

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

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 25-0945.04 Jacob Baus x2173

HOUSE BILL 25-1320

HOUSE SPONSORSHIP

McCluskie and Lukens,

SENATE SPONSORSHIP

Lundeen and Bridges, Coleman

House Committees

Education
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE FINANCING OF PUBLIC SCHOOLS, AND, IN**
102 **CONNECTION THEREWITH, MAKING AND REDUCING AN**
103 **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>.)

Under current law, there are 2 total program formulas to finance public schools. Absent the satisfaction of a statutorily specified condition, the first formula is scheduled to stop determining total program after the 2024-25 budget year (expiring formula), and the second formula is scheduled to determine total program beginning in the 2030-31 budget

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

HOUSE
Amended 2nd Reading
April 16, 2025

year (new formula). For the 2025-26 budget year through the 2029-30 budget year (transition period), total program is scheduled to be determined by using figures that were calculated under both the expiring formula and the new formula.

The bill:

- Extends the transition period by one year, so that it is from the 2025-26 budget year through the 2030-31 budget year; and
- Postpones the exclusive use of the new formula to determine total program until the 2031-32 budget year.

The bill changes how each school district's and institute charter school's annual total program is determined during the transition period. For the 2025-26 and 2026-27 budget years, each school district's and institute charter school's annual total program is the greater of the school district's or institute charter school's total program for the 2024-25 budget year or the amount calculated under the expiring formula plus an amount equal to 15% in 2025-26 and 30% in 2026-27 of the difference between the amounts calculated under the new formula and the expiring formula. For the 2027-28 budget year through the 2030-31 budget year, each school district's and institute charter school's annual total program is the greater of the district's or institute charter school's calculation under the expiring formula plus 1% of that calculation, or:

- For the 2027-28 budget year, the amount calculated under the expiring formula plus an amount equal to 45% of the difference between the amounts calculated under the new formula and the expiring formula;
- For the 2028-29 budget year, the amount calculated under the expiring formula plus an amount equal to 60% of the difference between the amounts calculated under the new formula and the expiring formula;
- For the 2029-30 budget year, the amount calculated under the expiring formula plus an amount equal to 75% of the difference between the amounts calculated under the new formula and the expiring formula; and
- For the 2030-31 budget year, the amount calculated under the expiring formula plus an amount equal to 90% of the difference between the amounts calculated under the new formula and the expiring formula.

Under current law, there are specified conditions that apply to the transition period. If the joint budget committee determines that a specified condition occurs in a budget year during the transition period, then for the next budget year and each budget year thereafter, the transition is suspended, and each school district's total program is determined pursuant to the calculation and determination required for the budget year when the condition occurred. For one of the existing conditions, the bill specifies

that an income tax deposit to the state education fund that was made to correct an error does not count toward determining whether the condition has been satisfied.

A school district's funded pupil count is a figure that is used as a part of determining a school district's total program. Under the expiring formula, a school district's funded pupil count is calculated by determining the greater of the school district's pupil enrollment for the applicable budget year or the average of the school district's pupil enrollment for the applicable budget year and the immediately preceding 4 budget years. Under current law, the new formula calculates a school district's funded pupil count by determining the greater of the school district's pupil enrollment for the applicable budget year or the average of the school district's pupil enrollment for the applicable budget year and the immediately preceding 3 budget years.

The bill changes the new formula so that:

- For the 2025-26 budget year, a school district's funded pupil count is calculated by determining the greater of the school district's pupil enrollment for the applicable budget year or the average of the school district's pupil enrollment for the applicable budget year and the immediately preceding 3 budget years; and
- For the 2026-27 budget year and each budget year thereafter, a school district's funded pupil count is calculated by determining the greater of the school district's pupil enrollment for the applicable budget year or the average of the district's pupil enrollment for the applicable budget year and the immediately preceding 2 budget years.

However:

- If a statutorily specified condition is satisfied, and consequently for the 2026-27 budget year, a district's total program is not determined as scheduled under the transition period, then for the 2026-27 budget year, and each budget year thereafter, funded pupil count will continue to be determined by the greater of the school district's pupil enrollment for the applicable budget year or the average of the school district's pupil enrollment for the applicable budget year and the immediately preceding 3 budget years; and
- If, for the 2027-28 budget year, the state education fund balance is projected to be less than \$200 million, then the general assembly is required to implement a smoothing factor or the funded pupil count will be determined by the greater of the school district's pupil enrollment for the applicable budget year or the average of the school district's pupil enrollment for the applicable budget year

and the immediately preceding budget year for the 2027-28 budget year and each budget year thereafter.

The bill changes the expiring formula so that starting in the 2027-28 budget year, the funded pupil count used in the expiring formula is the same funded pupil count that is used in the new formula to determine a district's total program during the transition period.

The bill determines total program for the 2025-26 budget year using the formula changes in the bill. The bill:

- Increases the statewide base per pupil funding for the 2025-26 budget year by \$195.42 to account for inflation;
- Sets a new statewide base per pupil funding amount for the 2025-26 budget year at \$8,691.80; and
- Sets the total program funding for the 2025-26 budget year for all school districts and institute charter schools to at least \$10,035,615,917.80.

Under current law, a new at-risk measure is required to be implemented in the 2025-26 budget year. The bill postpones the implementation of this requirement to the 2026-27 budget year.

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

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

4 (a) The state of Colorado is committed to ensuring that every
5 child, regardless of their socioeconomic background, geographic location,
6 or individual needs has access to a high-quality public education. In order
7 to achieve this, the state must distribute state and local funding through
8 a school finance system that is student-centered, equitable, and
9 sustainable.

10 (b) The general assembly reaffirms its commitment to upholding
11 the Colorado Constitution's mandate for a thorough and uniform system
12 of public education and to providing every child with the opportunity to
13 receive an adequate education. Furthermore, the general assembly
14 acknowledges the importance of continuing the increases in funding for
15 public education mandated by section 17 of article IX of the Colorado

1 Constitution, which ensures year-over-year adjustments to account for
2 inflationary pressures. If the general assembly is unable to fulfill this
3 obligation mandated by section 17 of article IX of the Colorado
4 Constitution, then a group will be formed to address the issue of how to
5 accurately track a potential shortfall to public education funding in the
6 future. This commitment is fundamental to the long-term prosperity and
7 well-being of Colorado's future workforce and economy.

8 (c) The new school finance formula, established by the general
9 assembly to begin in the 2025-26 school year, is designed to prioritize
10 students and equity by directing resources where they are most needed,
11 particularly toward students who face greater challenges in their academic
12 success, including those living in poverty, learning English, and who have
13 special needs. The formula recognizes the diverse needs of Colorado
14 students, including those who live in small, rural, and remote school
15 districts, who may require additional resources to overcome geographic,
16 economic, and logistical barriers to providing a world-class public
17 education.

18 (2) Therefore, it is the intent of the general assembly that this new
19 school finance formula is implemented in a manner that is responsive to
20 the needs of all students and school districts in Colorado while
21 maintaining the long-term financial health of the state education fund and
22 ensuring continued funding stability for future generations of students.

23 **SECTION 2.** In Colorado Revised Statutes, 22-30.5-112.2,
24 **amend** (2)(a) and (3); and **add** (2)(c) and (5) as follows:

25 **22-30.5-112.2. Charter schools - at-risk supplemental aid -**
26 **definitions - legislative declaration - repeal.** (2) (a) For the 2012-13
27 budget year ~~and each budget year thereafter~~ THROUGH THE 2024-25

1 BUDGET YEAR, the general assembly shall appropriate to the department
2 of education for allocation to school districts the amount calculated for
3 at-risk supplemental aid for those school districts and district charter
4 schools described in ~~paragraph (b) of this subsection (2)~~ SUBSECTION
5 (2)(b) OF THIS SECTION. FOR THE 2025-26 BUDGET YEAR AND THE 2026-27
6 BUDGET YEAR, THE GENERAL ASSEMBLY SHALL APPROPRIATE TO THE
7 DEPARTMENT OF EDUCATION FOR ALLOCATION TO SCHOOL DISTRICTS THE
8 AMOUNT DETERMINED FOR SUPPLEMENTAL AID FOR THOSE SCHOOL
9 DISTRICTS AND DISTRICT CHARTER SCHOOLS DESCRIBED IN SUBSECTION
10 (2)(c) OF THIS SECTION. The at-risk supplemental aid is additional funding
11 and does not supplant any other funding provided pursuant to this article.

