

CHAPTER 228

EDUCATION - PUBLIC SCHOOLS

SENATE BILL 22-127

BY SENATOR(S) Kirkmeyer and Zenzinger, Bridges, Coleman, Lundeen, Buckner, Cooke, Coram, Danielson, Donovan, Fields, Gardner, Ginal, Hansen, Hinrichsen, Kolker, Lee, Liston, Moreno, Pettersen, Priola, Rankin, Smallwood, Sonnenberg, Story, Winter, Woodward, Fenberg;
 also REPRESENTATIVE(S) Larson and McCluskie, Herod, Kipp, Amabile, Bacon, Bernett, Bird, Boesenecker, Caraveo, Duran, Esgar, Exum, Froelich, Geitner, Hooton, Jodeh, Lindsay, Lontine, Michaelson Jenet, Mullica, Ortiz, Roberts, Sirota, Tipper, Titone, Valdez A., Valdez D., Weissman, Young.

AN ACT

**CONCERNING FUNDING FOR SPECIAL EDUCATION SERVICES, AND, IN CONNECTION THEREWITH,
 MAKING AN APPROPRIATION.**

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

SECTION 1. In Colorado Revised Statutes, 22-20-114, **amend** (1) introductory portion, (1)(b), and (1)(c)(I); and **add** (1)(c)(III)(B.1), (1)(c)(III)(D), and (1.3) as follows:

22-20-114. Funding of programs - legislative declaration - repeal. (1) Subject to the provisions of subsection (3) of this section, for the 2005-06 budget year and each budget year thereafter, the total amount appropriated to the department for the payment of costs incurred by administrative units for the provision of special education programs ~~shall~~ **MUST** be distributed to each administrative unit that provides educational services for children with disabilities as follows:

(b)(I) FOR THE BUDGET YEARS PRECEDING THE 2022-23 BUDGET YEAR, an amount equal to one thousand two hundred fifty dollars for each child with disabilities receiving special education services from the administrative unit; ~~and~~

(II) EXCEPT AS SPECIFIED IN SUBSECTION (1.3) OF THIS SECTION, FOR THE 2022-23 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, AN AMOUNT EQUAL TO ONE THOUSAND SEVEN HUNDRED FIFTY DOLLARS FOR EACH CHILD WITH DISABILITIES RECEIVING SPECIAL EDUCATION SERVICES FROM THE ADMINISTRATIVE UNIT; AND

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.

(c) (I) If any amount of the total annual appropriation remains after the distributions specified in ~~paragraphs (a), (a.5), and (b) of this subsection (1)~~ SUBSECTIONS (1)(a), (1)(a.5), AND (1)(b) OF THIS SECTION have been made, and after the distribution of the portion of the total annual appropriation designated for high cost grants pursuant to subsection (2) of this section has been made, six thousand dollars per child with one or more disabilities, as described in ~~subparagraph (II) of this paragraph (c)~~ SUBSECTION (1)(c)(II) OF THIS SECTION, for a percentage of such children receiving special education services from the administrative unit. The department shall annually determine the percentage of such children for which an administrative unit may receive additional funding pursuant to this ~~paragraph (c)~~ SUBSECTION (1)(c) based on the amount of the remaining appropriation, the ~~moneys~~ MONEY available pursuant to ~~subparagraph (III) of this paragraph (c)~~ SUBSECTION (1)(c)(III) OF THIS SECTION, and the per pupil amount of six thousand dollars.

(III) (B.1) EXCEPT AS SPECIFIED IN SUBSECTION (1.3) OF THIS SECTION, FOR THE 2022-23 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, IN ADDITION TO ANY AMOUNT THAT IS AVAILABLE PURSUANT TO SUBSECTIONS (1)(c)(I), (1)(c)(III)(A), AND (1)(c)(III)(B) OF THIS SECTION, THE GENERAL ASSEMBLY SHALL APPROPRIATE TWENTY-SIX MILLION EIGHT HUNDRED TWENTY-FIVE THOUSAND DOLLARS, WHICH AMOUNT MAY BE APPROPRIATED FROM THE STATE EDUCATION FUND OR THE GENERAL FUND OR AS AMOUNTS FROM BOTH FUNDS, TO THE DEPARTMENT FOR THE PURPOSES OF THIS SUBSECTION (1)(c).

