 TO ACCOUNT FOR INFLATION.
- 9 **SECTION 2.** In Colorado Revised Statutes, 22-54-104, add
- 10 (5)(g)(I)(J) as follows:
- 11 **22-54-104.** District total program definitions. (5) For

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purposes of the formulas used in this section:

thereafter, the general assembly determines that stabilization of the state budget requires a reduction in the amount of the annual appropriation to fund the state's share of total program funding for all districts and the funding for institute charter schools. The department of education shall implement the reduction in total program funding through the application of a budget stabilization factor as provided in this subsection (5)(g)(I). For the 2010-11 budget year and each budget year thereafter, the department of education and the staff of the legislative council shall determine, based on budget projections, the amount of such reduction to ensure the following:

(J) That, for the 2019-20 budget year, the sum of the total program funding for all districts, including the funding for institute charter schools, after application of the budget stabilization factor, is not less than seven billion three hundred eighty-nine million eight hundred eighteen thousand five hundred twenty-six dollars (\$7,389,818,526); except that the department of education and the staff of the legislative council shall make mid-year revisions to replace projections with actual figures, including but not limited to actual pupil enrollment, assessed valuations, and specific ownership tax revenue from the prior year, to determine any necessary changes in the amount of the reduction to maintain a total program funding amount for the applicable budget year that is consistent with this subsection (5)(g)(I)(J). For the 2020-21 budget year, the difference between calculated statewide total

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1	PROGRAM FUNDING AND ACTUAL STATEWIDE TOTAL PROGRAM FUNDING
2	MUST NOT EXCEED THE DIFFERENCE BETWEEN CALCULATED STATEWIDE
3	TOTAL PROGRAM FUNDING AND ACTUAL STATEWIDE TOTAL PROGRAM
4	FUNDING FOR THE 2019-20 BUDGET YEAR.
5	SECTION 3. In Colorado Revised Statutes, 22-24-108, amend
6	(2)(a)(I) and (2)(a)(II) introductory portion as follows:
7	22-24-108. Professional development and student support
8	program - created - rules. (2) (a) The department shall distribute the
9	amount that the general assembly annually appropriates for the support
10	program as follows:
11	(I) Seventy-five percent A PORTION of the amount annually
12	appropriated to local education providers to provide services to English
13	language learners, and professional development activities for educators
14	who work with English language learners, BASED ON THE PERCENTAGE OF
15	CERTIFIED ENGLISH LANGUAGE LEARNERS who:
16	(A) Speak a language other than English and do not comprehend
17	or speak English; and
18	(B) Comprehend or speak some English but whose primary
19	comprehension or speech is in a language other than English; and
20	(C) Are eligible for funding pursuant to the time limit
21	SPECIFIED IN SECTION 22-24-104 (2); AND
22	(II) The remainder REMAINING PORTION of the amount annually
23	appropriated to local education providers to provide services to, and to
24	provide professional development activities for educators who work with,
25	English language learners who comprehend and speak English and one
26	or more other languages but whose English language development and
27	comprehension is:

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1	SECTION 4. In Colorado Revised Statutes, add 22-54-141 as
2	follows:
3	22-54-141. Additional funding for rural schools - 2019-20
4	budget year - definitions - repeal. (1) AS USED IN THIS SECTION, UNLESS
5	THE CONTEXT OTHERWISE REQUIRES:
6	(a) "ELIGIBLE INSTITUTE CHARTER SCHOOL" MEANS AN INSTITUTE
7	CHARTER SCHOOL THAT HAS A SMALL RURAL DISTRICT OR A LARGE RURAL
8	DISTRICT AS ITS ACCOUNTING DISTRICT.
9	(b) "LARGE RURAL DISTRICT" MEANS A DISTRICT THAT THE
10	DEPARTMENT OF EDUCATION DETERMINES IS A RURAL DISTRICT, BASED ON
11	THE GEOGRAPHIC SIZE OF THE DISTRICT AND THE DISTANCE OF THE
12	DISTRICT FROM THE NEAREST LARGE, URBANIZED AREA, AND THAT HAD A
13	FUNDED PUPIL COUNT FOR THE 2018-19 BUDGET YEAR OF AT LEAST ONE
14	THOUSAND BUT FEWER THAN SIX THOUSAND FIVE HUNDRED PUPILS IN
15	KINDERGARTEN THROUGH TWELFTH GRADE.
16	(c) "PER PUPIL DISTRIBUTION AMOUNT" MEANS:
17	(I) FOR A LARGE RURAL DISTRICT, AN AMOUNT EQUAL TO <u>TWENTY</u>
18	MILLION DOLLARS MULTIPLIED BY THE PERCENTAGE SPECIFIED IN
19	SUBSECTION (2)(a)(I) OF THIS SECTION AND THEN DIVIDED BY THE SUM OF
20	THE TOTAL FUNDED PUPIL COUNT FOR THE $2018-19$ BUDGET YEAR OF ALL
21	LARGE RURAL DISTRICTS AND THE TOTAL STUDENT ENROLLMENT FOR THE
22	2018-19 BUDGET YEAR OF ALL ELIGIBLE INSTITUTE CHARTER SCHOOLS
23	THAT HAVE A LARGE RURAL DISTRICT AS THE ACCOUNTING DISTRICT; OR
24	(II) For a small rural district, an amount equal to $\underline{\text{twenty}}$
25	MILLION DOLLARS MULTIPLIED BY THE PERCENTAGE SPECIFIED IN
26	SUBSECTION (2)(a)(II) OF THIS SECTION AND THEN DIVIDED BY THE SUM OF
27	THE TOTAL FUNDED PUPIL COUNT FOR THE 2018-19 BUDGET YEAR OF ALL