12 (c) FOR THE 2025-26 BUDGET YEAR, EACH SCHOOL DISTRICT AND
13 DISTRICT CHARTER SCHOOL'S AT-RISK SUPPLEMENTAL AID IS THE SAME
14 AMOUNT THAT IT RECEIVED IN THE 2024-25 BUDGET YEAR. FOR THE
15 2026-27 BUDGET YEAR, EACH SCHOOL DISTRICT AND DISTRICT CHARTER
16 SCHOOL'S AT-RISK SUPPLEMENTAL AID IS FIFTY PERCENT OF THE AMOUNT
17 THAT IT RECEIVED IN THE 2024-25 BUDGET YEAR.

18 (3) If the appropriation to the department of education is
19 insufficient to fund ~~one hundred percent of~~ the at-risk supplemental aid
20 ~~calculated pursuant to paragraph (b) of subsection (2)~~ DETERMINED
21 PURSUANT TO SUBSECTION (2) of this section, the department of education
22 shall reduce each school district's and each district charter school's at-risk
23 supplemental aid proportionately.

24 (5) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2028.

25 **SECTION 3.** In Colorado Revised Statutes, 22-30.5-513, **amend**
26 (4.5)(a) and (4.5)(d); and **add** (4.5)(b.5) and (4.5)(e) as follows:

27 **22-30.5-513. Institute charter schools - funding - at-risk**

1 **supplemental aid - legislative declaration - definitions - repeal.**

2 (4.5) (a) For the 2012-13 budget year ~~and each budget year thereafter~~
3 THROUGH THE 2024-25 BUDGET YEAR, the general assembly shall
4 appropriate to the charter school institute the amount calculated for at-risk
5 supplemental aid pursuant to ~~paragraph (b) of this subsection (4.5)~~
6 SUBSECTION (4.5)(b) OF THIS SECTION for each institute charter school
7 whose percentage of at-risk pupils is less than the percentage of at-risk
8 pupils in the accounting district. FOR THE 2025-26 BUDGET YEAR AND THE
9 2026-27 BUDGET YEAR, THE GENERAL ASSEMBLY SHALL APPROPRIATE TO
10 THE CHARTER SCHOOL INSTITUTE FOR ALLOCATION TO INSTITUTE CHARTER
11 SCHOOLS THE AMOUNT DESCRIBED IN SUBSECTION (4.5)(b.5) OF THIS
12 SECTION. At-risk supplemental aid is additional funding and does not
13 supplant any other funding allocated pursuant to this section. The charter
14 school institute shall pass through one hundred percent of an institute
15 charter school's at-risk supplemental aid to the institute charter school.

16 (b.5) FOR THE 2025-26 BUDGET YEAR, EACH INSTITUTE CHARTER
17 SCHOOL'S AT-RISK SUPPLEMENTAL AID IS THE SAME AMOUNT THAT IT
18 RECEIVED IN THE 2024-25 BUDGET YEAR. FOR THE 2026-27 BUDGET YEAR,
19 EACH INSTITUTE CHARTER SCHOOL'S AT-RISK SUPPLEMENTAL AID IS FIFTY
20 PERCENT OF THE AMOUNT THAT IT RECEIVED IN THE 2024-25 BUDGET
21 YEAR.

22 (d) If the appropriation to the charter school institute is
23 insufficient to fund ~~one hundred percent of~~ the at-risk supplemental aid
24 ~~calculated~~ DETERMINED pursuant to this subsection (4.5), the charter
25 school institute shall reduce each institute charter school's at-risk
26 supplemental aid proportionately.

27 (e) THIS SUBSECTION (4.5) IS REPEALED, EFFECTIVE JULY 1, 2028.

1 **SECTION 4.** In Colorado Revised Statutes, **repeal** 22-54-136.

2 **SECTION 5.** In Colorado Revised Statutes, 22-30.5-408, **amend**

3 (2)(a) as follows:

4 **22-30.5-408. Replenishment of qualified charter school debt**
5 **service reserve funds - additional responsibilities - state treasurer -**
6 **qualified charter schools - definitions.** (2) (a) If the Colorado
7 educational and cultural facilities authority has issued qualified charter
8 school bonds on behalf of ~~any~~ A qualified charter school that fails
9 immediately to restore its qualified charter school debt service reserve
10 fund to the applicable qualified charter school debt service reserve fund
11 requirement, the board of directors of the authority shall submit to the
12 governor a certificate certifying ~~any~~ THE amount of money required to
13 restore the qualified charter school debt service reserve fund to the
14 applicable qualified charter school debt service reserve fund requirement.
15 The governor shall submit a request for appropriations in an amount
16 sufficient to restore any or all qualified charter school debt reserve funds
17 to their respective qualified charter school debt service reserve fund
18 requirements, and the general assembly may, but is not required to,
19 appropriate money for ~~said~~ THAT purpose. If, in its sole discretion, the
20 general assembly appropriates any money for ~~said~~ THAT purpose, the
21 aggregate outstanding principal amount of bonds for which money may
22 be appropriated for ~~said~~ THAT purpose must not exceed ~~seven hundred~~
23 ~~fifty million~~ ONE BILLION dollars.

24 **SECTION 6.** In Colorado Revised Statutes, 22-54-103, **add**

25 (1.5)(e) as follows:

26 **22-54-103. Definitions.** As used in this article 54, unless the
27 context otherwise requires:

1 (1.5) (e) FOR PURPOSES OF THIS SUBSECTION (1.5), A PUPIL'S
2 ELIGIBILITY FOR FREE OR REDUCED-PRICE LUNCH MAY BE DEMONSTRATED
3 BY ANY MEANS, INCLUDING IDENTIFICATION THROUGH AN APPLICATION
4 FOR FREE OR REDUCED-PRICE LUNCH PURSUANT TO THE FEDERAL
5 "RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC.
6 1751 ET SEQ. OR COLORADO'S PARTICIPATION IN THE DEMONSTRATION
7 PROJECT OPERATED PURSUANT TO 42 U.S.C. SEC. 1758 (b)(15) FOR DIRECT
8 CERTIFICATION FOR CHILDREN RECEIVING BENEFITS THROUGH MEDICAID.

9 **SECTION 7.** In Colorado Revised Statutes, 22-54-103.2, **amend**
10 (2)(a) and (2)(b) as follows:

11 **22-54-103.2. District total program formula report.** (2) In its
12 report described pursuant to subsection (1) of this section, the department
13 of education shall report, at a minimum, data demonstrating:

14 (a) The successes and challenges of determining a district's total
15 program pursuant to section 22-54-103.3 for reports concerning the
16 2025-26 budget year through the ~~2029-30~~ 2030-31 budget year, and the
17 successes and challenges of determining a district's total program
18 pursuant to section 22-54-103.5 for reports concerning the ~~2030-31~~
19 2031-32 budget year and each budget year thereafter;

20 (b) How district total program, determined pursuant to section
21 22-54-103.3 for reports concerning the 2025-26 budget year through the
22 ~~2029-30~~ 2030-31 budget year and determined pursuant to section
23 22-54-103.5 for reports concerning the ~~2030-31~~ 2031-32 budget year and
24 each budget year thereafter, is being used at the school level, including
25 traditional public schools, district charter schools, and institute charter
26 schools, and information currently reported by the department of
27 education in district performance snapshots; and

1 **SECTION 8.** In Colorado Revised Statutes, 22-54-103.3, **amend**
2 (1)(a), (1)(c), (2), (3), (4), (5)(b)(I) introductory portion, (5)(c)(I)(C), and
3 (6) as follows:

4 **22-54-103.3. District total program - 2025-26 through 2030-31**
5 **budget years - definitions - repeal.** (1) (a) Notwithstanding any
6 provision of law to the contrary, for the 2025-26 budget year through the
7 ~~2029-30~~ 2030-31 budget year, the department of education shall
8 determine each district's total program pursuant to this section. The
9 district's total program is available to the district to fund the costs of
10 providing public education, and, except as otherwise provided in section
11 22-54-105, the district has the discretion to determine the amounts and
12 purposes for budgeting and expending its district total program money.