(D) IT IS THE INTENT OF THE GENERAL ASSEMBLY TO INCREASE FUNDING FOR SPECIAL EDUCATION SERVICES AS NECESSARY FOR THE 2023-24 BUDGET YEAR AND BUDGET YEARS THEREAFTER TO FULLY FUND SPECIAL EDUCATION SERVICES PURSUANT TO THIS SUBSECTION (1)(c).

(1.3) FOR THE 2024-25 BUDGET YEAR AND BUDGET YEARS THEREAFTER, THE DOLLAR AMOUNTS SET FORTH IN SUBSECTIONS (1)(b)(II) AND (1)(c)(III) OF THIS SECTION ARE ANNUALLY INCREASED BY THE RATE OF INFLATION. THE AMOUNTS MUST BE ROUNDED TO THE NEAREST DOLLAR. AS USED IN THIS SUBSECTION (1.3), "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 2. In Colorado Revised Statutes, 22-20-114.5, **add** (7) as follows:

22-20-114.5. Special education fiscal advisory committee - special education high-cost grants - report - definitions - repeal. (7) ON OR BEFORE JANUARY 1, 2023, THE COMMITTEE SHALL SUBMIT TO THE EDUCATION COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR COMMITTEES, A REPORT THAT INCLUDES BUT NEED NOT BE LIMITED TO:

(a) AN ANALYSIS OF FUNDING FOR SPECIAL EDUCATION SERVICES IN OTHER STATES COMPARED TO THE FUNDING MODEL USED IN COLORADO, WITH A FOCUS ON THE PROPORTIONATE SHARES PROVIDED BY FEDERAL, STATE, AND LOCAL FUNDING AND HOW OTHER STATES FUND DIFFERENT CATEGORIES OF DISABILITIES TO TARGET THE NEEDS OF CHILDREN WITH DISABILITIES;

(b) AN ANALYSIS OF THE ACTUAL COSTS TO PROVIDE SPECIAL EDUCATION SERVICES TO CHILDREN WITH DISABILITIES IN COLORADO;

(c) AN ANALYSIS OF THE EFFECTIVENESS OF THE CURRENT FUNDING MODEL FOR SPECIAL EDUCATION SERVICES AND WHETHER THE CURRENT FUNDING MODEL ADEQUATELY SUPPORTS SPECIAL EDUCATION SERVICES;

(d) AN EXAMINATION OF THE HIGH-COST SPECIAL EDUCATION TRUST FUND CREATED IN SECTION 22-20-114.7, INCLUDING HOW THE HIGH-COST SPECIAL EDUCATION TRUST FUND IS CURRENTLY OPERATING, WHO IS RECEIVING FUNDING FROM THE HIGH-COST SPECIAL EDUCATION TRUST FUND, AND HOW THE HIGH-COST SPECIAL EDUCATION TRUST FUND IMPACTS THOSE WHO RECEIVE FUNDS;

(e) AN ANALYSIS OF THE CURRENT DISABILITY CATEGORIES FOR CHILDREN WITH DISABILITIES DESCRIBED IN SECTION 22-20-103 (5)(a) AND WHETHER THE DISABILITY CATEGORIES ARE SUFFICIENT FOR MEETING THE NEEDS OF CHILDREN WITH DISABILITIES; AND

(f) RECOMMENDED CHANGES, IF ANY, TO THE SPECIAL EDUCATION SERVICES FUNDING MODEL DESCRIBED IN SECTION 22-20-114.

SECTION 3. Appropriation. For the 2022-23 state fiscal year, \$80,000,000 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 for special education programs for children with disabilities.

SECTION 4. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Approved: May 26, 2022