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1	SMALL RURAL DISTRICTS AND THE TOTAL STUDENT ENROLLMENT FOR THE
2	2018-19 BUDGET YEAR OF ALL ELIGIBLE INSTITUTE CHARTER SCHOOLS
3	THAT HAVE A SMALL RURAL DISTRICT AS THE ACCOUNTING DISTRICT.
4	(d) "SMALL RURAL DISTRICT" MEANS A DISTRICT THAT THE
5	DEPARTMENT OF EDUCATION DETERMINES IS A RURAL DISTRICT, BASED ON
6	THE GEOGRAPHIC SIZE OF THE DISTRICT AND THE DISTANCE OF THE
7	DISTRICT FROM THE NEAREST LARGE, URBANIZED AREA, AND THAT HAD A
8	FUNDED PUPIL COUNT FOR THE 2018-19 BUDGET YEAR OF FEWER THAN
9	ONE THOUSAND PUPILS IN KINDERGARTEN THROUGH TWELFTH GRADE.
10	(2) (a) For the 2019-20 budget year, the general assembly
11	SHALL APPROPRIATE $\underline{\text{TWENTY}}$ MILLION DOLLARS TO THE DEPARTMENT OF
12	EDUCATION TO PROVIDE ADDITIONAL FUNDING FOR LARGE RURAL
13	DISTRICTS, SMALL RURAL DISTRICTS, AND INSTITUTE CHARTER SCHOOLS.
14	THE DEPARTMENT OF EDUCATION SHALL DISTRIBUTE:
15	(I) FIFTY-FIVE PERCENT OF THE MONEY APPROPRIATED TO LARGE
16	RURAL DISTRICTS AND TO ELIGIBLE INSTITUTE CHARTER SCHOOLS AS
17	PROVIDED IN THIS SECTION; AND
18	(II) FORTY-FIVE PERCENT OF THE MONEY APPROPRIATED TO SMALL
19	RURAL DISTRICTS AND TO ELIGIBLE INSTITUTE CHARTER SCHOOLS AS
20	PROVIDED IN THIS SECTION.
21	(b) LARGE RURAL DISTRICTS, SMALL RURAL DISTRICTS, DISTRICT
22	CHARTER SCHOOLS, AND ELIGIBLE INSTITUTE CHARTER SCHOOLS THAT
23	RECEIVE MONEY PURSUANT TO THIS SECTION MAY USE THE MONEY ONLY
24	FOR NONRECURRING EXPENSES FOR THE PURPOSE OF IMPROVING STUDENT
25	LEARNING AND THE EDUCATIONAL ENVIRONMENT, INCLUDING BUT NOT
26	LIMITED TO INITIATIVES THAT HELP ATTRACT EDUCATOR EMPLOYEES,
27	INITIATIVES TO IMPROVE EDUCATOR TRAINING, INITIATIVES TO RETAIN