13 (c) As used in this section, "for the 2025-26 budget year through
14 the ~~2029-30~~ 2030-31 budget year" means the 2025-26 budget year, the
15 2026-27 budget year, the 2027-28 budget year, the 2028-29 budget year,
16 ~~and~~ the 2029-30 budget year, AND THE 2030-31 BUDGET YEAR.

17 (2) For the 2025-26 budget year through the ~~2029-30~~ 2030-31
18 budget year, the department of education shall calculate each district's
19 total program pursuant to sections 22-54-103.5 and 22-54-104.

20 (3) (a) For the 2025-26 budget year, ~~through the 2029-30 budget~~
21 ~~year~~ a district's total program is the greater of the district's total program
22 ~~calculation pursuant to section 22-54-104 plus one-half percent of the~~
23 ~~district's total program calculation pursuant to section 22-54-104; or~~
24 DETERMINATION FOR THE 2024-25 BUDGET YEAR, OR THE AMOUNT
25 CALCULATED PURSUANT TO SECTION 22-54-104 PLUS AN AMOUNT EQUAL
26 TO FIFTEEN PERCENT OF THE DIFFERENCE BETWEEN THE DISTRICT'S TOTAL
27 PROGRAM CALCULATION PURSUANT TO SECTION 22-54-103.5 AND THE

1 DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION
2 22-54-104.

3 (a) ~~For the 2025-26 budget year, the amount calculated pursuant~~
4 ~~to section 22-54-104 plus an amount equal to eighteen percent of the~~
5 ~~difference between the district's total program calculation pursuant to~~
6 ~~section 22-54-103.5 and the district's total program calculation pursuant~~
7 ~~to section 22-54-104;~~

8 (b) ~~For the 2026-27 budget year, the amount calculated pursuant~~
9 ~~to section 22-54-104 plus an amount equal to thirty-four percent of the~~
10 ~~difference between the district's total program calculation pursuant to~~
11 ~~section 22-54-103.5 and the district's total program calculation pursuant~~
12 ~~to section 22-54-104~~ FOR THE 2026-27 BUDGET YEAR, A DISTRICT'S TOTAL
13 PROGRAM IS THE GREATER OF THE DISTRICT'S TOTAL PROGRAM
14 DETERMINATION FOR THE 2024-25 BUDGET YEAR OR THE AMOUNT
15 CALCULATED PURSUANT TO SECTION 22-54-104 PLUS AN AMOUNT EQUAL
16 TO THIRTY PERCENT OF THE DIFFERENCE BETWEEN THE DISTRICT'S TOTAL
17 PROGRAM CALCULATION PURSUANT TO SECTION 22-54-103.5 AND THE
18 DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION
19 22-54-104.

20 (c) For the 2027-28 budget year THROUGH THE 2030-31 BUDGET
21 YEAR, ~~the amount calculated pursuant to section 22-54-104 plus an~~
22 ~~amount equal to fifty percent of the difference between the district's total~~
23 ~~program calculation pursuant to section 22-54-103.5 and the district's~~
24 ~~total program calculation pursuant to section 22-54-104~~ A DISTRICT'S
25 TOTAL PROGRAM IS THE GREATER OF THE DISTRICT'S TOTAL PROGRAM
26 CALCULATION PURSUANT TO SECTION 22-54-104 PLUS ONE PERCENT OF
27 THE DISTRICT'S TOTAL PROGRAM CALCULATION PURSUANT TO SECTION

1 22-54-104, OR:

2 ~~(c)~~ (I) For the 2027-28 budget year, the amount calculated
3 pursuant to section 22-54-104 plus an amount equal to ~~fifty~~ FORTY-FIVE
4 percent of the difference between the district's total program calculation
5 pursuant to section 22-54-103.5 and the district's total program
6 calculation pursuant to section 22-54-104;

7 ~~(d)~~ (II) For the 2028-29 budget year, the amount calculated
8 pursuant to section 22-54-104 plus an amount equal to ~~sixty-six~~ SIXTY
9 percent of the difference between the district's total program calculation
10 pursuant to section 22-54-103.5 and the district's total program
11 calculation pursuant to section 22-54-104; and

12 ~~(e)~~ (III) For the 2029-30 budget year, the amount calculated
13 pursuant to section 22-54-104 plus an amount equal to ~~eighty-two~~
14 SEVENTY-FIVE percent of the difference between the district's total
15 program calculation pursuant to section 22-54-103.5 and the district's
16 total program calculation pursuant to section 22-54-104; AND

17 (IV) FOR THE 2030-31 BUDGET YEAR, THE AMOUNT CALCULATED
18 PURSUANT TO SECTION 22-54-104 PLUS AN AMOUNT EQUAL TO NINETY
19 PERCENT OF THE DIFFERENCE BETWEEN THE DISTRICT'S TOTAL PROGRAM
20 CALCULATION PURSUANT TO SECTION 22-54-103.5 AND THE DISTRICT'S
21 TOTAL PROGRAM CALCULATION PURSUANT TO SECTION 22-54-104.

22 (4) For the 2024-25 budget year through the ~~2029-30~~ 2030-31
23 budget year, the joint budget committee shall monitor the fiscal impact of
24 the district total program determinations pursuant to this section and the
25 fiscal impact of the transition to the total program formula pursuant to
26 section 22-54-103.5. At a minimum, the joint budget committee shall
27 consider immediate and forecasted economic conditions, the impact or

1 trend of the statewide total local share of total program funding, the
2 impact or trend of the state education fund, and any other data-driven
3 considerations necessary to ensure the sustainable transition to and
4 implementation of a new total program formula. The joint budget
5 committee and the general assembly may take action necessary to ensure
6 the sustainable transition to and implementation of a new total program
7 formula. On or after January 1, 2025, when the department of education
8 makes mid-year adjustments, the joint budget committee shall develop a
9 sustainability plan that makes findings and recommendations regarding
10 how the general assembly can fully fund total program determinations
11 pursuant to sections 22-54-103.3 and 22-54-103.5. On or after January 1,
12 2026, and on or after January 1 each year thereafter, when the department
13 of education makes mid-year adjustments, the joint budget committee
14 shall review the sustainability plan and update it as necessary.

15 (5) (b) (I) Notwithstanding any provision of this article 54, for the
16 2024-25 budget year through the ~~2029-30~~ 2030-31 budget year, if the
17 joint budget committee determines that any one of the conditions
18 described in subsection (5)(c) of this section occurred:

19 (c) (I) The requirements described in subsection (5)(b) of this
20 section are initiated if:

21 (C) In either an assessment year or a non-assessment year, the
22 March revenue forecast relied on by the general assembly in setting the
23 budget for the next state fiscal year estimates that the income tax
24 ~~diversion~~ DEPOSIT to the state education fund, as required pursuant to
25 section 17 of article IX of the state constitution, will decrease by five
26 percent or more in either the current budget year or the next budget year.
27 IF THE JOINT BUDGET COMMITTEE DETERMINES BASED ON FORECAST

1 ESTIMATES, AS DESCRIBED IN THIS SUBSECTION (5)(c)(I)(C), THAT THE
2 INCOME TAX DEPOSIT TO THE STATE EDUCATION FUND WILL DECREASE BY
3 FIVE PERCENT OR MORE IN EITHER THE CURRENT BUDGET YEAR OR THE
4 NEXT BUDGET YEAR AS A RESULT OF A CORRECTION TO AN ERROR IN THE
5 TOTAL AMOUNT OF STATE EDUCATION FUND REVENUES DEPOSITED AS SET
6 FORTH IN SECTION 22-55-103 (2), THEN THIS SUBSECTION (5)(c)(I)(C)
7 DOES NOT INITIATE THE REQUIREMENTS OF SUBSECTION (5)(b) OF THIS
8 SECTION.

9 (6) This section is repealed, effective ~~July 1, 2031~~ JULY 1, 2032.

