First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

PREAMENDED

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

LLS NO. 23-1004.03 Jacob Baus x2173

SENATE BILL 23-287

SENATE SPONSORSHIP

Zenzinger and Lundeen,

HOUSE SPONSORSHIP

McLachlan and Kipp,

Senate Committees

House Committees

Education Appropriations

A BILL FOR AN ACT

101 CONCERNING THE FINANCING OF PUBLIC SCHOOLS, AND, IN
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.)

The bill:

- Increases the statewide base per pupil funding for the 2023-24 budget year by \$598.25, to account for inflation;
- Sets as the new statewide base per pupil funding amount of \$8,076.41 for the 2023-24 budget year; and
- Sets the target number for the 2023-24 budget year at not

less than \$9,070,933,129.

Current law includes a 5-year averaging provision, which determines a district's pupil count for each budget year by determining the greater of the funded pupil count for the applicable budget year or an average of one to 4 of the prior budget years. The bill provides a similar averaging provision for the institute charter schools on a per-school basis.

For the 2023-24 budget year, the bill distributes \$30 million to large rural districts and small rural districts, including district charter schools and each institute charter school whose accounting district is a large or small rural district. Large rural districts receive 55% of the appropriation, and small rural districts receive 45% of the appropriation. The bill uses the districts' funded pupil count for the 2022-23 budget year.

The bill amends eligibility criteria for the mill levy override match program to exclude an otherwise eligible school district from receiving a state-funded override mill match if the sum of the district's override mills is equal to or greater than the district's override mill capacity, as defined by statute. For the 2023-24 budget year, the bill requires the transfer of \$23,376,536 from the state education fund to the mill levy override match fund and finds that the override mill match is a program for accountable education reform.

The bill requires the general assembly to appropriate \$300,000 from the state education fund to the department of education (department) for the purpose of reimbursing schools for expenses related to replacing an American Indian mascot, and finds that reimbursing schools for these expenses is a program for accountable education reform.

The bill requires the general assembly to appropriate from the state education fund the amount necessary to provide universal screening to identify gifted children through second grade by the 2027-28 budget year and finds that universal screening is a program for accountable education reform.

The bill specifies that for the purpose of any law, with certain exceptions, that applies to or exempts a public entity or a public official, a charter school has the same status as a school district, and certain persons affiliated with the charter school have the same status as a complementary counterpart in a school district. Furthermore, the bill clarifies the application of certain laws to charter schools.

The bill permits the department of education (department), school districts, and institute charter schools to consider life-cycle costs when contracting for technology.

Under current law, every 3 years, the department is required to prepare a report and evaluation on the successes or failures of charter schools, school reform efforts, and suggested changes to laws affecting charter schools. The bill makes this an annual requirement starting in the 2023-24 budget year.

Under current law, a new at-risk measure in the public school

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funding formula must be implemented in the 2023-24 budget year. The bill extends the implementation of this requirement to the 2024-25 budget year, and requires the department to conduct pre-implementation modeling and testing of total program funding using the new at-risk factor, and report modeling and testing findings to the education committees and joint budget committee.

The bill creates a public school finance task force for the purpose of examining and making recommendations concerning school finance. The task force is required to submit a report to the education committees of the senate and house of representatives and the joint budget committee by December 15, 2023. Furthermore, the task force is required to set parameters to examine the adequacy of school finance in Colorado, and the department is required to contract with two independent entities to report their findings by January 1, 2025.

The bill extends child nutrition school lunch protection program funding to be used to offset the costs incurred by a facility school in providing lunch to students who are placed in the facility and eligible to participate in the program.

The bill excludes the costs associated with providing for an independent evaluation from the 20% of the money appropriated to the Colorado imagination library program to be used by the contractor for operating costs.

The bill appropriates \$2.5 million to the mill levy equalization fund from the general fund for the 2023-24 budget year.

The bill appropriates \$500,000 to the department of education for the purpose of translating individualized education program documents if House Bill 23-1263 becomes law.

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

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2 **SECTION 1. Legislative declaration.** (1) The general assembly finds and declares that:

- (a) The annual total program funding of Colorado's schools is a collaborative effort between school districts and the state;
- (b) In recent years, the stabilization of the state budget has required a reduction in the amount of the annual appropriation to fund the state's share of total program funding for all school districts and institute charter schools. This reduction is commonly referred to as the "budget stabilization factor".

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(c) The school districts' share of total program funding is primarily derived from nonresidential and residential property tax revenue.

- (d) Colorado's current economic conditions are mixed. While property values have grown significantly, inflation has grown at its quickest pace in at least forty years. Because the school finance formula grows based upon inflation, there exists increasing state obligations to fund total program due to inflation that do not include a full buy-down of the budget stabilization factor. Furthermore, there is an expectation that inflation will not normalize until 2024, resulting in above normal per-pupil funding growth until the 2025-26 budget year.
- (e) Colorado's current economic conditions have also limited the amount of state education funds available to the state for the 2023-24 budget year. Colorado's wage growth is currently slowing, and the latest office of state planning and budgeting forecast predicts job losses in the 2023-24 budget year. Consequently, there is an expectation that income revenue will decline for the 2023-24 budget year, which impacts the money available for diversion from the state education fund.
- (f) There is, however, a great deal of uncertainty concerning the continuity and longevity of these current economic conditions. Most economists consider the risk of recession to be elevated. A recession would further limit money available for diversion in the state education fund and reduce available general fund resources. Furthermore, a recession would negatively impact the revenue available for total program from local share, due to potential declining property valuations, which consequently would increase the amount of money required of the state to fully fund total program, despite a decrease in state revenue.

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| 1 | (2) Therefore, the general assembly declares that it is committed |
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| 2 | to continuing the efforts to reduce the budget stabilization factor in |
| 3 | subsequent budget years to the degree possible, subject to the economic |
| 4 | landscape. By embracing a more measured approach, the state can avoid |
| 5 | reinstituting a budget stabilization factor if the economic environment |
| 6 | takes a more negative turn than what is currently forecasted. |
| 7 | SECTION 2. In Colorado Revised Statutes, 22-54-104, amend |
| 8 | (5)(g)(I) introductory portion, (5)(g)(II) introductory portion, (5)(g)(III) |
| 9 | introductory portion, (5)(g)(IV), and (5)(g)(V); and add (5)(a)(XXX), |
| 10 | (5)(g)(I)(N), $(5)(g)(II.7)$, and $(5)(g)(VIII)$ as follows: |
| 11 | 22-54-104. District total program <u>- definitions - repeal.</u> (5) For |
| 12 | purposes of the formulas used in this section: |
| 13 | (a) (XXX) For the 2023-24 budget year, the statewide base |
| 14 | PER PUPIL FUNDING IS \$8,076.41, WHICH IS AN AMOUNT EQUAL TO |
| 15 | \$7,478.16, supplemented by $$598.25$ to account for inflation. |
| 16 | (g) (I) For the 2010-11 budget year and each budget year |
| 17 | thereafter THROUGH THE 2023-24 BUDGET YEAR, the general assembly |
| 18 | determines that stabilization of the state budget requires a reduction in the |
| 19 | amount of the annual appropriation to fund the state's share of total |
| 20 | program funding for all districts and the funding for institute charter |
| 21 | schools. The department of education shall implement the reduction in |
| 22 | total program funding through the application of a budget stabilization |
| 23 | factor as provided in this subsection (5)(g)(I). For the 2010-11 budget |
| 24 | year and each budget year thereafter THROUGH THE 2023-24 BUDGET |
| 25 | YEAR, the department of education and the staff of the legislative council |
| 26 | shall determine, based on budget projections, the amount of such |
| 27 | reduction to ensure the following: |

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| 1 | (N) That, for the 2023-24 budget year, the sum of the total |
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| 2 | PROGRAM FUNDING FOR ALL DISTRICTS, INCLUDING THE FUNDING FOR |
| 3 | INSTITUTE CHARTER SCHOOLS, AFTER APPLICATION OF THE BUDGET |
| 4 | STABILIZATION FACTOR, IS NOT LESS THAN <u>NINE BILLION ONE HUNDRED</u> |
| 5 | ONE MILLION SIX HUNDRED THOUSAND NINE HUNDRED TWENTY-TWO |
| 6 | DOLLARS (\$9,101,600,922); EXCEPT THAT THE DEPARTMENT OF |
| 7 | EDUCATION AND THE STAFF OF THE LEGISLATIVE COUNCIL SHALL MAKE |
| 8 | MID-YEAR REVISIONS TO REPLACE PROJECTIONS WITH ACTUAL FIGURES, |
| 9 | INCLUDING BUT NOT LIMITED TO ACTUAL PUPIL ENROLLMENT, ASSESSED |
| 10 | VALUATIONS, AND SPECIFIC OWNERSHIP TAX REVENUE FROM THE PRIOR |
| 11 | YEAR, TO DETERMINE ANY NECESSARY CHANGES IN THE AMOUNT OF THE |
| 12 | REDUCTION TO MAINTAIN A TOTAL PROGRAM FUNDING AMOUNT FOR THE |
| 13 | APPLICABLE BUDGET YEAR THAT IS CONSISTENT WITH THIS SUBSECTION |
| 14 | (5)(g)(I)(N). For the 2024-25 budget year, the difference between |
| 15 | CALCULATED STATEWIDE TOTAL PROGRAM FUNDING AND ACTUAL |
| 16 | STATEWIDE TOTAL PROGRAM FUNDING MUST NOT EXCEED THE DIFFERENCE |
| 17 | BETWEEN CALCULATED STATEWIDE TOTAL PROGRAM FUNDING AND |
| 18 | ACTUAL STATEWIDE TOTAL PROGRAM FUNDING FOR THE 2023-24 BUDGET |
| 19 | YEAR. |
| 20 | (II) For the 2010-11 budget year and each budget year thereafter |
| 21 | THROUGH THE 2023-24 BUDGET YEAR, the department of education shall: |
| 22 | (II.7) FOR THE 2024-25 BUDGET YEAR AND EACH BUDGET YEAR |
| 23 | THEREAFTER, THE DEPARTMENT OF EDUCATION SHALL NOT REDUCE TOTAL |
| 24 | PROGRAM FUNDING THROUGH THE APPLICATION OF A BUDGET |
| 25 | STABILIZATION FACTOR. |
| 26 | (III) For the 2010-11 budget year and each budget year thereafter |
| 27 | THROUGH THE 2023-24 BUDGET YEAR, except as otherwise provided in |

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| 1 | subparagraphs (IV) and (V) of this paragraph (g) SUBSECTIONS (5)(g)(IV) |
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| 2 | AND (5)(g)(V) OF THIS SECTION, a district's total program shall be IS the |
| 3 | greater of: |
| 4 | (IV) For the 2010-11 budget year and each budget year thereafter |
| 5 | THROUGH THE 2023-24 BUDGET YEAR, the total program funding for a |
| 6 | district that levies the number of mills calculated pursuant to section |
| 7 | 22-54-106 (2)(a)(II), (2.1)(b)(I)(C), or (2.1)(c)(I), whichever is |
| 8 | applicable, is the amount calculated pursuant to subsection (2) of this |
| 9 | section for the applicable budget year. Any such district shall use the |
| 10 | revenues generated by the number of mills that the district levies pursuant |
| 11 | to section 22-54-106 (2)(a)(II), (2.1)(b)(I)(C), or (2.1)(c)(I), whichever is |
| 12 | applicable, to replace any categorical program support funds that the |
| 13 | district would otherwise be eligible to receive from the state; except that |
| 14 | the amount of categorical program support funds that the district is |
| 15 | required to replace must not exceed an amount equal to the district's |
| 16 | reduction amount. The department shall use the amount of categorical |
| 17 | program support funds replaced by property tax revenue pursuant to this |
| 18 | subsection (5)(g)(IV) to make payments of categorical program support |
| 19 | funds to eligible districts as specified in section 22-54-107 (4). |
| 20 | (V) For the 2010-11 budget year and each budget year thereafter |
| 21 | THROUGH THE 2023-24 BUDGET YEAR, if a district levies the number of |
| 22 | mills calculated pursuant to section 22-54-106 (2)(a)(I), (2.1)(b)(I)(A), |
| 23 | (2.1)(b)(I)(B), or $(2.1)(b)(II)$, or $(2.1)(c)(II)$, $(2.1)(c)(III)$, or $(2.1)(c)(IV)$, |
| 24 | whichever is applicable, and the district's reduction amount exceeds the |
| 25 | district's state share of total program funding, such district's total program |
| 26 | funding is the amount calculated pursuant to subsection (2) of this section |
| 27 | for the applicable budget year, minus the district's state aid. Any such |