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1	EDUCATORS, LOAN FORGIVENESS FOR EDUCATORS AND STAFF, AND
2	TECHNOLOGY.
3	(3) (a) The department of education shall distribute to
4	EACH LARGE RURAL DISTRICT AND EACH SMALL RURAL DISTRICT AN
5	AMOUNT EQUAL TO THE APPLICABLE PER PUPIL DISTRIBUTION AMOUNT
6	MULTIPLIED BY THE LARGE RURAL DISTRICT'S OR SMALL RURAL DISTRICT'S
7	FUNDED PUPIL COUNT FOR THE $2018-19$ BUDGET YEAR.
8	(b) EACH LARGE RURAL DISTRICT AND EACH SMALL RURAL
9	DISTRICT THAT IS THE AUTHORIZER FOR A CHARTER SCHOOL SHALL
10	DISTRIBUTE TO THE CHARTER SCHOOL ONE HUNDRED PERCENT OF AN
11	AMOUNT EQUAL TO THE AMOUNT RECEIVED PURSUANT TO SUBSECTION
12	(3)(a) OF THIS SECTION DIVIDED BY THE FUNDED PUPIL COUNT OF THE
13	LARGE RURAL DISTRICT OR SMALL RURAL DISTRICT FOR THE 2018-19
14	BUDGET YEAR AND THEN MULTIPLIED BY THE NUMBER OF STUDENTS
15	ENROLLED IN THE CHARTER SCHOOL FOR THE $2018-19$ BUDGET YEAR.
16	(4) THE DEPARTMENT OF EDUCATION SHALL CALCULATE FOR EACH
17	ELIGIBLE INSTITUTE CHARTER SCHOOL AND DISTRIBUTE TO THE STATE
18	CHARTER SCHOOL INSTITUTE AN AMOUNT EQUAL TO THE APPLICABLE PER
19	PUPIL DISTRIBUTION AMOUNT MULTIPLIED BY THE NUMBER OF STUDENTS
20	ENROLLED IN THE ELIGIBLE INSTITUTE CHARTER SCHOOL FOR THE $2018\mbox{-}19$
21	BUDGET YEAR. THE STATE CHARTER SCHOOL INSTITUTE SHALL DISTRIBUTE
22	TO EACH ELIGIBLE INSTITUTE CHARTER SCHOOL ONE HUNDRED PERCENT
23	OF THE AMOUNT RECEIVED FOR THE ELIGIBLE INSTITUTE CHARTER SCHOOL
24	PURSUANT TO THIS SUBSECTION (4).
25	(5) EACH SCHOOL DISTRICT RECEIVING MONEY PURSUANT TO THIS
26	SECTION SHALL REPORT, IN DETAIL, TO THE DEPARTMENT OF EDUCATION,
27	BY A DATE DETERMINED BY THE DEPARTMENT:

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I	(a) THE SPECIFIC EXPENDITURES FOR WHICH THE LOCAL
2	EDUCATION PROVIDER USED THE MONEY RECEIVED PURSUANT TO THIS
3	SECTION; AND
4	(b) How such nonrecurring expenditures are related to
5	IMPROVING STUDENT LEARNING AND THE EDUCATIONAL ENVIRONMENT.
6	(6) This section is repealed, effective July 1, 2020.
7	
8	SECTION 5. In Colorado Revised Statutes, 22-20-114, amend
9	(1)(c)(III) as follows:
10	22-20-114. Funding of programs - legislative declaration.
11	(1) Subject to the provisions of subsection (3) of this section, for the
12	2005-06 budget year and each budget year thereafter, the total amount
13	appropriated to the department for the payment of costs incurred by
14	administrative units for the provision of special education programs shall
15	be distributed to each administrative unit that provides educational
16	services for children with disabilities as follows:
17	(c) (III) (A) For the 2013-14 budget year and each budget year
18	thereafter THROUGH THE 2018-19 BUDGET YEAR, in addition to any
19	amount that is available pursuant to subparagraph (I) of this paragraph (c)
20	SUBSECTION (1)(c)(I) OF THIS SECTION, the general assembly shall
21	appropriate twenty million dollars from the state education fund to the
22	department for the purposes of this paragraph (e) SUBSECTION (1)(c).
23	(B) FOR THE 2019-20 BUDGET YEAR AND EACH BUDGET YEAR
24	THEREAFTER, IN ADDITION TO ANY AMOUNT THAT IS AVAILABLE PURSUANT
25	TO SUBSECTION $(1)(c)(I)$ OF THIS SECTION, THE GENERAL ASSEMBLY SHALL
26	APPROPRIATE TWENTY-TWO MILLION DOLLARS, WHICH AMOUNT MAY BE
27	APPROPRIATED FROM THE STATE EDUCATION FUND OR THE GENERAL FUND