10 **SECTION 9.** In Colorado Revised Statutes, 22-54-103.5, **amend**
11 (1)(a), (1)(c)(I), (1)(c)(III), (4), and (12)(d); and **add** (3), (13)(b.5), and
12 (14) as follows:

13 **22-54-103.5. District total program - rules - legislative**
14 **declaration - repeal.** (1) (a) For the ~~2030-31~~ 2031-32 budget year and
15 each budget year thereafter, the department of education shall use this
16 section to determine each district's total program. The district's total
17 program is available to the district to fund the costs of providing public
18 education, and, except as otherwise provided in section 22-54-105, the
19 district has the discretion to determine the amounts and purposes for
20 budgeting and expending its district total program money.

21 (c) (I) Notwithstanding any provision of law to the contrary, for
22 the 2025-26 budget year through the ~~2029-30~~ 2030-31 budget year, the
23 department of education shall calculate each district's total program
24 pursuant to this section for the purpose of determining each district's total
25 program pursuant to section 22-54-103.3. The district's total program is
26 available to the district to fund the costs of providing public education,
27 and, except as otherwise provided in section 22-54-105, the district has

1 the discretion to determine the amounts and purposes for budgeting and
2 expending its district total program money.

3 (III) This subsection (1)(c) is repealed, effective ~~July 1, 2031~~ JULY
4 1, 2032.

5 (3) **Statewide base per pupil funding.** (a) (I) FOR THE 2025-26
6 BUDGET YEAR, THE STATEWIDE BASE PER PUPIL FUNDING IS EIGHT
7 THOUSAND SIX HUNDRED NINETY-ONE DOLLARS AND EIGHTY CENTS
8 (\$8,691.80), WHICH IS AN AMOUNT EQUAL TO EIGHT THOUSAND FOUR
9 HUNDRED NINETY-SIX DOLLARS AND THIRTY-EIGHT CENTS (\$8,496.38),
10 SUPPLEMENTED BY ONE HUNDRED NINETY-FIVE DOLLARS AND FORTY-TWO
11 CENTS (\$195.42) TO ACCOUNT FOR INFLATION.

12 (II) THIS SUBSECTION (3)(a) IS REPEALED, EFFECTIVE JULY 1, 2031.

13 (b) (RESERVED)

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

15 (a) (I) FOR THE 2025-26 BUDGET YEAR, the district's online pupil
16 enrollment for the applicable budget year plus the district's supplemental
17 kindergarten enrollment for the applicable budget year plus the district's
18 extended high school pupil enrollment for the applicable budget year plus
19 the greater of:

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

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

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

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

4 ~~(b)(I)~~ (II) Notwithstanding any provision of law to the contrary,
5 for purposes of THIS subsection (4)(a), ~~of this section~~, a district's funded
6 pupil count includes the certified pupil enrollment and online pupil
7 enrollment of each operating institute charter school for which the district
8 is the accounting district, as provided pursuant to ~~subsections (4)(b)(II)~~
9 ~~and (4)(b)(III)~~ SUBSECTIONS (4)(a)(III) AND (4)(a)(IV) of this section. The
10 department of education shall add the institute charter school's certified
11 pupil enrollment and online pupil enrollment to the funded pupil count of
12 the district prior to calculating the district's total program pursuant to this
13 section.

14 ~~(II)~~ (III) For purposes of ~~subsection (4)(b)(I)~~ SUBSECTION
15 (4)(a)(II) of this section, each operating institute charter school's certified
16 pupil enrollment is the greater of:

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

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

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

27 (D) The average of the operating institute charter school's pupil

1 enrollment for the applicable budget year and the operating institute
2 charter school's pupil enrollment for the three immediately preceding
3 budget years.

4 ~~(HH)~~ (IV) Notwithstanding any provision of law to the contrary,
5 for purposes of ~~subsection (4)(b)(H)~~ SUBSECTION (4)(a)(III) of this
6 section, an operating institute charter school's pupil enrollment includes
7 its online student enrollment, except for multi-district online school
8 student enrollment.

9 ~~(e)~~ (V) The general assembly finds and declares that for the
10 purposes of section 17 of article IX of the state constitution, averaging a
11 district's pupil enrollment for the applicable budget year and the district's
12 pupil enrollment for the three immediately preceding budget years
13 pursuant to this ~~subsection (4)~~ SUBSECTION (4)(a), and averaging an
14 operating institute charter school's student enrollment and online pupil
15 enrollment pursuant to this ~~subsection (4)~~ SUBSECTION (4)(a), is a
16 program for accountable education reform and may therefore receive
17 funding from the state education fund created in section 17 (4) of article
18 IX of the state constitution.

19 ~~(d)~~ ~~(F)~~ (VI) (A) Notwithstanding any provision of law to the
20 contrary, for the purposes of this ~~subsection (4)~~ SUBSECTION (4)(a), a
21 district's pupil enrollment for the applicable budget year and a district's
22 pupil enrollment for a preceding budget year do not include a pupil who
23 is or was enrolled in a charter school that was originally authorized by the
24 district but was subsequently converted, on or after July 1, 2010, to an
25 institute charter school or to a charter school of a district contiguous to
26 the ~~originally~~ ORIGINAL authorizing district.

27 ~~(H)~~ (B) Notwithstanding any provision of this ~~subsection (4)~~

1 SUBSECTION (4)(a) to the contrary, for the purposes of this ~~subsection (4)~~
2 SUBSECTION (4)(a), if a district's funded pupil count calculated pursuant
3 to this ~~subsection (4)~~ SUBSECTION (4)(a), for a budget year is fewer than
4 sixty students, the district's funded pupil count for the budget year is sixty
5 students.

6 (b) (I) FOR THE 2026-27 BUDGET YEAR, AND EACH BUDGET YEAR
7 THEREAFTER, THE DISTRICT'S ONLINE PUPIL ENROLLMENT FOR THE
8 APPLICABLE BUDGET YEAR PLUS THE DISTRICT'S SUPPLEMENTAL
9 KINDERGARTEN ENROLLMENT FOR THE APPLICABLE BUDGET YEAR PLUS
10 THE DISTRICT'S EXTENDED HIGH SCHOOL PUPIL ENROLLMENT FOR THE
11 APPLICABLE BUDGET YEAR PLUS THE GREATER OF:

12 (A) THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE
13 BUDGET YEAR;

14 (B) THE AVERAGE OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE
15 APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR
16 THE IMMEDIATELY PRECEDING BUDGET YEAR; OR

17 (C) THE AVERAGE OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE
18 APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR
19 THE TWO IMMEDIATELY PRECEDING BUDGET YEARS.

20 (II) NOTWITHSTANDING ANY PROVISION OF LAW TO THE
21 CONTRARY, FOR PURPOSES OF THIS SUBSECTION (4)(b), A DISTRICT'S
22 FUNDED PUPIL COUNT INCLUDES THE CERTIFIED PUPIL ENROLLMENT AND
23 ONLINE PUPIL ENROLLMENT OF EACH OPERATING INSTITUTE CHARTER
24 SCHOOL FOR WHICH THE DISTRICT IS THE ACCOUNTING DISTRICT, AS
25 PROVIDED PURSUANT TO SUBSECTIONS (4)(b)(III) AND (4)(b)(IV) OF THIS
26 SECTION. THE DEPARTMENT OF EDUCATION SHALL ADD THE INSTITUTE
27 CHARTER SCHOOL'S CERTIFIED PUPIL ENROLLMENT AND ONLINE PUPIL

1 ENROLLMENT TO THE FUNDED PUPIL COUNT OF THE DISTRICT PRIOR TO
2 CALCULATING THE DISTRICT'S TOTAL PROGRAM PURSUANT TO THIS
3 SECTION.

4 (III) FOR PURPOSES OF SUBSECTION (4)(b)(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; AND

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

22 (V) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT FOR THE
23 PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION,
24 AVERAGING A DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE
25 BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR THE TWO
26 IMMEDIATELY PRECEDING BUDGET YEARS PURSUANT TO THIS SUBSECTION
27 (4)(b), AND AVERAGING AN OPERATING INSTITUTE CHARTER SCHOOL'S

1 STUDENT ENROLLMENT AND ONLINE PUPIL ENROLLMENT PURSUANT TO
2 THIS SUBSECTION (4)(b), IS A PROGRAM FOR ACCOUNTABLE EDUCATION
3 REFORM AND MAY THEREFORE RECEIVE FUNDING FROM THE STATE
4 EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE
5 STATE CONSTITUTION.