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| 1 | district shall use the revenues generated by the number of mills that the |
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| 2 | district levies pursuant to section 22-54-106 (2)(a)(I), (2.1)(b)(I)(A), |
| 3 | (2.1)(b)(I)(B), or (2.1)(b)(II), or (2.1)(c)(II), (2.1)(c)(III), or (2.1)(c)(IV), |
| 4 | whichever is applicable, to replace any categorical program support funds |
| 5 | that the district would otherwise be eligible to receive from the state; |
| 6 | except that the amount of categorical program support funds that the |
| 7 | district is required to replace must not exceed an amount equal to the |
| 8 | remainder of the district's reduction amount after the reduction to the |
| 9 | district's total program has been applied pursuant to this subsection |
| 10 | (5)(g)(V). The department of education shall use the amount of |
| 11 | categorical program support funds replaced by property tax revenue |
| 12 | pursuant to this subsection (5)(g)(V) to make payments of categorical |
| 13 | program support funds to eligible districts as specified in section |
| 14 | <u>22-54-107 (4).</u> |
| 15 | (VIII) This subsection (5)(g) is repealed, effective July 1, |
| 16 | <u>2024.</u> |
| 17 | SECTION 3. In Colorado Revised Statutes, 22-54-103, amend |
| 18 | (7)(f)(II) and $(7)(f)(III)$; and add $(7)(f)(II.5)$ and $(7)(f)(II.6)$ as follows: |
| 19 | 22-54-103. Definitions. As used in this article 54, unless the |
| 20 | context otherwise requires: |
| 21 | (7) "Funded pupil count" means: |
| 22 | (f) (II) Notwithstanding any provision of law to the contrary, for |
| 23 | purposes of subsection (7)(f)(I) of this section, a district's funded pupil |
| 24 | count includes the certified pupil enrollment and online pupil enrollment |
| 25 | of each operating institute charter school for which the district is the |
| 26 | accounting district, AS PROVIDED PURSUANT TO SUBSECTIONS (7)(f)(II.5) |
| 27 | AND (7)(f)(II.6) OF THIS SECTION. The department of education shall add |

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| 1 | the institute charter school's certified pupil enrollment and online pupil |
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| 2 | enrollment to the funded pupil count of the district prior to calculating the |
| 3 | district's total program pursuant to section 22-54-104. |
| 4 | (II.5) For purposes of subsection $(7)(f)(II)$ of this section, |
| 5 | EACH OPERATING INSTITUTE CHARTER SCHOOL'S CERTIFIED PUPIL |
| 6 | ENROLLMENT IS THE GREATER OF: |
| 7 | (A) THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL |
| 8 | ENROLLMENT FOR THE APPLICABLE BUDGET YEAR; |
| 9 | (B) THE AVERAGE OF THE OPERATING INSTITUTE CHARTER |
| 10 | SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND |
| 11 | THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR |
| 12 | THE IMMEDIATELY PRECEDING BUDGET YEAR; |
| 13 | (C) THE AVERAGE OF THE OPERATING INSTITUTE CHARTER |
| 14 | SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND |
| 15 | THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR |
| 16 | THE TWO IMMEDIATELY PRECEDING BUDGET YEARS; |
| 17 | (D) THE AVERAGE OF THE OPERATING INSTITUTE CHARTER |
| 18 | SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND |
| 19 | THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR |
| 20 | THE THREE IMMEDIATELY PRECEDING BUDGET YEARS; OR |
| 21 | (E) THE AVERAGE OF THE OPERATING INSTITUTE CHARTER |
| 22 | SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND |
| 23 | THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR |
| 24 | THE FOUR IMMEDIATELY PRECEDING BUDGET YEARS. |
| 25 | (II.6) NOTWITHSTANDING ANY PROVISION OF LAW TO THE |
| 26 | CONTRARY, FOR PURPOSES OF SUBSECTION $(7)(f)(II.5)$ OF THIS SECTION, |
| 27 | AN OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT |

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| 1 | INCLUDES ITS ONLINE PUPIL ENROLLMENT, EXCEPT FOR MULTI-DISTRICT |
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| 2 | ONLINE SCHOOL PUPIL ENROLLMENT. |
| 3 | (III) The general assembly finds and declares that for the purposes |
| 4 | of section 17 of article IX of the state constitution, averaging a district's |
| 5 | pupil enrollment for the applicable budget year and the district's pupil |
| 6 | enrollment for the four immediately preceding budget years pursuant to |
| 7 | subsection (7)(f)(I)(E) of this section, AND THE AVERAGING OF AND |
| 8 | OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT AND |
| 9 | ONLINE PUPIL ENROLLMENT PURSUANT TO SUBSECTIONS $(7)(f)(II.5)$ and |
| 10 | (7)(f)(II.6), is a program for accountable education reform and may |
| 11 | therefore receive funding from the state education fund created in section |
| 12 | 17 (4) of article IX of the state constitution. |
| 13 | SECTION 4. In Colorado Revised Statutes, add 22-54-145 as |
| | |
| 14 | follows: |
| 1415 | follows: 22-54-145. Additional funding for rural schools - 2023-24 |
| | |
| 15 | 22-54-145. Additional funding for rural schools - 2023-24 |
| 15 16 | 22-54-145. Additional funding for rural schools - 2023-24 budget year - definitions - repeal. (1) AS USED IN THIS SECTION, UNLESS |
| 15 16 17 | 22-54-145. Additional funding for rural schools - 2023-24 budget year - definitions - repeal. (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES: |
| 15 16 17 18 | 22-54-145. Additional funding for rural schools - 2023-24 budget year - definitions - repeal. (1) As used in this section, unless the context otherwise requires: (a) "Eligible institute charter school" means an institute |
| 15 16 17 18 19 | 22-54-145. Additional funding for rural schools - 2023-24 budget year - definitions - repeal. (1) As used in this section, unless the context otherwise requires: (a) "Eligible institute charter school" means an institute charter school that has a small rural district or a large rural |
| 15 16 17 18 19 20 | 22-54-145. Additional funding for rural schools - 2023-24 budget year - definitions - repeal. (1) As used in this section, unless the context otherwise requires: (a) "Eligible institute charter school" means an institute charter school that has a small rural district or a large rural district as its accounting district. |
| 15 16 17 18 19 20 21 | 22-54-145. Additional funding for rural schools - 2023-24 budget year - definitions - repeal. (1) As used in this section, unless the context otherwise requires: (a) "Eligible institute charter school" means an institute charter school that has a small rural district or a large rural district as its accounting district. (b) "Large rural district" means a district that the |
| 15 16 17 18 19 20 21 22 | 22-54-145. Additional funding for rural schools - 2023-24 budget year - definitions - repeal. (1) As used in this section, unless the context otherwise requires: (a) "Eligible institute charter school" means an institute charter school that has a small rural district or a large rural district as its accounting district. (b) "Large rural district" means a district that the department of education determines is a rural district, based on |
| 15 16 17 18 19 20 21 22 23 | 22-54-145. Additional funding for rural schools - 2023-24 budget year - definitions - repeal. (1) As used in this section, unless the context otherwise requires: (a) "Eligible institute charter school" means an institute charter school that has a small rural district or a large rural district as its accounting district. (b) "Large rural district" means a district that the department of education determines is a rural district, based on the geographic size of the district and the distance of the |
| 15 16 17 18 19 20 21 22 23 24 | 22-54-145. Additional funding for rural schools - 2023-24 budget year - definitions - repeal. (1) As used in this section, unless the context otherwise requires: (a) "Eligible institute charter school" means an institute charter school that has a small rural district or a large rural district as its accounting district. (b) "Large rural district" means a district that the department of education determines is a rural district, based on the geographic size of the district and the distance of the district from the nearest large, urbanized area, and that had a |

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| 1 | (c) "PER PUPIL DISTRIBUTION AMOUNT" MEANS: |
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| 2 | (I) FOR A LARGE RURAL DISTRICT, AN AMOUNT EQUAL TO THIRTY |
| 3 | MILLION DOLLARS MULTIPLIED BY THE PERCENTAGE SPECIFIED IN |
| 4 | $\hbox{subsection}(2)(a)(I)\hbox{of this section divided by the sum of the total}$ |
| 5 | FUNDED PUPIL COUNT FOR THE 2022-23 BUDGET YEAR OF ALL LARGE |
| 6 | RURAL DISTRICTS AND THE TOTAL STUDENT ENROLLMENT FOR THE |
| 7 | 2022-23 BUDGET YEAR OF ALL ELIGIBLE INSTITUTE CHARTER SCHOOLS |
| 8 | THAT HAVE A LARGE RURAL DISTRICT AS THE ACCOUNTING DISTRICT; OR |
| 9 | (II) FOR A SMALL RURAL DISTRICT, AN AMOUNT EQUAL TO THIRTY |
| 10 | MILLION DOLLARS MULTIPLIED BY THE PERCENTAGE SPECIFIED IN |
| 11 | SUBSECTION (2)(a)(II) OF THIS SECTION DIVIDED BY THE SUM OF THE |
| 12 | TOTAL FUNDED PUPIL COUNT FOR THE 2022-23 BUDGET YEAR OF ALL |
| 13 | SMALL RURAL DISTRICTS AND THE TOTAL STUDENT ENROLLMENT FOR THE |
| 14 | 2022-23 BUDGET YEAR OF ALL ELIGIBLE INSTITUTE CHARTER SCHOOLS |
| 15 | THAT HAVE A SMALL RURAL DISTRICT AS THE ACCOUNTING DISTRICT. |
| 16 | (d) "SMALL RURAL DISTRICT" MEANS A DISTRICT THAT THE |
| 17 | DEPARTMENT OF EDUCATION DETERMINES IS A RURAL DISTRICT, BASED ON |
| 18 | THE GEOGRAPHIC SIZE OF THE DISTRICT AND THE DISTANCE OF THE |
| 19 | DISTRICT FROM THE NEAREST LARGE, URBANIZED AREA, AND THAT HAD A |
| 20 | FUNDED PUPIL COUNT FOR THE 2022-23 BUDGET YEAR OF FEWER THAN |
| 21 | ONE THOUSAND PUPILS IN KINDERGARTEN THROUGH TWELFTH GRADE. |
| 22 | (2) (a) For the 2023-24 budget year, the general assembly |
| 23 | SHALL APPROPRIATE THIRTY MILLION DOLLARS TO THE DEPARTMENT OF |
| 24 | EDUCATION TO PROVIDE ADDITIONAL FUNDING FOR LARGE RURAL |
| 25 | DISTRICTS, SMALL RURAL DISTRICTS, AND INSTITUTE CHARTER SCHOOLS. |
| 26 | THE DEPARTMENT OF EDUCATION SHALL DISTRIBUTE: |
| 27 | (I) FIFTY-FIVE PERCENT OF THE MONEY APPROPRIATED TO LARGE |