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1	OR AS AMOUNTS FROM BOTH FUNDS, TO THE DEPARTMENT FOR THE
2	PURPOSES OF THIS SUBSECTION (1)(c).
3	(B) (C) The general assembly hereby finds and declares that, for
4	the purposes of section 17 of article IX of the state constitution, providing
5	additional moneys MONEY to children with one or more disabilities, as
6	described in subparagraph (II) of this paragraph (c) SUBSECTION (1)(c)(II)
7	OF THIS SECTION, for a percentage of such children receiving special
8	education services from an administrative unit is a program for
9	accountable education reform and may therefore receive funding from the
10	state education fund created in section 17 (4) of article IX of the state
11	constitution.
12	SECTION 6. In Colorado Revised Statutes, 24-75-220, add (5)
13	as follows:
14	24-75-220. State education fund - transfers - surplus -
15	legislative declaration. (5) On July 1, 2019, the state treasurer
16	SHALL TRANSFER FORTY MILLION THREE HUNDRED TWENTY-SIX
17	THOUSAND EIGHT HUNDRED NINETY-SIX DOLLARS (\$40,326,896) FROM
18	THE GENERAL FUND TO THE STATE EDUCATION FUND CREATED IN SECTION
19	17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.
20	SECTION 7. Appropriation. For the 2019-20 state fiscal year,
21	\$22,000,000 is appropriated to the department of education. This
22	appropriation is from the general fund. To implement this act, the
23	<u>department may use this appropriation for special education programs for</u>
24	<u>children with disabilities.</u>
25	SECTION 8. Appropriation - adjustments to 2019 long bill. To
26	implement this act, the general fund appropriation made in the annual
27	general appropriation act for the 2019-20 state fiscal year to the

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1	department of education for the state share of districts' total program
2	funding is decreased by \$7,633,721.
3	SECTION 9. Appropriation to the department of education
4	for the fiscal year beginning July 1, 2019. In section 2 of Senate Bill
5	19-207, amend Part III (2)(A) Footnote 5, as follows:
6	Section 2. Appropriation.
7	<u>5</u> <u>Department of Education, Assistance to Public Schools, Public</u>
8	School Finance, State Share of Districts' Total Program Funding
9	Pursuant to Section 22-35-108 (2)(a), C.R.S., the purpose of this
10	footnote is to specify what portion of this appropriation is intended
11	to be available for the Accelerating Students Through Concurrent
12	Enrollment (ASCENT) Program for FY 2019-20. It is the General
13	Assembly's intent that the Department of Education be authorized
14	to utilize up to \$3,836,500 \$3,888,000 of this appropriation to
15	fund qualified students designated as ASCENT Program
16	participants. This amount is calculated based on an estimated 500
17	FTE participants funded at a rate of \$7,673 \$7,776 per FTE
18	pursuant to Section 22-54-104 (4.7), C.R.S.
19	SECTION 10. <u>Appropriation</u> . For the 2019-20 state fiscal year,
20	\$20,000,000 is appropriated to the department of education. This
21	appropriation is from the general fund. To implement this act, the
22	department may use this appropriation for additional funding for rural
23	schools authorized in section 22-54-141, C.R.S.
24	SECTION 11. Appropriation. For the 2019-20 state fiscal year,
25	\$2,509,623 is appropriated to the department of education. This
26	appropriation is from the general fund. To implement this act, the
2.7	department may use this appropriation for the state share of districts' total

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1	program funding.
2	SECTION 12. Appropriation. For the 2019-20 state fiscal year,
3	\$125,495 is appropriated to the department of education. This
4	appropriation is from the state education fund created in section 17 (4)(a)
5	of article IX of the state constitution. To implement this act, the
6	department may use this appropriation for hold-harmless full-day
7	kindergarten funding.
8	SECTION 13. Effective date. (1) Except as otherwise provided
9	in this section, this act takes effect upon passage.
10	(2) Section 11 of this act takes effect only if House Bill 19-1262
11	becomes law.
12	(3) Section 12 of this act takes effect only if House Bill 19-1262
13	does not become law.
14	SECTION 14. Safety clause. The general assembly hereby finds
15	determines, and declares that this act is necessary for the immediate
16	preservation of the public peace, health, and safety.

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