6 (VI) (A) NOTWITHSTANDING ANY PROVISION OF LAW TO THE
7 CONTRARY, FOR THE PURPOSES OF THIS SUBSECTION (4)(b), A DISTRICT'S
8 PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND A DISTRICT'S
9 PUPIL ENROLLMENT FOR A PRECEDING BUDGET YEAR DO NOT INCLUDE A
10 PUPIL WHO IS OR WAS ENROLLED IN A CHARTER SCHOOL THAT WAS
11 ORIGINALLY AUTHORIZED BY THE DISTRICT BUT WAS SUBSEQUENTLY
12 CONVERTED, ON OR AFTER JULY 1, 2010, TO AN INSTITUTE CHARTER
13 SCHOOL OR TO A CHARTER SCHOOL OF A DISTRICT CONTIGUOUS TO THE
14 ORIGINAL AUTHORIZING DISTRICT.

15 (B) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION
16 (4)(b) TO THE CONTRARY, FOR THE PURPOSES OF THIS SUBSECTION (4)(b),
17 IF A DISTRICT'S FUNDED PUPIL COUNT CALCULATED PURSUANT TO THIS
18 SUBSECTION (4)(b) FOR A BUDGET YEAR IS FEWER THAN SIXTY STUDENTS,
19 THE DISTRICT'S FUNDED PUPIL COUNT FOR THE BUDGET YEAR IS SIXTY
20 STUDENTS.

21 (c) NOTWITHSTANDING SUBSECTIONS (4)(a) AND (4)(b) OF THIS
22 SECTION, IF, FOR THE 2026-27 BUDGET YEAR, EACH DISTRICT'S TOTAL
23 PROGRAM IS NOT DETERMINED PURSUANT TO SECTION 22-54-103.3 (3)(b),
24 THEN FUNDED PUPIL COUNT IS DETERMINED PURSUANT TO SUBSECTION
25 (4)(a) OF THIS SECTION FOR THE 2026-27 BUDGET YEAR AND EACH BUDGET
26 YEAR THEREAFTER.

27 (d) (I) NOTWITHSTANDING SUBSECTION (4)(b) OF THIS SECTION, IF

1 THE STATE EDUCATION FUND BALANCE IS PROJECTED TO BE LESS THAN
2 TWO HUNDRED MILLION DOLLARS AS OF JUNE 30, 2027, BASED ON
3 INFORMATION CONTAINED IN THE MARCH 2027 REVENUE FORECAST
4 PREPARED BY THE LEGISLATIVE COUNCIL STAFF, THEN FOR THE 2027-28
5 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER, THE GENERAL
6 ASSEMBLY SHALL IMPLEMENT A SMOOTHING FACTOR OR THE FUNDED
7 PUPIL COUNT IS THE DISTRICT'S ONLINE PUPIL ENROLLMENT FOR THE
8 APPLICABLE BUDGET YEAR PLUS THE DISTRICT'S SUPPLEMENTAL
9 KINDERGARTEN ENROLLMENT FOR THE APPLICABLE BUDGET YEAR PLUS
10 THE DISTRICT'S EXTENDED HIGH SCHOOL PUPIL ENROLLMENT FOR THE
11 APPLICABLE BUDGET YEAR PLUS THE GREATER OF:

12 (A) THE DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE
13 BUDGET YEAR; OR

14 (B) THE AVERAGE OF THE DISTRICT'S PUPIL ENROLLMENT FOR THE
15 APPLICABLE BUDGET YEAR AND THE DISTRICT'S PUPIL ENROLLMENT FOR
16 THE IMMEDIATELY PRECEDING BUDGET YEAR.

17 (I.5) IF THE GENERAL ASSEMBLY IS REQUIRED TO IMPLEMENT A
18 SMOOTHING FACTOR PURSUANT TO SUBSECTION (4)(d)(I) OF THIS SECTION,
19 THEN PRIOR TO THE SMOOTHING FACTOR'S IMPLEMENTATION, THE
20 GENERAL ASSEMBLY SHALL CONSULT A STATEWIDE ASSOCIATION THAT
21 REPRESENTS SCHOOL DISTRICTS REGARDING THE DEVELOPMENT AND
22 IMPLEMENTATION OF A SMOOTHING FACTOR. THE CONSULTATION MUST
23 INCLUDE AND CONSIDER THE OPINIONS OF SUPERINTENDENTS AND CHIEF
24 FINANCIAL OFFICERS OF SMALL RURAL SCHOOL DISTRICTS, RURAL SCHOOL
25 DISTRICTS, SUBURBAN SCHOOL DISTRICTS, AND URBAN SCHOOL DISTRICTS.

26 (II) NOTWITHSTANDING ANY PROVISION OF LAW TO THE
27 CONTRARY, FOR PURPOSES OF THIS SUBSECTION (4)(d), A DISTRICT'S

1 FUNDED PUPIL COUNT INCLUDES THE CERTIFIED PUPIL ENROLLMENT AND
2 ONLINE PUPIL ENROLLMENT OF EACH OPERATING INSTITUTE CHARTER
3 SCHOOL FOR WHICH THE DISTRICT IS THE ACCOUNTING DISTRICT, AS
4 PROVIDED PURSUANT TO SUBSECTIONS (4)(d)(III) AND (4)(d)(IV) OF THIS
5 SECTION. THE DEPARTMENT OF EDUCATION SHALL ADD THE INSTITUTE
6 CHARTER SCHOOL'S CERTIFIED PUPIL ENROLLMENT AND ONLINE PUPIL
7 ENROLLMENT TO THE FUNDED PUPIL COUNT OF THE DISTRICT PRIOR TO
8 CALCULATING THE DISTRICT'S TOTAL PROGRAM PURSUANT TO THIS
9 SECTION.

10 (III) FOR PURPOSES OF SUBSECTION (4)(d)(II) OF THIS SECTION,
11 EACH OPERATING INSTITUTE CHARTER SCHOOL'S CERTIFIED PUPIL
12 ENROLLMENT IS THE GREATER OF:

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

15 (B) THE AVERAGE OF THE OPERATING INSTITUTE CHARTER
16 SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND
17 THE OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR
18 THE IMMEDIATELY PRECEDING BUDGET YEAR.

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

24 (V) (A) NOTWITHSTANDING ANY PROVISION OF LAW TO THE
25 CONTRARY, FOR THE PURPOSES OF THIS SUBSECTION (4)(d), A DISTRICT'S
26 PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR DOES NOT
27 INCLUDE A PUPIL WHO IS OR WAS ENROLLED IN A CHARTER SCHOOL THAT

1 WAS ORIGINALLY AUTHORIZED BY THE DISTRICT BUT WAS SUBSEQUENTLY
2 CONVERTED, ON OR AFTER JULY 1, 2010, TO AN INSTITUTE CHARTER
3 SCHOOL OR TO A CHARTER SCHOOL OF A DISTRICT CONTIGUOUS TO THE
4 ORIGINAL AUTHORIZING DISTRICT.

5 (B) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION
6 (4)(d) TO THE CONTRARY, FOR THE PURPOSES OF THIS SUBSECTION (4)(d),
7 IF A DISTRICT'S FUNDED PUPIL COUNT CALCULATED PURSUANT TO THIS
8 SUBSECTION (4)(d) FOR A BUDGET YEAR IS FEWER THAN SIXTY STUDENTS,
9 THE DISTRICT'S FUNDED PUPIL COUNT FOR THE BUDGET YEAR IS SIXTY
10 STUDENTS.

11 (e) IF THE DEPARTMENT OF EDUCATION DETERMINES THAT A
12 DISTRICT'S PUPIL ENROLLMENT OR OPERATING INSTITUTE CHARTER
13 SCHOOL'S PUPIL ENROLLMENT FOR A PRECEDING BUDGET YEAR INCLUDED
14 PUPILS WHO WERE NOT REPORTED AS MULTI-DISTRICT ONLINE PUPILS, BUT
15 WERE DETERMINED BY THE DEPARTMENT OF EDUCATION TO HAVE BEEN
16 EDUCATED IN A SETTING THAT WAS EQUIVALENT TO A MULTI-DISTRICT
17 ONLINE PROGRAM, THE DEPARTMENT OF EDUCATION SHALL USE THE
18 ADJUSTED DISTRICT PUPIL ENROLLMENT OR OPERATING INSTITUTE
19 CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THAT PRECEDING BUDGET
20 YEAR WHEN DETERMINING FUNDED PUPIL COUNT PURSUANT TO THIS
21 SUBSECTION (4).