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| 1 | RURAL DISTRICTS AND TO ELIGIBLE INSTITUTE CHARTER SCHOOLS THAT |
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| 2 | HAVE A LARGE RURAL DISTRICT AS THEIR ACCOUNTING DISTRICT AS |
| 3 | PROVIDED IN THIS SECTION; AND |
| 4 | (II) FORTY-FIVE PERCENT OF THE MONEY APPROPRIATED TO SMALL |
| 5 | RURAL DISTRICTS AND TO ELIGIBLE INSTITUTE CHARTER SCHOOLS THAT |
| 6 | HAVE A SMALL RURAL DISTRICT AS THEIR ACCOUNTING DISTRICT AS |
| 7 | PROVIDED IN THIS SECTION. |
| 8 | (b) LARGE RURAL DISTRICTS, SMALL RURAL DISTRICTS, DISTRICT |
| 9 | CHARTER SCHOOLS, AND ELIGIBLE INSTITUTE CHARTER SCHOOLS THAT |
| 10 | RECEIVE MONEY PURSUANT TO THIS SECTION MAY USE THE MONEY ONLY |
| 11 | FOR NONRECURRING EXPENSES FOR THE PURPOSE OF IMPROVING STUDENT |
| 12 | LEARNING AND THE EDUCATIONAL ENVIRONMENT, INCLUDING, BUT NOT |
| 13 | LIMITED TO, INITIATIVES THAT HELP ATTRACT EDUCATOR EMPLOYEES, |
| 14 | INITIATIVES TO IMPROVE EDUCATOR TRAINING, INITIATIVES TO RETAIN |
| 15 | EDUCATORS, LOAN FORGIVENESS FOR EDUCATORS AND STAFF, AND |
| 16 | TECHNOLOGY. |
| 17 | (3) (a) The department of education shall distribute to |
| 18 | EACH LARGE RURAL DISTRICT AND EACH SMALL RURAL DISTRICT AN |
| 19 | AMOUNT EQUAL TO THE APPLICABLE PER PUPIL DISTRIBUTION AMOUNT |
| 20 | MULTIPLIED BY THE LARGE RURAL DISTRICT'S OR SMALL RURAL DISTRICT'S |
| 21 | FUNDED PUPIL COUNT FOR THE 2022-23 BUDGET YEAR. |
| 22 | (b) EACH LARGE RURAL DISTRICT AND EACH SMALL RURAL |
| 23 | DISTRICT THAT IS THE AUTHORIZER FOR A CHARTER SCHOOL SHALL |
| 24 | DISTRIBUTE TO THE CHARTER SCHOOL ONE HUNDRED PERCENT OF AN |
| 25 | AMOUNT EQUAL TO THE AMOUNT RECEIVED PURSUANT TO SUBSECTION |
| 26 | (3)(a) OF THIS SECTION DIVIDED BY THE FUNDED PUPIL COUNT OF THE |
| 27 | LARGE RURAL DISTRICT OR SMALL RURAL DISTRICT FOR THE 2022-23 |

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| 1 | BUDGET YEAR MULTIPLIED BY THE NUMBER OF STUDENTS ENROLLED IN |
|--|--|
| 2 | THE CHARTER SCHOOL FOR THE 2022-23 BUDGET YEAR. |
| 3 | (4) THE DEPARTMENT OF EDUCATION SHALL CALCULATE FOR EACH |
| 4 | ELIGIBLE INSTITUTE CHARTER SCHOOL AND DISTRIBUTE TO THE STATE |
| 5 | CHARTER SCHOOL INSTITUTE AN AMOUNT EQUAL TO THE APPLICABLE PER |
| 6 | PUPIL DISTRIBUTION AMOUNT MULTIPLIED BY THE NUMBER OF STUDENTS |
| 7 | ENROLLED IN THE ELIGIBLE INSTITUTE CHARTER SCHOOL FOR THE $2022\hbox{-}23$ |
| 8 | BUDGET YEAR. THE STATE CHARTER SCHOOL INSTITUTE SHALL DISTRIBUTE |
| 9 | TO EACH ELIGIBLE INSTITUTE CHARTER SCHOOL ONE HUNDRED PERCENT |
| 10 | OF THE AMOUNT RECEIVED FOR THE ELIGIBLE INSTITUTE CHARTER SCHOOL |
| 11 | PURSUANT TO THIS SUBSECTION (4). |
| 12 | (5) This section is repealed, effective July 1, 2025. |
| 13 | SECTION 5. In Colorado Revised Statutes, add 22-54-146 as |
| 14 | <u>follows:</u> |
| | |
| 15 | 22-54-146. Hold-harmless at-risk funding - 2023-24 budget |
| 15 16 | <u>vear - repeal. (1) For the 2023-24 budget year, a district's at-risk</u> |
| | |
| 16 | year - repeal. (1) For the 2023-24 budget year, a district's at-risk |
| 16 17 | year - repeal. (1) For the 2023-24 budget year, a district's at-risk funding, as determined pursuant to section 22-54-104 (4), is the |
| 16 17 18 | <u>year - repeal.</u> (1) For the 2023-24 budget year, a district's at-risk funding, as determined pursuant to section 22-54-104 (4), is the greater of the district's at-risk funding amount for the 2022-23 |
| 16 17 18 19 | year - repeal. (1) For the 2023-24 budget year, a district's at-risk funding, as determined pursuant to section 22-54-104 (4), is the greater of the district's at-risk funding amount for the 2022-23 budget year or the district's at-risk funding amount for the |
| 16 17 18 19 20 | year - repeal. (1) For the 2023-24 budget year, a district's at-risk funding, as determined pursuant to section 22-54-104 (4), is the greater of the district's at-risk funding amount for the 2022-23 budget year or the district's at-risk funding amount for the 2023-24 budget year. |
| 16 17 18 19 20 21 | year - repeal. (1) For the 2023-24 budget year, a district's at-risk funding, as determined pursuant to section 22-54-104 (4), is the greater of the district's at-risk funding amount for the 2022-23 budget year or the district's at-risk funding amount for the 2023-24 budget year. (2) If, pursuant to subsection (1) of this section, a |
| 16 17 18 19 20 21 22 | year - repeal. (1) For the 2023-24 budget year, a district's at-risk funding, as determined pursuant to section 22-54-104 (4), is the greater of the district's at-risk funding amount for the 2022-23 budget year or the district's at-risk funding amount for the 2023-24 budget year. (2) If, pursuant to subsection (1) of this section, a district's at-risk funding amount for the 2022-23 budget year. |
| 16 17 18 19 20 21 22 23 | year - repeal. (1) For the 2023-24 budget year, a district's at-risk funding, as determined pursuant to section 22-54-104 (4), is the greater of the district's at-risk funding amount for the 2022-23 budget year or the district's at-risk funding amount for the 2023-24 budget year. (2) If, pursuant to subsection (1) of this section, a district's at-risk funding amount for the 2022-23 budget year was greater than the district's at-risk funding amount for the |
| 16 17 18 19 20 21 22 23 24 | year - repeal. (1) For the 2023-24 budget year, a district's at-risk funding, as determined pursuant to section 22-54-104 (4), is the greater of the district's at-risk funding amount for the 2022-23 budget year or the district's at-risk funding amount for the 2023-24 budget year. (2) If, pursuant to subsection (1) of this section, a district's at-risk funding amount for the 2022-23 budget year was greater than the district's at-risk funding amount for the 2022-24 budget year, any additional amount owed to that |

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| 1 | (3) This section is repealed, effective July 1, 2025. |
|-----|--|
| 2 | SECTION 6. In Colorado Revised Statutes, 22-54-107.9, add (7) |
| 3 | and (8) as follows: |
| 4 | 22-54-107.9. Override mill levy match - calculation - |
| 5 | distribution - fund created - legislative declaration - definitions. (7) |
| 6 | (a) On July 1, 2023, the state treasurer shall transfer |
| 7 | TWENTY-THREE MILLION THREE HUNDRED SEVENTY-SIX THOUSAND FIVE |
| 8 | HUNDRED THIRTY-SIX DOLLARS FROM THE STATE EDUCATION FUND TO THE |
| 9 | MILL LEVY OVERRIDE MATCH FUND. |
| 10 | (b) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT FOR THE |
| 11 | PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, |
| 12 | PROVIDING ELIGIBLE SCHOOL DISTRICTS AND ELIGIBLE INSTITUTE CHARTER |
| 13 | SCHOOLS AN OVERRIDE MILL MATCH PURSUANT TO THIS SECTION IS A |
| 14 | PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND MAY THEREFORE |
| 15 | RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION |
| 16 | 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION. |
| 17 | (8) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE |
| 18 | CONTRARY, FOR THE 2022-23 BUDGET YEAR AND BUDGET YEARS |
| 19 | THEREAFTER, THE DEPARTMENT OF EDUCATION SHALL NOT CALCULATE |
| 20 | AND DISTRIBUTE TO AN ELIGIBLE DISTRICT OR AN ELIGIBLE INSTITUTE |
| 21 | CHARTER SCHOOL AN OVERRIDE MILL MATCH AMOUNT AS PROVIDED IN |
| 22 | THIS SECTION IF THE SUM OF THE DISTRICT'S OVERRIDE MILLS IS EQUAL TO |
| 23 | OR GREATER THAN THE DISTRICT'S OVERRIDE MILL CAPACITY. |
| 24 | SECTION 7. In Colorado Revised Statutes, 22-1-133, add (7) as |
| 25 | follows: |
| 26 | 22-1-133. Prohibition on use of American Indian mascots - |
| 2.7 | exemptions - definitions. (7) (a) A PUBLIC SCHOOL THAT IS IDENTIFIED |

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| 1 | TO BE IN VIOLATION OF SUBSECTION (2) OF THIS SECTION FOR USING AN |
|----|--|
| 2 | AMERICAN INDIAN MASCOT MAY APPLY TO THE DEPARTMENT OF |
| 3 | EDUCATION FOR REIMBURSEMENT OF EXPENSES INCURRED FOR THE |
| 4 | 2021-22 BUDGET YEAR THROUGH THE 2023-24 BUDGET YEAR THAT WERE |
| 5 | NECESSARY TO COMPLY WITH THIS SECTION. |
| 6 | (b) (I) On or after July 1, 2023, the department of |
| 7 | EDUCATION SHALL DISTRIBUTE FUNDS FOR REIMBURSEMENT OF EXPENSES |
| 8 | INCURRED FOR THE 2021-22 BUDGET YEAR AND THE 2022-23 BUDGET |
| 9 | YEAR THAT WERE NECESSARY TO COMPLY WITH THIS SECTION. THE |
| 10 | DEPARTMENT OF EDUCATION SHALL FULLY FUND ALL REQUESTS FOR |
| 11 | REIMBURSEMENT; EXCEPT THAT IF INSUFFICIENT FUNDS EXIST PURSUANT |
| 12 | TO THE APPROPRIATION MADE PURSUANT TO THIS SUBSECTION (7), THE |
| 13 | DEPARTMENT SHALL REIMBURSE EXPENSES PROPORTIONATELY. |
| 14 | (II) On or after July $1,2024$, the department of education |
| 15 | SHALL DISTRIBUTE FUNDS FOR REIMBURSEMENT OF EXPENSES INCURRED |
| 16 | FOR THE 2023-24 BUDGET YEAR THAT WERE NECESSARY TO COMPLY WITH |
| 17 | THIS SECTION. THE DEPARTMENT OF EDUCATION SHALL FULLY FUND ALL |
| 18 | REQUESTS FOR REIMBURSEMENT; EXCEPT THAT IF INSUFFICIENT FUNDS |
| 19 | EXIST PURSUANT TO THE APPROPRIATION MADE PURSUANT TO THIS |
| 20 | SUBSECTION (7), THE DEPARTMENT SHALL REIMBURSE EXPENSES |
| 21 | PROPORTIONATELY. |
| 22 | (III) THE DEPARTMENT OF EDUCATION SHALL ESTABLISH A |
| 23 | PROCESS AND DEADLINES FOR RECEIVING REQUESTS FOR REIMBURSEMENT |
| 24 | PURSUANT TO THIS SUBSECTION (7), THE TIMING FOR DISBURSEMENTS, AND |
| 25 | ANY PARAMETERS NECESSARY TO DETERMINE PROPORTIONATE |
| 26 | REIMBURSEMENT. |