22 (12) **District locale factor funding.** (d) A district's classification,
23 as described pursuant to subsection (12)(b) or (12)(c) of this section, is
24 determined by the latest classifications or classification criteria issued by
25 the national center for education statistics in the institute of education
26 sciences of the United States department of education EDUCATION'S
27 LATEST CLASSIFICATION CRITERIA OR THE CLASSIFICATION CRITERIA

1 ISSUED IMMEDIATELY PRIOR TO THE LATEST CLASSIFICATION CRITERIA,
2 WHICHEVER IS THE GREATER PERCENTAGE.

3 (13) **District size factor funding.** (b.5) FOR PURPOSES OF
4 SUBSECTION (13)(b)(I) THROUGH (13)(b)(VI) OF THIS SECTION, A
5 DISTRICT'S FUNDED PUPIL COUNT DOES NOT INCLUDE THE NUMBER OF
6 PUPILS, ON THE PUPIL ENROLLMENT COUNT DAY WITHIN THE APPLICABLE
7 BUDGET YEAR, THE NUMBER OF PUPILS ENROLLED IN, ATTENDING, AND
8 ACTIVELY PARTICIPATING IN A MULTI-DISTRICT ONLINE SCHOOL, AS
9 DEFINED IN SECTION 22-30.7-102, CREATED PURSUANT TO ARTICLE 30.7
10 OF THIS TITLE 22.

11 (14) **Total program funding.** (a) (I) FOR THE 2025-26 BUDGET
12 YEAR, THE DEPARTMENT OF EDUCATION AND THE STAFF OF THE
13 LEGISLATIVE COUNCIL SHALL DETERMINE, BASED ON BUDGET
14 PROJECTIONS, THE AMOUNT TO ENSURE THAT FOR THE 2025-26 BUDGET
15 YEAR, THE SUM OF TOTAL PROGRAM FUNDING FOR ALL DISTRICTS,
16 INCLUDING FUNDING FOR INSTITUTE CHARTER SCHOOLS, IS AT LEAST TEN
17 BILLION THIRTY-FIVE MILLION SIX HUNDRED FIFTEEN THOUSAND NINE
18 HUNDRED SEVENTEEN DOLLARS AND EIGHTY CENTS (\$10,035,615,917.80);
19 EXCEPT THAT THE DEPARTMENT OF EDUCATION AND THE STAFF OF THE
20 LEGISLATIVE COUNCIL SHALL MAKE MID-YEAR REVISIONS TO REPLACE
21 PROJECTIONS WITH ACTUAL FIGURES, INCLUDING ACTUAL PUPIL
22 ENROLLMENT, ASSESSED VALUATIONS, AND SPECIFIC OWNERSHIP TAX
23 REVENUE FROM THE PRIOR YEAR, TO DETERMINE ANY NECESSARY
24 CHANGES IN THE AMOUNT TO MAINTAIN TOTAL PROGRAM FUNDING FOR
25 THE APPLICABLE BUDGET YEAR.

26 (II) THIS SUBSECTION (14)(a) IS REPEALED, EFFECTIVE JULY 1,
27 2031.

1 (b) (RESERVED)

2 **SECTION 10.** In Colorado Revised Statutes, 22-54-104, **amend**
3 (1)(c)(I) and (8); and **add** (7)(i) and (7)(j) as follows:

4 **22-54-104. District total program - legislative declaration -**
5 **definitions - repeal.** (1) (c) (I) Notwithstanding any provision of law to
6 the contrary, for the 2025-26 budget year through the ~~2029-30~~ 2030-31
7 budget year, the department of education shall calculate each district's
8 total program pursuant to this section for the purpose of determining each
9 district's total program pursuant to section 22-54-103.3. The district's total
10 program is available to the district to fund the costs of providing public
11 education, and, except as otherwise provided in section 22-54-105, the
12 district has the discretion to determine the amounts and purposes for
13 budgeting and expending its district total program money.

14 (7) (i) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION
15 (7), FOR THE 2027-28 BUDGET YEAR AND EACH BUDGET YEAR
16 THEREAFTER, WHEN CALCULATING EACH DISTRICT'S TOTAL PROGRAM
17 PURSUANT TO THIS SECTION FOR THE PURPOSE OF DETERMINING A
18 DISTRICT'S TOTAL PROGRAM PURSUANT TO SECTION 22-54-103.3, THE
19 DEPARTMENT OF EDUCATION SHALL USE THE SAME FUNDED PUPIL COUNT
20 THAT IT USES PURSUANT TO SECTION 22-54-103.5(4) FOR THE PURPOSE OF
21 DETERMINING A DISTRICT'S TOTAL PROGRAM PURSUANT TO SECTION
22 22-54-103.3.

23 (j) IF THE DEPARTMENT OF EDUCATION DETERMINES THAT A
24 DISTRICT'S PUPIL ENROLLMENT OR OPERATING INSTITUTE CHARTER
25 SCHOOL'S PUPIL ENROLLMENT FOR A PRECEDING BUDGET YEAR INCLUDED
26 PUPILS WHO WERE NOT REPORTED AS MULTI-DISTRICT ONLINE PUPILS, BUT
27 WERE DETERMINED BY THE DEPARTMENT OF EDUCATION TO HAVE BEEN

1 EDUCATED IN A SETTING THAT WAS EQUIVALENT TO A MULTI-DISTRICT
2 ONLINE PROGRAM, THE DEPARTMENT OF EDUCATION SHALL USE THE
3 ADJUSTED DISTRICT PUPIL ENROLLMENT OR OPERATING INSTITUTE
4 CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THAT PRECEDING BUDGET
5 YEAR WHEN DETERMINING FUNDED PUPIL COUNT PURSUANT TO THIS
6 SUBSECTION (7).

7 (8) This section is repealed, effective ~~July 1, 2031~~ JULY 1, 2032.

8 **SECTION 11.** In Colorado Revised Statutes, 22-54-104.6,
9 **amend** (1)(a) introductory portion, (1)(b), and (12); and **add** (1.5) as
10 follows:

11 **22-54-104.6. Implementation of at-risk measure - legislative**
12 **declaration - definitions - repeal.** (1) (a) The general assembly finds
13 and declares that implementing ~~a new~~ AN IMPROVED at-risk measure for
14 identifying students who are at risk of below-average academic
15 performance because of socioeconomic disadvantages or poverty will
16 benefit Colorado students by:

17 (b) Therefore, it is the intent of the general assembly to ~~create a~~
18 ~~working group convened by the commissioner of education to determine~~
19 ~~how to construct and implement the new~~ CONTINUOUSLY IMPROVE THE
20 CONSTRUCTION AND IMPLEMENTATION OF THE at-risk measure for use in
21 the state's public school funding formula.

22 (1.5) (a) IN ORDER TO ACCOUNT FOR STUDENTS WHO ARE AT-RISK
23 OF BELOW-AVERAGE ACADEMIC PERFORMANCE AND EDUCATION
24 OUTCOMES BECAUSE OF SOCIOECONOMIC DISADVANTAGES OR POVERTY,
25 BUT WHO MAY NOT QUALIFY FOR FREE OR REDUCED PRICE LUNCH, THE
26 DEPARTMENT OF EDUCATION SHALL COLLECT DATA NECESSARY TO
27 IDENTIFY INDIVIDUAL STUDENT CENSUS BLOCK GROUPS.

1 (b) NOTWITHSTANDING SUBSECTION (1.5)(a) OF THIS SECTION, THE
2 STATE BOARD MAY PROMULGATE RULES THAT DIRECT THE DEPARTMENT
3 OF EDUCATION TO SUSPEND THE COLLECTION OF DATA PURSUANT TO
4 SUBSECTION (1.5)(a) OF THIS SECTION, IF THE COLLECTED DATA INDICATES
5 THAT THE STUDENT POPULATION IDENTIFIED IN SUBSECTION (1.5)(a) OF
6 THIS SECTION IS SUBSTANTIALLY SIMILAR TO THE AT-RISK STUDENT
7 POPULATION THAT IS IDENTIFIED THROUGH FREE AND REDUCED PRICE
8 LUNCH AND DIRECT CERTIFICATION. THE STATE BOARD MAY ALSO
9 PROMULGATE RULES THAT DIRECT THE DEPARTMENT OF EDUCATION TO
10 RE-START THE COLLECTION OF DATA PURSUANT TO SUBSECTION (1.5)(a)
11 OF THIS SECTION, AFTER A SUSPENSION OF DATA COLLECTION.