(c) THE DEPARTMENT OF EDUCATION SHALL NOT REIMBURSE

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| 1 | EXPENSES INCURRED BY A PUBLIC SCHOOL FOR PAYING THE FINE |
|----|---|
| 2 | PURSUANT TO SUBSECTION (3) OF THIS SECTION. |
| 3 | (d) For the 2023-24 budget year, the general assembly |
| 4 | SHALL APPROPRIATE THREE HUNDRED THOUSAND DOLLARS FROM THE |
| 5 | STATE EDUCATION FUND FOR THE PURPOSE OF THIS SUBSECTION (7). ANY |
| 6 | UNEXPENDED MONEY REMAINING AT THE END OF THE 2023-24 BUDGET |
| 7 | YEAR MAY BE USED BY THE DEPARTMENT OF EDUCATION THROUGH THE |
| 8 | 2024-25BUDGETYEARWITHOUTFURTHERAPPROPRIATIONANDMUSTNOT |
| 9 | BE USED FOR ANY OTHER PURPOSE OTHER THAN THE PURPOSES SET FORTH |
| 10 | IN THIS SUBSECTION (7). |
| 11 | (e) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT FOR THE |
| 12 | PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, |
| 13 | PROVIDING REIMBURSEMENT OF EXPENSES PURSUANT TO THIS SUBSECTION |
| 14 | (7) THAT WERE INCURRED IN ORDER TO COMPLY WITH THIS SECTION IS A |
| 15 | PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND MAY THEREFORE |
| 16 | RECEIVE FUNDING FROM THE STATE EDUCATION FUND CREATED IN SECTION |
| 17 | 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION. |
| 18 | SECTION 8. In Colorado Revised Statutes, 22-1-135, add (3) as |
| 19 | follows: |
| 20 | 22-1-135. Terms and conditions in public school contracts - |
| 21 | definitions. (3) (a) FOR CONTRACTS EXECUTED ON OR AFTER JULY 1, |
| 22 | 2023, WHEN REVIEWING PROPOSALS RECEIVED AND FOR SELECTING THE |
| 23 | ENTITY TO PROVIDE TECHNOLOGY, IN ACCORDANCE WITH THE |
| 24 | PROCUREMENT LAWS APPLICABLE TO THE DEPARTMENT, SCHOOL DISTRICT, |
| 25 | OR INSTITUTE CHARTER SCHOOL, THE DEPARTMENT, SCHOOL DISTRICT, OR |
| 26 | INSTITUTE CHARTER SCHOOL MAY CONSIDER LIFE-CYCLE COST. |
| 27 | (b) For the purpose of this subsection (3), unless the |

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| 1 | CONTEXT OTHERWISE REQUIRES: |
|----|--|
| 2 | (I) "LIFE-CYCLE COST" MEANS THE PURCHASE COST OF |
| 3 | TECHNOLOGY MINUS THE RESALE VALUE AT THE END OF THE |
| 4 | TECHNOLOGY'S EXPECTED USEFUL LIFE, IN ADDITION TO THE |
| 5 | MAINTENANCE INCURRED DURING THE TECHNOLOGY'S EXPECTED USEFUL |
| 6 | LIFE. |
| 7 | (II) "TECHNOLOGY" MEANS ANY DEVICE, COMPUTER, HARDWARE, |
| 8 | SOFTWARE, OR RELATED ACCESSORY. |
| 9 | SECTION 9. In Colorado Revised Statutes, 22-20-114, add (8) |
| 10 | <u>as follows:</u> |
| 11 | 22-20-114. Funding of programs - legislative declaration - |
| 12 | repeal. (8) (a) For the 2023-24 budget year, the general assembly |
| 13 | SHALL APPROPRIATE TEN MILLION DOLLARS TO THE DEPARTMENT FROM |
| 14 | THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX |
| 15 | OF THE STATE CONSTITUTION TO BE DISTRIBUTED PURSUANT TO THE |
| 16 | REQUIREMENTS SET FORTH IN SUBSECTION (8)(b) OF THIS SECTION TO |
| 17 | PRESCHOOL PROVIDERS THAT ARE A SCHOOL OF A SCHOOL DISTRICT, |
| 18 | DISTRICT CHARTER SCHOOL, OR AN INSTITUTE CHARTER SCHOOL. |
| 19 | (b) A PRESCHOOL PROVIDER THAT IS A SCHOOL OF A SCHOOL |
| 20 | DISTRICT, DISTRICT CHARTER SCHOOL, OR AN INSTITUTE CHARTER SCHOOL |
| 21 | MUST ONLY RECEIVE FUNDING PURSUANT TO THIS SUBSECTION (8) IF THE |
| 22 | DEPARTMENT DETERMINES THAT, EVEN WITH THE FUNDING RECEIVED |
| 23 | PURSUANT TO SECTION 26.5-4-208, THE ELIGIBLE PRESCHOOL PROVIDER |
| 24 | IS PROJECTED, BASED ON ELIGIBLE CHILDREN ENROLLED IN THE UNIVERSAL |
| 25 | PRESCHOOL PROGRAM CREATED IN SECTION 26.5-4-204, TO RECEIVE LESS |
| 26 | THAN THE PRESCHOOL PROVIDER'S TOTAL PRESCHOOL FUNDING FOR ALL |
| 27 | PRESCHOOL POSITIONS IN THE 2022-23 FISCAL YEAR. THIS FUNDING IS |

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| 1 | INTENDED TO ENSURE THAT ADMINISTRATIVE UNITS CAN MEET THE |
|----|---|
| 2 | FEDERAL MAINTENANCE OF EFFORT REQUIREMENTS PURSUANT TO THE |
| 3 | IDEA. IF THE TOTAL AMOUNT OF FUNDING DISTRIBUTED TO ELIGIBLE |
| 4 | PRESCHOOL PROVIDERS IS LESS THAN TEN MILLION DOLLARS, THE |
| 5 | DEPARTMENT SHALL TRANSFER THE DIFFERENCE BETWEEN THE |
| 6 | DISTRIBUTED AMOUNT AND THE TEN MILLION DOLLARS TO THE STATE |
| 7 | TREASURER WHO SHALL CREDIT THE MONEY RECEIVED TO THE STATE |
| 8 | EDUCATION FUND. |
| 9 | (c) This subsection (8) is repealed, effective July 1, 2024.". |
| 10 | SECTION 10. In Colorado Revised Statutes, 22-20-205, add (5) |
| 11 | as follows: |
| 12 | 22-20-205. Gifted education - funding - legislative declaration. |
| 13 | (5) (a) Beginning in the 2023-24 budget year, the general |
| 14 | ASSEMBLY SHALL APPROPRIATE FROM THE STATE EDUCATION FUND THE |
| 15 | AMOUNT NECESSARY EACH BUDGET YEAR TO PROVIDE BY THE 2027-28 |
| 16 | BUDGET YEAR FULL UNIVERSAL SCREENING OF ENROLLED STUDENTS NO |
| 17 | LATER THAN SECOND GRADE TO IDENTIFY GIFTED CHILDREN AND A |
| 18 | SECOND SCREENING OF GIFTED CHILDREN IN CONJUNCTION WITH THE |
| 19 | CREATION OF EACH CHILD'S INDIVIDUAL CAREER AND ACADEMIC PLAN, |
| 20 | AND QUALIFIED PERSONNEL NECESSARY TO PROVIDE THE SCREENINGS. |
| 21 | (b) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT FOR THE |
| 22 | PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION, |
| 23 | PROVIDING FUNDS FOR UNIVERSAL SCREENING FOR THE PURPOSE OF |
| 24 | PROVIDING UNIVERSAL SCREENING OF ENROLLED STUDENTS NO LATER |
| 25 | THAN SECOND GRADE TO IDENTIFY GIFTED CHILDREN AND A SECOND |
| 26 | SCREENING OF GIFTED CHILDREN IN CONJUNCTION WITH THE CREATION OF |
| 27 | EACH CHILD'S INDIVIDUAL CAREER AND ACADEMIC PLAN, AND QUALIFIED |

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| 1 | PERSONNEL NECESSARY TO PROVIDE THE SCREENINGS, PURSUANT TO THIS |
|-----|--|
| 2 | SECTION IS A PROGRAM FOR ACCOUNTABLE EDUCATION REFORM AND MAY |
| 3 | THEREFORE RECEIVE FUNDING FROM THE STATE EDUCATION FUND |
| 4 | CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION. |
| 5 | SECTION 11. In Colorado Revised Statutes, add 22-30.5-104.9 |
| 6 | as follows: |
| 7 | 22-30.5-104.9. Charter schools - status as public entities - |
| 8 | requirements - charter school boards of directors and school leaders |
| 9 | - duties - conflicts - applicable law - definitions. (1) AS USED IN THIS |
| 10 | SECTION: |
| 11 | (a) "CHARTER SCHOOL" MEANS A CHARTER SCHOOL CREATED AND |
| 12 | OPERATING PURSUANT TO THIS PART 1, AN INSTITUTE CHARTER SCHOOL |
| 13 | CREATED AND OPERATING PURSUANT TO PART 5 OF THIS ARTICLE 30.5, A |
| 14 | CHARTER SCHOOL NETWORK CREATED AND OPERATING PURSUANT TO |
| 15 | SECTION 22-30.5-104.7, A CHARTER SCHOOL COLLABORATIVE CREATED |
| 16 | AND OPERATING PURSUANT TO PART 6 OF THIS ARTICLE 30.5, OR A |
| 17 | CHARTER SCHOOL CREATED AND OPERATED BY THE COLORADO SCHOOL |
| 18 | FOR THE DEAF AND BLIND PURSUANT TO SECTION 22-80-102 (4)(b). |
| 19 | (b) "PUBLIC ENTITY" MEANS A PUBLIC BODY, LOCAL PUBLIC BODY, |
| 20 | PUBLIC CORPORATION, BODY POLITIC AND CORPORATE, POLITICAL |
| 21 | SUBDIVISION, PUBLIC UNIT, OR ANY OTHER DEFINED TERM IN LAW IN |
| 22 | WHICH SCHOOL DISTRICTS, INCLUDING CHARTER SCHOOLS, ARE EXPRESSLY |
| 23 | INCLUDED IN OR EXEMPT FROM THE PUBLIC SECTOR IN THE DEFINITION OR |
| 24 | APPLICATION OF THE DEFINED TERM. |
| 25 | _ |
| 26 | (2) FOR THE PURPOSE OF ANY LAW, EXCLUDING TITLE 1, TITLE 7, |
| 2.7 | AND THIS TITLE 22. THAT APPLIES TO OR EXEMPTS A PUBLIC ENTITY OR |

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| 1 | THAT APPLIES TO OR EXEMPTS A PUBLIC OFFICIAL: |
|----|---|
| 2 | (a) A CHARTER SCHOOL HAS THE SAME PUBLIC STATUS AS A PUBLIC |
| 3 | SCHOOL THAT IS GEOGRAPHICALLY LOCATED IN THE SAME SCHOOL |
| 4 | DISTRICT; |
| 5 | (b) Board directors and school leaders, by virtue of their |
| 6 | ROLES WITHIN A PUBLIC CHARTER SCHOOL, ARE DEEMED PUBLIC |
| 7 | <u>SERVANTS;</u> AND |
| 8 | (c) A SCHOOL LEADER OF A CHARTER SCHOOL HAS THE SAME OR |
| 9 | SIMILAR AUTHORITY AS A SCHOOL DISTRICT SUPERINTENDENT. |
| 10 | (3) A CHARTER SCHOOL THAT IS OPERATING ON THE EFFECTIVE |
| 11 | DATE OF THIS SECTION SHALL PROVIDE THE INFORMATION REQUIRED FOR |
| 12 | AN INVENTORY OF LOCAL GOVERNMENT PURSUANT TO SECTION 24-32-116 |
| 13 | TO THE DEPARTMENT OF LOCAL AFFAIRS WITHIN NINETY DAYS AFTER THE |
| 14 | EFFECTIVE DATE OF THIS SECTION. A CHARTER SCHOOL THAT BEGINS |
| 15 | OPERATING AFTER THE EFFECTIVE DATE OF THIS SECTION SHALL PROVIDE |
| 16 | SUCH INFORMATION TO THE DEPARTMENT OF LOCAL AFFAIRS WITHIN |
| 17 | NINETY DAYS AFTER BECOMING A CHARTER SCHOOL AS DETERMINED |
| 18 | PURSUANT TO SUBSECTION (7) OF THIS SECTION. |
| 19 | (4) A PERSON WHO IS A DIRECTOR ON A CHARTER SCHOOL BOARD |
| 20 | OF DIRECTORS ON THE EFFECTIVE DATE OF THIS SECTION SHALL TAKE, |
| 21 | SIGN, AND FILE AN OATH OF OFFICE PURSUANT TO SECTION 24-12-101 |
| 22 | WITHIN EIGHTY DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION. A |
| 23 | PERSON WHO BECOMES A DIRECTOR ON A CHARTER SCHOOL BOARD OF |
| 24 | DIRECTORS AFTER THE EFFECTIVE DATE OF THIS SECTION SHALL TAKE, |
| 25 | SIGN, AND FILE AN OATH OF OFFICE PURSUANT TO SECTION 24-12-101 NO |
| 26 | LATER THAN EIGHTY DAYS AFTER BECOMING A DIRECTOR ON THE CHARTER |
| 27 | SCHOOL BOARD OF DIRECTORS. |

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| 1 | (5) NOTWITHSTANDING ANY OTHER PROVISION OF LAW AND |
|----|--|
| 2 | UNLESS OTHERWISE STATED IN TITLE 7, IF THERE IS A CONFLICT BETWEEN |
| 3 | A LAW THAT IS SPECIFICALLY APPLICABLE TO CHARTER SCHOOLS AND ANY |
| 4 | PROVISION IN ARTICLES 30 OR 121 THROUGH 137 OF TITLE 7, AND ANY |
| 5 | STATUTE INCORPORATED BY REFERENCE THEREIN, THE LAW THAT IS |
| 6 | SPECIFICALLY APPLICABLE TO CHARTER SCHOOLS CONTROLS. |
| 7 | (6) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (2) OF |
| 8 | THIS SECTION, EACH CHARTER SCHOOL IS SUBJECT TO THE PROVISIONS OF |
| 9 | SECTION 1-45-117 AS A POLITICAL SUBDIVISION OF THE STATE. |
| 10 | (7) FOR PURPOSES OF ANY LAW THAT IS MADE APPLICABLE TO |
| 11 | CHARTER SCHOOLS PURSUANT TO THIS SECTION, A CHARTER SCHOOL |
| 12 | APPLICANT IS DEEMED TO HAVE BECOME A CHARTER SCHOOL ON JULY 1 |
| 13 | FOLLOWING THE EXECUTION OF A CONTRACT BY THE APPLICANT. |
| 14 | SECTION 12. In Colorado Revised Statutes, 22-30.5-113, |
| 15 | amend (1) and (2) as follows: |
| 16 | 22-30.5-113. State board - department of education - duties - |
| 17 | charter schools - evaluation - report. (1) Notwithstanding section |
| 18 | 24-1-136 (11)(a)(I), beginning in the 2004-05 budget year, and at least |
| 19 | every three years thereafter THROUGH THE 2021-22 BUDGET YEAR, the |
| 20 | department shall prepare a report and evaluation for the governor and the |
| 21 | house and senate committees on education on the success or failure of |
| 22 | charter schools and of institute charter schools authorized pursuant to part |
| 23 | 5 of this article 30.5, their relationship to other school reform efforts, and |
| 24 | suggested changes in state law necessary to strengthen or change the |
| 25 | charter school program described in this article 30.5. THE DEPARTMENT |
| 26 | IS AUTHORIZED TO COLLECT INFORMATION AS NECESSARY TO PREPARE THE |
| 27 | REPORT. BEGINNING IN THE 2023-24 BUDGET YEAR, THE DEPARTMENT |

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| 1 | SHALL ANNUALLY PREPARE A REPORT AND EVALUATION DESCRIBED IN |
|----|---|
| 2 | THIS SUBSECTION (1). |
| 3 | (2) The state board shall compile evaluations of charter schools |
| 4 | received from local boards of education and evaluations of institute |
| 5 | charter schools prepared by the state charter school institute created in |
| 6 | section 22-30.5-503. The state board shall review AND REPORT ON |
| 7 | information regarding the statutes, regulations, and policies GOVERNING |
| 8 | CHARTER SCHOOL OVERSIGHT AND SUPPORT AND STATUTES, |
| 9 | REGULATIONS, AND POLICIES from which charter schools were released |
| 10 | pursuant to section 22-30.5-105 and from which institute charter schools |
| 11 | were released pursuant to section 22-30.5-508 to determine if the releases |
| 12 | assisted or impeded the charter schools or the institute charter schools in |
| 13 | meeting their stated goals and objectives. |
| 14 | SECTION 13. In Colorado Revised Statutes, 22-54-104.6, |
| 15 | amend (3) introductory portion, (4), (10)(b), and (12); and add <u>(11.3)</u> , |
| 16 | (11.5), and (11.7) as follows: |
| 17 | 22-54-104.6. Implementation of at-risk measure - working |
| 18 | group - creation - department duties - reports - legislative declaration |
| 19 | - definitions - repeal. (3) Beginning in the 2023-24 2024-25 budget |
| 20 | year, there is created a new at-risk measure in the public school funding |
| 21 | formula for identifying students who are at risk of below-average |
| 22 | academic outcomes because of socioeconomic disadvantage or poverty. |
| 23 | The new at-risk measure replaces the at-risk measure in effect for the |
| 24 | 2022-23 2023-24 budget year. The new at-risk measure is designed to |
| 25 | allocate financial resources to public schools to serve the needs of at-risk |
| 26 | students. The new at-risk measure includes: |
| 27 | (4) On or before August 15, 2022, the commissioner shall |

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convene a working group to prepare for the implementation in the 2023-24 2024-25 budget year of the new at-risk measure created in subsection (3) of this section.

- (10) Not later than January 31, 2023, the commissioner shall submit a report to the legislative interim committee on school finance, the joint budget committee, and the education committees of the house of representatives and the senate, or any successor committees, including:
- (b) Findings and recommendations of the working group for implementation of the new at-risk measure, for the 2023-24 budget year including recommendations for any legislation necessary to implement the new at-risk measure, as well as financial resources needed to administer the new at-risk measure;
- (11.3) THE DEPARTMENT OF EDUCATION SHALL COLLECT DATA NECESSARY TO IDENTIFY INDIVIDUAL STUDENT CENSUS BLOCK GROUPS.
- (11.5) (a) In order to prepare for the implementation of the New at-risk measure for the 2024-25 budget year, the department of education shall conduct pre-implementation modeling and testing of the New at-risk <u>measure</u>. At a minimum, the department shall simulate 2024-25 budget year total program calculations, including the New at-risk measure recommended by the working group instead of the at-risk measure in effect for the 2023-24 budget year.
- (b) Not later than January 5, 2024, the commissioner of Education shall submit a report to the Education committees of the senate and house of representatives, or any successor committees, and the joint budget committee, including:
- (I) A SUMMARY OF THE OUTCOMES OF THE MODELING AND TESTING

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| 1 | USING THE NEW AT-RISK MEASURE, AND THE ANTICIPATED EFFECTS ON THE |
|----|---|
| 2 | COST OF TOTAL PROGRAM FUNDING; |
| 3 | (II) AN IDENTIFICATION OF ISSUES ENCOUNTERED IN THE |
| 4 | MODELING AND TESTING USING THE NEW AT-RISK MEASURE; AND |
| 5 | (III) RECOMMENDATIONS FOR ANY LEGISLATION NECESSARY TO |
| 6 | IMPLEMENT THE NEW AT-RISK MEASURE FOR THE 2024-25 BUDGET YEAR, |
| 7 | AS WELL AS FINANCIAL RESOURCES NEEDED TO ADMINISTER THE NEW |
| 8 | AT-RISK MEASURE. |
| 9 | (11.7) Pursuant to House Bill 22-1202, for the 2022-23 |
| 10 | BUDGET YEAR, THE GENERAL ASSEMBLY APPROPRIATED ONE HUNDRED |
| 11 | SIXTY-THREE THOUSAND THREE HUNDRED THIRTY-EIGHT DOLLARS FROM |
| 12 | THE GENERAL FUND FOR THE PURPOSES OF THIS SECTION. ANY |
| 13 | UNEXPENDED MONEY REMAINING AT THE END OF THE END OF THE 2022-23 |
| 14 | BUDGET YEAR FROM THIS APPROPRIATION MAY BE USED BY THE |
| 15 | DEPARTMENT IN THE 2023-24 BUDGET YEAR WITHOUT FURTHER |
| 16 | APPROPRIATION FOR THE PURPOSES OF THIS SECTION. |
| 17 | (12) This section is Subsections (4) to (11) of this section are |
| 18 | repealed, effective July 1, 2025. |
| 19 | SECTION <u>14.</u> In Colorado Revised Statutes, add 22-54-104.7 as |
| 20 | follows: |
| 21 | 22-54-104.7. Public school finance - task force - creation - |
| 22 | duties - report - definitions - repeal. (1) <u>THE COMMISSIONER</u> SHALL |
| 23 | CREATE AND CONVENE THE PUBLIC SCHOOL FINANCE TASK FORCE. THE |
| 24 | PURPOSE OF THE TASK FORCE IS TO EXAMINE AND MAKE |
| 25 | RECOMMENDATIONS CONCERNING MAKING THE SCHOOL FINANCE |
| 26 | FORMULA SIMPLER, LESS REGRESSIVE, AND MORE ADEQUATE, |
| 27 | UNDERSTANDABLE, TRANSPARENT, EQUITABLE, AND STUDENT-CENTERED. |