12 (12) Subsections ~~(4) to (11)~~ (2) TO (11.7) of this section are
13 repealed, effective July 1, 2025. ■ ■

14 **SECTION 12.** In Colorado Revised Statutes, 22-43.7-104,
15 **amend** (1) and (2)(d)(I); and **add** (7) as follows:

16 **22-43.7-104. Public school capital construction assistance fund**
17 **- creation - crediting of money to fund - use of fund - emergency**
18 **reserve - creation - reserve account - creation and use - definition -**
19 **report.** (1) (a) The public school capital construction assistance fund is
20 ~~hereby~~ created in the state treasury. SUBJECT TO THE LIMITATION SET
21 FORTH IN SUBSECTION (1)(b)(I) OF THIS SECTION, the principal of the
22 assistance fund ~~shall consist~~ CONSISTS of all ~~moneys~~ MONEY transferred
23 or credited to the assistance fund pursuant to subsection (2) of this
24 section. EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (1)(b)(I) OF THIS
25 SECTION, all interest and income earned on the deposit and investment of
26 ~~moneys~~ MONEY in the assistance fund ~~shall be~~ IS credited to the assistance
27 fund and ~~shall not be~~ IS NOT transferred to the general fund or any other

1 fund at the end of any fiscal year.

2 (b) (I) (A) For the 2024-25 state fiscal year, and each state
3 fiscal year thereafter, the total amount of revenue credited in
4 the state fiscal year to the assistance fund pursuant to this
5 section must not exceed one hundred fifty million dollars,
6 which amount must be annually adjusted for inflation for each
7 state fiscal year thereafter.

8 (B) For the 2024-25 state fiscal year, and each state fiscal
9 year thereafter, the state treasurer shall credit to the state
10 public school fund created in section 22-54-114 (1) any amount of
11 revenue that exceeds in the state fiscal year one hundred fifty
12 million dollars, as adjusted annually for inflation for state
13 fiscal years commencing on or after July 1, 2025, that otherwise
14 would be credited to the assistance fund pursuant to this
15 section.

16 (II) As used in this subsection (1)(b), "inflation" means the
17 annual percentage increase in the United States department of
18 labor's bureau of labor statistics consumer price index, or a
19 successor index, for Denver-Aurora-Lakewood for all items
20 paid for by urban consumers.

21 (2) (d) (I) (A) For the state fiscal year commencing July 1, 2018,
22 the state treasurer, as provided in section 39-28.8-305 (1)(a), shall credit
23 to the assistance fund the greater of the first forty million dollars received
24 and collected from the excise tax on retail marijuana imposed pursuant to
25 part 3 of article 28.8 of title 39 or ninety percent of the money received
26 and collected from the tax. For the state fiscal year commencing July 1,
27 2019, and for each state fiscal year thereafter except for the state fiscal

1 year commencing July 1, 2020, the state treasurer, as provided in section
2 39-28.8-305 (1)(a), shall annually credit to the assistance fund all of the
3 money received and collected from the excise tax on retail marijuana
4 imposed pursuant to part 3 of article 28.8 of title 39. For the state fiscal
5 year commencing July 1, 2020, the state treasurer, as provided in section
6 39-28.8-305 (1)(a), shall credit to the assistance fund the lesser of the first
7 forty million dollars received and collected from the excise tax on retail
8 marijuana imposed pursuant to part 3 of article 28.8 of title 39 or all of
9 the money received and collected from the tax. For state fiscal years
10 commencing before July 1, 2019, the state treasurer shall credit twelve
11 and five-tenths percent of the amount annually credited pursuant to this
12 subsection (2)(d) to the charter school facilities assistance account, which
13 account is created within the assistance fund. For each state fiscal year
14 commencing on or after July 1, 2019, the state treasurer shall credit to the
15 charter school facilities assistance account a percentage of the amount
16 credited pursuant to this subsection (2)(d) that is equal to the percentage
17 of pupil enrollment, as defined in section 22-54-103 (10), statewide
18 represented by pupils who were enrolled in charter schools for the prior
19 school year. The department of education shall notify the state treasurer
20 of the applicable percentage no later than June 1 of the immediately
21 preceding fiscal year. FOR THE STATE FISCAL YEAR COMMENCING JULY 1,
22 2019, AND FOR EACH STATE FISCAL YEAR THEREAFTER, THE STATE
23 TREASURER, AS PROVIDED IN SECTION 39-28.8-305 (1)(a), SHALL
24 ANNUALLY CREDIT TO THE ASSISTANCE FUND ALL OF THE MONEY
25 RECEIVED AND COLLECTED FROM THE EXCISE TAX ON RETAIL MARIJUANA
26 IMPOSED PURSUANT TO PART 3 OF ARTICLE 28.8 OF TITLE 39, SUBJECT TO
27 THE LIMITATION SET FORTH IN SUBSECTION (1)(b)(I) OF THIS SECTION.

1 (B) THERE IS CREATED WITHIN THE ASSISTANCE FUND THE
2 CHARTER SCHOOL FACILITIES ASSISTANCE ACCOUNT. FOR THE 2019-20
3 STATE FISCAL YEAR, AND EACH STATE FISCAL YEAR THEREAFTER, THE
4 STATE TREASURER SHALL CREDIT TO THE CHARTER SCHOOL FACILITIES
5 ASSISTANCE ACCOUNT A PERCENTAGE OF THE AMOUNT CREDITED
6 PURSUANT TO THIS SUBSECTION (2)(d) THAT IS EQUAL TO THE
7 PERCENTAGE OF PUPIL ENROLLMENT, AS DEFINED IN SECTION 22-54-103,
8 STATEWIDE REPRESENTED BY PUPILS WHO WERE ENROLLED IN CHARTER
9 SCHOOLS FOR THE PRIOR SCHOOL YEAR. THE DEPARTMENT OF EDUCATION
10 SHALL NOTIFY THE STATE TREASURER OF THE APPLICABLE PERCENTAGE NO
11 LATER THAN JUNE 1 OF THE IMMEDIATELY PRECEDING STATE FISCAL YEAR.

12 (7) IN ITS BUDGET REQUEST SUBMITTED TO THE JOINT BUDGET
13 COMMITTEE EACH NOVEMBER 1, THE OFFICE OF STATE PLANNING AND
14 BUDGETING SHALL REPORT THE AMOUNT OF REVENUE THAT WAS CREDITED
15 TO THE STATE PUBLIC SCHOOL FUND FOR THE PRIOR STATE FISCAL YEAR
16 PURSUANT TO SUBSECTION (1)(b) OF THIS SECTION. THE JOINT BUDGET
17 COMMITTEE MUST CONSIDER THE AMOUNT OF REVENUE THAT WAS
18 CREDITED TO THE STATE PUBLIC SCHOOL FUND AND WHETHER TO
19 CONTINUE CREDITING MONEY TO THE STATE PUBLIC SCHOOL FUND
20 PURSUANT TO SUBSECTION (1)(b) OF THIS SECTION.

21 **SECTION 13.** In Colorado Revised Statutes, 22-7-1209, **amend**
22 (7) as follows:

23 **22-7-1209. State board - rules - department - duties.**

24 (7) Beginning in the 2019-20 budget year, the department shall ~~contract~~
25 ~~with an entity to~~ develop and implement a public information campaign
26 to emphasize the importance of learning to read by third grade and to
27 highlight the local education providers that are achieving high

1 percentages of third-grade students who demonstrate reading competency.
2 The public information campaign must be disseminated statewide and
3 must emphasize the important roles that educators and parents have in
4 teaching children to read and in providing a school and home
5 environment that promotes reading. The department is encouraged to
6 work with the public and private library agencies throughout the state in
7 developing and implementing the public information campaign.