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| 1 | (a) THE TASK FORCE MEMBERSHIP CONSISTS OF THE FOLLOWING |
|----|---|
| 2 | VOTING MEMBERS: |
| 3 | (I) APPOINTED BY THE PRESIDENT OF THE SENATE: |
| 4 | (A) ONE MEMBER WHO IS A SUPERINTENDENT OF A SCHOOL |
| 5 | DISTRICT WHOSE DISTRICT PERCENTAGE OF AT-RISK PUPILS IS GREATER |
| 6 | THAN THE STATEWIDE AVERAGE PERCENTAGE OF AT-RISK PUPILS; |
| 7 | (B) ONE MEMBER WHO IS A CHIEF FINANCIAL OFFICER OF A SCHOOL |
| 8 | DISTRICT WHOSE DISTRICT PERCENTAGE OF ENGLISH LANGUAGE LEARNER |
| 9 | PUPILS IS GREATER THAN THE STATEWIDE AVERAGE PERCENTAGE OF |
| 10 | ENGLISH LANGUAGE LEARNER PUPILS; |
| 11 | (C) ONE MEMBER WHO REPRESENTS AN ORGANIZATION THAT |
| 12 | REPRESENTS TEACHERS; |
| 13 | (D) ONE MEMBER WHO REPRESENTS AN ORGANIZATION WITH |
| 14 | EXPERTISE IN SCHOOL FINANCE; AND |
| 15 | (E) ONE MEMBER WHO IS A PRINCIPAL; |
| 16 | (II) APPOINTED BY THE MINORITY LEADER OF THE SENATE: |
| 17 | (A) ONE MEMBER WHO IS A SUPERINTENDENT OF A SCHOOL |
| 18 | DISTRICT WHOSE AVERAGE ASSESSED PROPERTY VALUE IS LESS THAN THE |
| 19 | STATEWIDE AVERAGE OF ASSESSED PROPERTY VALUE; |
| 20 | (B) One member who is a school leader of a charter |
| 21 | SCHOOL WHOSE PERCENTAGE OF AT-RISK PUPILS IS GREATER THAN THE |
| 22 | STATEWIDE AVERAGE PERCENTAGE OF AT-RISK PUPILS; |
| 23 | (C) ONE MEMBER WHO REPRESENTS AN ORGANIZATION WITH |
| 24 | EXPERTISE IN SCHOOL FINANCE; AND |
| 25 | (D) ONE MEMBER WHO REPRESENTS AN ORGANIZATION THAT |
| 26 | REPRESENTS CHILDREN AND FAMILIES; |
| 27 | (III) APPOINTED BY THE SPEAKER OF THE HOUSE OF |

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| 1 | REPRESENTATIVES: |
|----|--|
| 2 | (A) ONE MEMBER WHO IS A SUPERINTENDENT OF A RURAL SCHOOL |
| 3 | DISTRICT OR SMALL RURAL SCHOOL DISTRICT; |
| 4 | (B) ONE MEMBER WHO IS A SCHOOL LEADER OF A CHARTER |
| 5 | SCHOOL WITH A PERCENTAGE OF ENGLISH LANGUAGE LEARNER PUPILS |
| 6 | THAT IS GREATER THAN THE STATEWIDE AVERAGE PERCENTAGE OF |
| 7 | ENGLISH LANGUAGE LEARNER PUPILS IN CHARTER SCHOOLS; |
| 8 | (C) Two members who represent organizations with |
| 9 | EXPERTISE IN SCHOOL FINANCE; AND |
| 10 | (D) ONE MEMBER WHO IS A TEACHER; |
| 11 | (IV) APPOINTED BY THE MINORITY LEADER OF THE HOUSE OF |
| 12 | REPRESENTATIVES: |
| 13 | (A) ONE MEMBER WHO IS A CHIEF FINANCIAL OFFICER OF A SMALL |
| 14 | RURAL SCHOOL DISTRICT; |
| 15 | (B) ONE MEMBER WHO REPRESENTS THE CHARTER SCHOOL |
| 16 | INSTITUTE; AND |
| 17 | (C) ONE MEMBER WHO REPRESENTS AN ORGANIZATION WITH |
| 18 | EXPERTISE IN BUSINESS AND KINDERGARTEN THROUGH TWELFTH GRADE |
| 19 | EDUCATION. |
| 20 | (b) THE TASK FORCE MEMBERSHIP CONSISTS OF THE FOLLOWING |
| 21 | NON-VOTING MEMBERS: |
| 22 | (I) THE DIRECTOR OF THE LEGISLATIVE COUNCIL STAFF, OR THE |
| 23 | DIRECTOR'S DESIGNEE; |
| 24 | (II) THE DIRECTOR OF THE JOINT BUDGET COMMITTEE STAFF, OR |
| 25 | THE DIRECTOR'S DESIGNEE; AND |
| 26 | (III) THE COMMISSIONER'S DESIGNEE FROM THE DEPARTMENT OF |
| 27 | EDUCATION WHO HAS TECHNICAL EXPERTISE IN SCHOOL FINANCE. |

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| 1 | (3) THE TASK FORCE SHALL MEET AT THE CALL OF THE CHAIR NOT |
|----|---|
| 2 | $\underline{\text{MORE THAN EIGHT TIMES}} \text{ FOLLOWING THE FIRST MEETING FROM JULY 2023}$ |
| 3 | THROUGH DECEMBER 2023. MEETINGS MAY BE HELD IN PERSON, THROUGH |
| 4 | THE USE OF AUDIO-VISUAL COMMUNICATION TECHNOLOGY, OR BOTH. THE |
| 5 | TASK FORCE IS A STATE PUBLIC BODY FOR PURPOSES OF SECTION $24-6-402$, |
| 6 | AND MEETINGS OF THE TASK FORCE ARE SUBJECT TO SECTION 24-6-402. |
| 7 | THE TASK FORCE IS SUBJECT TO THE PROVISIONS OF THE "COLORADO OPEN |
| 8 | RECORDS ACT", PART 2 OF ARTICLE 72 OF TITLE 24. |
| 9 | (4) (a) THE TASK FORCE MEMBERS SERVE WITHOUT COMPENSATION |
| 10 | BUT MAY BE REIMBURSED FOR EXPENSES DIRECTLY RELATING TO THEIR |
| 11 | SERVICE ON THE TASK FORCE. |
| 12 | (b) IF A VACANCY OCCURS, THE ORIGINAL APPOINTING AUTHORITY |
| 13 | SHALL PROMPTLY APPOINT A NEW MEMBER WHO MEETS THE SAME |
| 14 | REQUIREMENTS AS THE MEMBER WHO VACATED THE TASK FORCE. |
| 15 | (5) (a) The department of education shall provide to the |
| 16 | TASK FORCE STAFF SUPPORT, MEETING SPACE, AND AUDIO-VISUAL |
| 17 | COMMUNICATION TECHNOLOGY RESOURCES, UPON REQUEST OF THE CHAIR. |
| 18 | (b) THE DEPARTMENT SHALL CONTRACT WITH A THIRD-PARTY |
| 19 | ENTITY WITH EXPERTISE IN $\underline{TASK}FORCEFACILITATIONANDSTAKEHOLDER$ |
| 20 | <u>INPUT</u> TO ASSIST WITH THE ADMINISTRATION OF THE TASK FORCE AND |
| 21 | DRAFTING THE REPORT PURSUANT TO SUBSECTION (7) OF THIS SECTION. |
| 22 | (6) The task force shall make findings and |
| 23 | RECOMMENDATIONS REGARDING THE FOLLOWING CHANGES TO THE |
| 24 | SCHOOL FINANCE FORMULA TO OCCUR FOR THE 2024-25 BUDGET YEAR: |
| 25 | (a) $\underline{\text{ELIMINATING}}$ THE USE OF MULTIPLICATIVE INDEXES FOR COST |
| 26 | OF LIVING, PERSONNEL AND NON-PERSONNEL COSTS, AND DISTRICT SIZE; |
| 27 | (b) <u>Recalibrating</u> the cost of living factor, capping the |

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| 1 | ${\tt COSTOFLIVINGFACTOR, ORALTERNATIVEMETHODSTOACCOUNTFORTHE}$ |
|----|--|
| 2 | COST OF LIVING, INCLUDING THROUGH CATEGORICAL FUNDING. A |
| 3 | RECOMMENDATION CONCERNING A REVISED COST OF LIVING FACTOR MUST |
| 4 | BE ABLE TO REGULARLY CHANGE AS A RESULT OF THE BIENNIAL COST OF |
| 5 | LIVING STUDY. |
| 6 | (c) PRIORITIZING STUDENT NEEDS IN THE FORMULA, INCLUDING |
| 7 | MEASURES, TO THE EXTENT POSSIBLE, THAT ALIGN THE AT-RISK FACTOR, |
| 8 | ENGLISH LANGUAGE LEARNER FACTOR, AND SPECIAL EDUCATION |
| 9 | CATEGORICAL FUNDING BASED UPON AVAILABLE EVIDENCE-BASED |
| 10 | RESEARCH ON STUDENT-CENTERED FUNDING THAT HAS A DIRECT IMPACT |
| 11 | ON STUDENT OUTCOMES; |
| 12 | (d) REVISING THE SIZE FACTOR TO INCORPORATE CONSIDERATIONS |
| 13 | OTHER THAN OR IN ADDITION TO STUDENT ENROLLMENT, INCLUDING THE |
| 14 | REMOTENESS OF A SCHOOL DISTRICT; AND |
| 15 | (e) SECURING EQUALIZATION IN MILL LEVY OVERRIDES FOR |
| 16 | INSTITUTE CHARTER SCHOOLS BASED UPON THE SCHOOL DISTRICT WHERE |
| 17 | THE INSTITUTE CHARTER SCHOOL IS GEOGRAPHICALLY LOCATED, |
| 18 | INCLUDING CONSIDERATIONS FOR STUDENTS WHO DO NOT RESIDE IN THE |
| 19 | SCHOOL DISTRICT WHERE THE INSTITUTE CHARTER SCHOOL IS |
| 20 | GEOGRAPHICALLY LOCATED, MULTI-DISTRICT ONLINE PROGRAMS, AND |
| 21 | TOTAL PROGRAM FUNDING. |
| 22 | (7) (a) Not later than <u>January 31, 2024,</u> the task force |
| 23 | SHALL SUBMIT A REPORT OF ITS FINDINGS AND RECOMMENDATIONS TO THE |
| 24 | EDUCATION COMMITTEES OF THE SENATE AND HOUSE OF |
| 25 | REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES, AND THE JOINT |
| 26 | BUDGET COMMITTEE. |
| 27 | (b) THE TASK FORCE'S REPORT MUST INCLUDE FINDINGS OF ACTUAL |

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| 1 | OUTCOMES ON SCHOOL DISTRICTS AND INSTITUTE CHARTER SCHOOLS IF |
|----|--|
| 2 | THE RECOMMENDATIONS WERE ADOPTED. |
| 3 | (8) (a) $\underline{\text{THE}}$ TASK FORCE SHALL DEVELOP THE PARAMETERS FOR A |
| 4 | STUDY TO EXAMINE AND MAKE RECOMMENDATIONS CONCERNING THE |
| 5 | COMPONENTS AND COSTS NECESSARY TO ADEQUATELY PROVIDE |
| 6 | COLORADO STUDENTS A FREE AND UNIFORM PUBLIC EDUCATION. |
| 7 | (b) THE DEPARTMENT OF EDUCATION SHALL CONTRACT WITH TWO |
| 8 | INDEPENDENT ENTITIES, EACH OF WHOM SHALL CONDUCT A STUDY AND |
| 9 | PUBLISH A REPORT CONCERNING THE PARAMETERS DEVELOPED BY THE |
| 10 | TASK FORCE PURSUANT TO SUBSECTION (8)(a) OF THIS SECTION. |
| 11 | (c) IN SELECTING THE TWO INDEPENDENT ENTITIES, THE |
| 12 | DEPARTMENT OF EDUCATION SHALL SELECT ENTITIES THAT REPRESENT |
| 13 | DIFFERENT PERSPECTIVES CONCERNING SCHOOL FINANCE FOR THE |
| 14 | PURPOSE OF GENERATING DIFFERENT EXAMINATIONS AND |
| 15 | RECOMMENDATIONS CONCERNING THE COMPONENTS AND COSTS |
| 16 | NECESSARY TO ADEQUATELY PROVIDE COLORADO STUDENTS A FREE AND |
| 17 | UNIFORM PUBLIC EDUCATION. |
| 18 | (d) Not later than <u>January 3, 2025,</u> the two independent |
| 19 | ENTITIES SHALL SUBMIT THEIR REPORTS OF FINDINGS AND |
| 20 | RECOMMENDATIONS TO THE TASK FORCE. NOT LATER THAN JANUARY 3 |
| 21 | 2025, THE COMMISSIONER SHALL SUBMIT THE REPORTS TO THE EDUCATION |
| 22 | COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES, OR ANY |
| 23 | SUCCESSOR COMMITTEES, AND THE JOINT BUDGET COMMITTEE. |
| 24 | (9) Any money appropriated for the 2023-24 budget year by |
| 25 | THE GENERAL ASSEMBLY TO THE DEPARTMENT OF EDUCATION FOR THE |
| 26 | PURPOSES OF THIS SECTION THAT REMAINS UNSPENT AT THE END OF THE |
| 27 | 2023-24 BUDGET YEAR MAY BE USED BY THE DEPARTMENT OF EDUCATION |

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| 1 | THROUGH THE 2024-25 BUDGET YEAR WITHOUT FURTHER APPROPRIATION |
|----|---|
| 2 | AND MUST NOT BE USED FOR ANY OTHER PURPOSE THAN THE PURPOSES SET |
| 3 | FORTH IN THIS SECTION. |
| 4 | (10) As used in this section, unless the context otherwise |
| 5 | REQUIRES: |
| 6 | (a) "COMMISSIONER" MEANS THE COMMISSIONER OF EDUCATION |
| 7 | APPOINTED PURSUANT TO SECTION 1 OF ARTICLE IX OF THE STATE |
| 8 | CONSTITUTION. |
| 9 | (b) "RURAL SCHOOL DISTRICT" MEANS A SCHOOL DISTRICT IN |
| 10 | COLORADO THAT THE DEPARTMENT OF EDUCATION DETERMINES IS RURAL, |
| 11 | BASED ON THE GEOGRAPHIC SIZE OF THE DISTRICT AND THE DISTANCE |
| 12 | FROM THE NEAREST LARGE, URBANIZED AREA, AND THAT HAD A FUNDED |
| 13 | PUPIL COUNT FOR THE PRIOR BUDGET YEAR OF ONE THOUSAND PUPILS OR |
| 14 | MORE BUT LESS THAN SIX THOUSAND FIVE HUNDRED PUPILS. |
| 15 | (c) "SMALL RURAL SCHOOL DISTRICT" MEANS A SCHOOL DISTRICT |
| 16 | IN COLORADO THAT THE DEPARTMENT OF EDUCATION DETERMINES IS |
| 17 | SMALL RURAL, BASED ON THE GEOGRAPHIC SIZE OF THE DISTRICT AND THE |
| 18 | DISTANCE FROM THE NEAREST LARGE, URBANIZED AREA, AND THAT HAD |
| 19 | A FUNDED PUPIL COUNT FOR THE PRIOR BUDGET YEAR OF LESS THAN ONE |
| 20 | THOUSAND PUPILS. |
| 21 | (d) "TASK FORCE" MEANS THE PUBLIC SCHOOL FINANCE TASK |
| 22 | FORCE CREATED PURSUANT TO THIS SECTION. |
| 23 | (11) This section is repealed, effective July 1, 2025. |
| 24 | SECTION 15. In Colorado Revised Statutes, 22-43.7-109, |
| 25 | amend (9)(c) as follows: |
| 26 | 22-43.7-109. Financial assistance for public school capital |
| 27 | construction - application requirements - evaluation criteria - local |

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| 1 | match requirements - technology grants - career and technical |
|----|--|
| 2 | education capital construction grants - rules - definitions - repeal. |
| 3 | (9) Except as otherwise provided in subsections (10) and (15) of this |
| 4 | section, the board may recommend and the state board may approve |
| 5 | financial assistance that does not involve a financed purchase of an asset |
| 6 | or certificate of participation agreement for or recommend to the capital |
| 7 | development committee the approval of financial assistance that involves |
| 8 | a financed purchase of an asset or certificate of participation agreement |
| 9 | for a public school facility capital construction project only if the |
| 10 | applicant provides matching money in an amount equal to a percentage |
| 11 | of the total financing for the project determined by the board after |
| 12 | consideration of the applicant's financial capacity, as determined by the |
| 13 | <u>following factors:</u> |
| 14 | (c) (I) With respect to a charter school's application for financial |
| 15 | assistance, AND SUBJECT TO ADJUSTMENT PURSUANT TO SUBSECTIONS (II) |
| 16 | THROUGH (V) OF THIS SUBSECTION: |
| 17 | (I) The weighted average of the match percentages for the school |
| 18 | districts of residence for the students enrolled in a district charter school |
| 19 | or fifty percent of the average of the match percentages for all school |
| 20 | districts in the state for an institute charter school; |
| 21 | (A) FOR A DISTRICT CHARTER SCHOOL THAT IS OCCUPYING A |
| 22 | DISTRICT FACILITY AND PAYING ONLY THE DIRECT COSTS OF OCCUPANCY |
| 23 | FOR ITS FACILITY PURSUANT TO SECTION 22-30.5-104 (7)(c), THE MATCH |
| 24 | PERCENTAGE OF THE DISTRICT CHARTER SCHOOL'S AUTHORIZING DISTRICT; |
| 25 | (B) FOR DISTRICT CHARTER SCHOOLS THAT ARE NOT INCLUDED IN |
| 26 | $\underline{\text{SUBSECTION}(9)(c)(I)(A)\text{of this Section, Seventy-five Percent of the}}$ |
| 27 | MATCH PERCENTAGE OF THE DISTRICT CHARTER SCHOOL'S AUTHORIZING |

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| 1 | SCHOOL DISTRICT; OR |
|----|---|
| 2 | (C) FIFTY PERCENT OF THE AVERAGE MATCH PERCENTAGES FOR |
| 3 | ALL SCHOOL DISTRICTS IN THE STATE FOR AN INSTITUTE CHARTER SCHOOL; |
| 4 | (II) Whether the A DISTRICT charter school's authorizer retains no |
| 5 | more than ten percent of its capacity to issue bonds pursuant to article 42 |
| 6 | of this title; |
| 7 | (III) Whether the charter school is operating in a district-owned |
| 8 | facility at the time it submits its application; |
| 9 | (IV) (III) In the ten years preceding the year in which the charter |
| 10 | school submits the application, the number of times the charter school has |
| 11 | attempted to obtain or has obtained SOUGHT OR BEEN AFFORDED: |
| 12 | (A) Bond proceeds pursuant to section 22-30.5-404 through |
| 13 | inclusion in a ballot measure submitted by the charter school's authorizer |
| 14 | to the registered electors of the school district; |
| 15 | (B) Proceeds from a special mill levy for capital needs pursuant |
| 16 | <u>to section 22-30.5-405;</u> |
| 17 | (C) (A) Grant funding for capital needs from a source other than |
| 18 | the assistance fund; and |
| 19 | (D) (B) Funding, INCLUDING FINANCING, for capital construction, |
| 20 | OTHER THAN STATE AID PURSUANT TO SECTION 22-54-124 from bonds |
| 21 | issued on its behalf by the Colorado educational and cultural facilities |
| 22 | authority created and existing pursuant to section 23-15-104 (1)(a), |
| 23 | C.R.S., or from some ANY other source of financing; |
| 24 | (V) (IV) If the charter school is a district charter school, the |
| 25 | student enrollment of the DISTRICT charter school as a percentage of the |
| 26 | student enrollment of the charter school's authorizing school district; AND |
| 27 | (VI) (V) The percentage of students enrolled in the charter school |

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| 1 | who are eligible for the federal free and reduced-cost lunch program in |
|----|---|
| 2 | relation to the overall percentage of students enrolled in the public |
| 3 | schools in the state who are eligible for the federal free and reduced-cost |
| 4 | lunch program. |
| 5 | (VII) The percentage of the per pupil revenue received by the |
| 6 | charter school that the charter school spends on facility costs other than |
| 7 | facilities operation and maintenance; and |
| 8 | (VIII) The charter school's unreserved fund balance as a |
| 9 | percentage of its annual budget. |
| 10 | SECTION 16. In Colorado Revised Statutes, 22-82.9-103, add |
| 11 | (1.5) as follows: |
| 12 | 22-82.9-103. Definitions. As used in this part 1, unless the |
| 13 | context otherwise requires: |
| 14 | (1.5) "FACILITY SCHOOL" MEANS AN EDUCATIONAL PROGRAM |
| 15 | THAT IS OPERATED BY A FACILITY TO PROVIDE EDUCATIONAL SERVICES TO |
| 16 | STUDENTS PLACED IN THE FACILITY AND THAT, PURSUANT TO SECTION |
| 17 | 22-2-407 (2), HAS BEEN PLACED ON THE LIST OF FACILITY SCHOOLS THAT |
| 18 | ARE APPROVED TO RECEIVE REIMBURSEMENT FOR PROVIDING |
| 19 | EDUCATIONAL SERVICES TO STUDENTS PLACED IN A FACILITY. |
| 20 | SECTION 17. In Colorado Revised Statutes, 22-82.9-104, |
| 21 | amend (4)(a) as follows: |
| 22 | 22-82.9-104. Child nutrition school lunch protection program |
| 23 | - creation - administration - objectives. (4) The objectives of the |
| 24 | program are to: |
| 25 | (a) Eliminate the reduced price paid by Colorado students who are |
| 26 | enrolled in state-subsidized early childhood education programs |
| 27 | administered by public schools or in kindergarten through twelfth grade |

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| 1 | and who are participating in the school lunch program, AND TO ELIMINATE |
|----|---|
| 2 | THE REDUCED PRICE PAID BY COLORADO STUDENTS WHO ARE RECEIVING |
| 3 | EDUCATIONAL SERVICES FROM A FACILITY SCHOOL AND WHO ARE |
| 4 | PARTICIPATING IN THE SCHOOL LUNCH PROGRAM; |
| 5 | SECTION 18. In Colorado Revised Statutes, 22-82.9-105, |
| 6 | amend (1) as follows: |
| 7 | 22-82.9-105. Program funding. (1) For each fiscal year, the |
| 8 | general assembly shall make an appropriation by separate line item in the |
| 9 | annual general appropriation bill to allow school food authorities to |
| 10 | provide lunches at no charge for children in state-subsidized early |
| 11 | childhood education programs administered by public schools or in |
| 12 | kindergarten through twelfth grade, participating in the school lunch |
| 13 | program, who would otherwise be required to pay a reduced price for |
| 14 | lunch AND TO OFFSET THE COSTS INCURRED BY A FACILITY SCHOOL IN |
| 15 | PROVIDING LUNCH TO STUDENTS WHO ARE PLACED IN THE FACILITY AND |
| 16 | ARE ELIGIBLE TO PARTICIPATE IN THE SCHOOL LUNCH PROGRAM. The |
| 17 | appropriation to the department for the program must be in addition to |
| 18 | any appropriation made by the general assembly pursuant to section |
| 19 | 22-54-123 or 22-54-123.5 (1). The department may expend not more than |
| 20 | two percent of the money annually appropriated for the program to offset |
| 21 | the direct and indirect costs incurred by the department in implementing |
| 22 | the program pursuant to this part 1. |
| 23 | SECTION 19. In Colorado Revised Statutes, amend 22-82.9-106 |
| 24 | as follows: |
| 25 | 22-82.9-106. Program - procedures. The department shall |
| 26 | develop procedures to allocate and disburse the moneys in the program |
| 27 | among participating school food authorities AND FACILITY SCHOOLS each |

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| 1 | year, in an equitable manner and in compliance with the requirements of |
|----|--|
| 2 | the federal "Richard B. Russell National School Lunch Act", 42 U.S.C. |
| 3 | sec. 1751 et seq. |
| 4 | SECTION <u>20.</u> In Colorado Revised Statutes, 24-32-116, amend |
| 5 | (1)(d); and add (3)(c) as follows: |
| 6 | 24-32-116. Inventory of local governmental entities - |
| 7 | information required - definitions. (1) As used in this section, unless |
| 8 | the context otherwise requires: |
| 9 | (d) "Local governmental entity" means a city, county, city and |
| 10 | $county, special \ district, \underline{school} \ district, \underline{\underline{INCLUDING A CHARTER SCHOOL}} AS$ |
| 11 | DEFINED IN SECTION 22-30.5-104.9, or other unit of local government. |
| 12 | (3) (c) Notwithstanding the date specified in subsection |
| 13 | (3)(a) OF THIS SECTION, A LOCAL GOVERNMENTAL ENTITY THAT IS A |
| 14 | CHARTER SCHOOL SHALL SUBMIT THE INFORMATION REQUIRED IN |
| 15 | subsections (3)(a)(I) to (3)(a)(V) of this section to the department |
| 16 | OF <u>LOCAL AFFAIRS</u> NO LATER THAN THE DATE SPECIFIED IN SECTION |
| 17 | 22-30.5-104.9 OR NO LATER THAN NINETY DAYS AFTER BECOMING A |
| 18 | CHARTER SCHOOL PURSUANT TO SECTION 22-30.5-104.9 (7) AND SHALL |
| 19 | UPDATE SUCH INFORMATION PURSUANT TO SUBSECTION (3)(b) OF THIS |
| 20 | SECTION. |
| 21 | SECTION <u>21.</u> In Colorado Revised Statutes, 24-90-120, amend |
| 22 | (6)(c) as follows: |
| 23 | 24-90-120. Colorado imagination library program - creation |
| 24 | - request for proposal - state librarian duties - report - legislative |
| 25 | declaration - definitions. (6) (c) Twenty percent of money appropriated |
| 26 | for the 2021-22 state fiscal year, and each fiscal year thereafter, may be |
| 27 | used for the contractor operating the program for duties set forth in |

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| 1 | subsections (2)(a) to $\frac{(2)(f)}{(2)(d)}$ (2)(d) AND (2)(f) of this section. |
|----|--|
| 2 | SECTION 22. In Colorado Revised Statutes, 22-30.5-513.1 |
| 3 | amend (2) as follows: |
| 4 | 22-30.5-513.1. Mill levy equalization - fund created - |
| 5 | legislative declaration - definitions. (2) (a) The mill levy equalization |
| 6 | fund, referred to in this section as the "fund", is hereby created in the state |
| 7 | treasury. The fund consists of any amount that the general assembly may |
| 8 | appropriate APPROPRIATES TO THE FUND PURSUANT TO SUBSECTION |
| 9 | (2)(a.5) OF THIS SECTION OR MAY ADDITIONALLY APPROPRIATE or transfer |
| 10 | to the fund. The state treasurer shall credit to the fund all interest and |
| 11 | income derived from the deposit and investment of money in the fund. |
| 12 | (a.5) (I) BEGINNING IN THE 2024-25 BUDGET YEAR AND EACH |
| 13 | BUDGET YEAR THEREAFTER, THE GENERAL ASSEMBLY SHALL APPROPRIATE |
| 14 | FROM THE GENERAL FUND THE AMOUNT NECESSARY EACH BUDGET YEAR |
| 15 | TO FUND FULL MILL LEVY EQUALIZATION FOR ALL INSTITUTE CHARTER |
| 16 | SCHOOLS FOR THE APPLICABLE BUDGET YEAR. |
| 17 | (II) THE AMOUNT REQUIRED TO FUND MILL LEVY EQUALIZATION |
| 18 | FOR ALL INSTITUTE CHARTER SCHOOLS IS DETERMINED IN ACCORDANCE |
| 19 | WITH THE FOLLOWING FORMULA: |
| 20 | (THE ACCOUNTING DISTRICT'S TOTAL ADDITIONAL MILL LEVY |
| 21 | REVENUE / THE ACCOUNTING DISTRICT'S FUNDED PUPIL COUNT) X |
| 22 | EACH INSTITUTE CHARTER SCHOOL'S FUNDED PUPIL COUNT |
| 23 | (III) As used in this subsection (2)(a.5), unless the context |
| 24 | OTHERWISE REQUIRES: |
| 25 | (A) "ACCOUNTING DISTRICT'S FUNDED PUPIL COUNT" HAS THE |
| 26 | SAME MEANING SET FORTH IN SECTION 22-30.5-513 (1)(e). |
| 27 | (B) "ADDITIONAL MILL LEVY REVENUE" HAS THE SAME MEANING |

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| SET FORTH IN SECTION 22-32-108.5 (2 |)(a | ι). |
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| 2 | (b) Subject to annual appropriation by the general assembly The |
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| 3 | institute shall annually distribute the money appropriated or transferred |
| 4 | to the fund to the institute charter schools on an equal per-pupil basis; |
| 5 | except that, in any budget year, an institute charter school shall not |
| 6 | receive a per pupil amount that is greater than the total amount of |
| 7 | additional mill levy revenue, as defined in section 22-32-108.5, that the |
| 8 | accounting district for the institute charter school is authorized to collect, |
| 9 | divided by the funded pupil count, as defined in section 22-54-103, of the |
| 10 | accounting district for the applicable budget year. The money distributed |
| 11 | pursuant to this section is in addition to money distributed to institute |
| 12 | charter schools pursuant to section 22-30.5-513. THE INSTITUTE HAS |
| 13 | CONTINUOUS SPENDING AUTHORITY OF ALL INTEREST AND INCOME IN THE |
| 14 | <u>FUND.</u> |
| 15 | SECTION <u>23.</u> Appropriation. (1) For the 2023-24 state fiscal |
| 16 | year, \$2,500,000 is appropriated to the mill levy equalization fund created |
| 17 | in section 22-30.5-513.1 (2)(a), C.R.S. This appropriation is from the |
| 18 | general fund. The department of education is responsible for accounting |
| 19 | related to this appropriation. |
| 20 | (2) For the 2023-24 state fiscal year, \$2,500,000 is appropriated |
| 21 | to the department of education. This appropriation is from reappropriated |
| 22 | funds in the mill levy equalization fund pursuant to subsection (1) of this |
| 23 | section. To implement this act, the department may use the appropriation |
| 24 | for charter school institute mill levy equalization. |
| 25 | SECTION 24. Appropriation. For the 2023-24 state fiscal year, |
| 26 | \$10,000,000 is appropriated to the department of education. This |

appropriation is from the state education fund created in section 17 (4) of

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| 1 | article IX of the state constitution. To implement this act, the department |
|----|---|
| 2 | may use this appropriation for state aid for charter school facilities. |
| 3 | SECTION 25. Appropriation. For the 2023-24 state fiscal year, |
| 4 | \$500,000 is appropriated to the department of education. This |
| 5 | appropriation is from the state education fund created in section 17 (4)(a) |
| 6 | of article IX of the state constitution. To implement this act, the |
| 7 | department may use this appropriation for special education programs for |
| 8 | children with disabilities for the implementation of section 22-20-108 |
| 9 | <u>(4.8), C.R.S.</u> |
| 10 | SECTION 26. Appropriation. (1) For the 2023-24 state fiscal |
| 11 | year, \$220,256,759 is appropriated to the department of education. This |
| 12 | appropriation is from the state education fund created in section 17 (4)(a) |
| 13 | of article IX of the state constitution. To implement this act, the |
| 14 | department may use this appropriation as follows: |
| 15 | (a) \$188,490,019 for the state share of districts' total program |
| 16 | <u>funding;</u> |
| 17 | (b) \$30,000,000 for additional funding for rural districts and |
| 18 | institute charter schools; |
| 19 | (c) \$1,058,115 for special education programs for gifted and |
| 20 | talented children to support universal screening pursuant to section |
| 21 | 22-20-205 (5)(a), C.R.S.; |
| 22 | (d) \$408,625 for administration related to public school finance |
| 23 | for the implementation of section 22-54-104.7, C.R.S., which amount is |
| 24 | based on an assumption that the department will require an additional 0.7 |
| 25 | FTE; and |
| 26 | (e) \$300,000 for distributions to eligible schools pursuant to |
| 27 | section 22-1-133 (7)(b)(II), C.R.S. |

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| 1 | (2) Any money appropriated in subsection (1)(d) not expended |
|----|---|
| 2 | prior to July 1, 2024, is further appropriated to the department for the |
| 3 | 2024-25 state fiscal year for the same purpose. |
| 4 | SECTION 27. Appropriation. For the 2023-24 state fiscal year, |
| 5 | \$23,376,536 is appropriated to the department of education. This |
| 6 | appropriation is from the mill levy override match fund created in section |
| 7 | 22-54-107.9 (6), C.R.S. To implement this act, the department may use |
| 8 | this appropriation for mill levy override matching pursuant to section |
| 9 | <u>22-54-107.9, C.R.S.</u> |
| 10 | SECTION 28. Appropriation to the department of education |
| 11 | for the fiscal year beginning July 1, 2023. Section 2 of SB 23-214, |
| 12 | amend Part IV (3)(A) Footnote 10, as follows: |
| 13 | Section 2. Appropriation. |
| 14 | 10 Department of Education, School District Operations, Public |
| 15 | School Finance, State Share of Districts' Total Program Funding |
| 16 | Pursuant to Section 22-35-108.5 (2)(b)(II), C.R.S., the purpose of this |
| 17 | footnote is to specify what portion of this appropriation is intended to be |
| 18 | available for the Teacher Recruitment Education and Preparation (TREP) |
| 19 | Program for FY 2023-24. It is the General Assembly's intent that the |
| 20 | Department of Education be authorized to utilize up to \$2,348,000 |
| 21 | \$2,396,500 of this appropriation to fund qualified students designated as |
| 22 | TREP Program participants. This amount is calculated based on an |
| 23 | estimated 250 FTE TREP Program participants funded at a rate of \$8,686 |
| 24 | \$9,586 per FTE pursuant to Section 22-54-104 (4.7), C.R.S. |
| 25 | SECTION 29. Appropriation. For the 2023-24 state fiscal year, |
| 26 | \$10,000,000 is appropriated to the department of education. This |
| 27 | appropriation is from the state education fund created in section 17 (4)(a) |

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| 1 | of article IX of the state constitution. To implement this act, the |
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| 2 | department may use this appropriation for distributions to eligible |
| 3 | preschool providers pursuant to section 22-20-114 (8)(b), C.R.S. |
| 4 | SECTION <u>30.</u> Effective date. (1) Except as otherwise provided |
| 5 | in this section, this act takes effect upon passage. |
| 6 | (2) Section <u>25</u> of this act takes effect only if House Bill 23-1263 |
| 7 | becomes law. |
| 8 | SECTION 31. Safety clause. The general assembly hereby finds, |
| 9 | determines, and declares that this act is necessary for the immediate |
| 10 | preservation of the public peace, health, or safety. |

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