8 **SECTION 14.** In Colorado Revised Statutes, 22-105.5-104,
9 **amend** (3)(c)(I) as follows:

10 **22-105.5-104. Out-of-school time program grant program -**
11 **created - use of grants - funding - rules - repeal.** (3) (c) (I) For the
12 2024-25, 2025-26, and 2026-27 state fiscal years, the general assembly
13 shall appropriate three million five hundred thousand dollars in each state
14 fiscal year from the general fund to the department for purposes of this
15 section. ANY UNEXPENDED MONEY REMAINING AT THE END OF THE
16 2024-25 OR 2025-26 STATE FISCAL YEAR FROM AN APPROPRIATION MADE
17 PURSUANT TO THIS SUBSECTION (3)(c)(I):

18 (A) MAY BE USED BY THE DEPARTMENT IN THE 2025-26, 2026-27,
19 OR 2027-28 STATE FISCAL YEARS WITHOUT FURTHER APPROPRIATION; AND

20 (B) MUST NOT BE USED FOR ANY PURPOSE OTHER THAN THE
21 PURPOSES OF THIS SECTION.

22 **SECTION 15.** In Colorado Revised Statutes, 22-105.5-106,
23 **amend** (1) introductory portion and (5) as follows:

24 **22-105.5-106. Reporting requirements.** (1) On or before July
25 ~~1, 2025~~, JULY 1, 2026, and on or before July 1 each year thereafter in
26 which a grant is awarded, each grantee shall submit a report to the
27 department. At a minimum, the report must include the following

1 information:

2 (5) On or before ~~March 31, 2026~~, MARCH 31, 2027, and on or
3 before March 31 each year thereafter for the duration of the grant
4 program, the department shall submit a summarized report of information
5 provided by the eligible entities that received a grant to the education
6 committees of the senate and the house of representatives, or any
7 successor committees.

8 **SECTION 16.** In Colorado Revised Statutes, 42-1-102, **amend**
9 (88) and (88.5)(a); and **add** (60.2) as follows:

10 **42-1-102. Definitions.** As used in articles 1 to 4 of this title 42,
11 unless the context otherwise requires:

12 (60.2) "MULTIFUNCTION SCHOOL ACTIVITY BUS" MEANS A MOTOR
13 VEHICLE THAT IS DESIGNED AND USED SPECIFICALLY FOR THE
14 TRANSPORTATION OF SCHOOL CHILDREN TO OR FROM A SCHOOL-RELATED
15 ACTIVITY, WHETHER THE ACTIVITY OCCURS WITHIN OR OUTSIDE THE
16 TERRITORIAL LIMITS OF A SCHOOL DISTRICT AND WHETHER OR NOT THE
17 ACTIVITY OCCURS DURING SCHOOL HOURS. A "MULTIFUNCTION SCHOOL
18 ACTIVITY BUS" MUST COMPLY WITH ALL FEDERAL MOTOR VEHICLE SAFETY
19 STANDARDS AND REGULATIONS APPLICABLE TO SCHOOL BUSES, EXCEPT
20 ANY STANDARD OR REGULATION REQUIRING THE INSTALLATION OF
21 OFFICIAL TRAFFIC CONTROL DEVICES.

22 (88) "School bus" means a motor vehicle that is designed and used
23 specifically for the transportation of school children to or from a public
24 or private school or a school-related activity, whether the activity occurs
25 within or ~~without~~ OUTSIDE the territorial limits of ~~any~~ A SCHOOL district
26 and whether or not the activity occurs during school hours. "School bus"
27 ~~does not include informal or intermittent arrangements, such as sharing~~

1 ~~of actual gasoline expense or participation in a car pool, for the~~
2 ~~transportation of school children to or from a public or private school or~~
3 ~~a school-related activity~~ A "SCHOOL BUS" MUST COMPLY WITH ALL
4 FEDERAL MOTOR VEHICLE SAFETY STANDARDS AND REGULATIONS
5 APPLICABLE TO SCHOOL BUSES.

6 (88.5) (a) "School vehicle" means a motor vehicle, including, but
7 not limited to, a school bus OR MULTIFUNCTION SCHOOL ACTIVITY BUS,
8 that is owned by or under contract to a public or private school and
9 operated for the transportation of school children to or from school or a
10 school-related activity.

11 **SECTION 17.** In Colorado Revised Statutes, 42-4-707, **amend**
12 (1)(a) introductory portion and (5) introductory portion; and **add** (5)(a.5)
13 as follows:

14 **42-4-707. Certain vehicles must stop at railroad grade**
15 **crossings - definitions.** (1) (a) Except as otherwise provided in this
16 section, the driver of a school bus, as defined in subsection (5)(b) of this
17 section OR THE DRIVER OF A MULTIFUNCTION SCHOOL ACTIVITY BUS, AS
18 DEFINED IN SUBSECTION (5)(a.5) OF THIS SECTION, ~~carrying any~~
19 ~~schoolchild~~ the driver of a vehicle carrying hazardous materials that is
20 required to be placarded in accordance with rules issued under section
21 42-20-108, or the driver of a commercial vehicle, as defined in section
22 42-4-235, that is transporting passengers, before crossing at grade any
23 tracks of a railroad:

24 (5) ~~For the purposes of~~ AS USED IN this section:

25 (a.5) "MULTIFUNCTION SCHOOL ACTIVITY BUS" MEANS A
26 MULTIFUNCTION SCHOOL ACTIVITY BUS THAT IS REQUIRED TO BEAR ON
27 THE FRONT AND REAR OF THE BUS THE WORDS "ACTIVITY BUS"

1 PURSUANT TO SECTION 42-4-1903 (2)(a.5).

2 **SECTION 18.** In Colorado Revised Statutes, 42-4-1901, **amend**
3 (2)(b) as follows:

4 **42-4-1901. School buses - equipped with supplementary brake**
5 **retarders.** (2) (b) The general assembly encourages school districts to
6 consider installing ~~only electromagnetic retarders~~ or state-of-the-art
7 retarders for purposes of supplementing service brake systems of school
8 buses when such retarders are acquired on or after April 17, 1991. The
9 general assembly also encourages school districts to consider purchasing
10 only those new school buses ~~which~~ THAT are equipped with external
11 public address systems and retarders of appropriate capacity for purposes
12 of supplementing any service brake systems of such school buses.

13 **SECTION 19.** In Colorado Revised Statutes, **amend** 42-4-1902
14 as follows:

15 **42-4-1902. School vehicle drivers - special training required.**
16 On and after July 1, 1992, the driver of ~~any~~ A school vehicle as defined
17 in section 42-1-102 (88.5) owned or operated by or for ~~any~~ A school
18 district in this state shall have successfully completed training ~~approved~~
19 ~~by the department of education~~, concerning driving on mountainous
20 terrain, as defined in section 42-4-1901 (3)(a), and driving in adverse
21 weather conditions.

22 **SECTION 20.** In Colorado Revised Statutes, 42-4-1903, **amend**
23 (1)(a), (2)(a) introductory portion, and (3); and **add** (2)(a.5) as follows:

24 **42-4-1903. School buses - stops - signs - passing.** (1) (a) The
25 driver of a motor vehicle upon any highway, road, or street, upon meeting
26 or overtaking from either direction any school bus that has stopped, shall
27 stop the vehicle at least twenty feet before reaching the school bus if

1 visual signal lights as specified in subsection (2) of this section have been
2 actuated on the school bus. The driver shall not proceed until the visual
3 signal lights are no longer being actuated. ~~The driver of a motor vehicle~~
4 ~~shall stop when a school bus that is not required to be equipped with~~
5 ~~visual signal lights by subsection (2) of this section stops to receive or~~
6 ~~discharge schoolchildren.~~

7 (2) (a) Every school bus as defined in section 42-1-102 (88), other
8 than a small passenger-type vehicle having a seating capacity of not more
9 than ~~fifteen~~ TWELVE, used for the transportation of schoolchildren ~~shall~~
10 MUST:

11 (a.5) EVERY MULTIFUNCTION SCHOOL ACTIVITY BUS AS DEFINED
12 IN SECTION 42-1-102 (60.2) MUST BEAR ON THE FRONT AND REAR OF THE
13 BUS THE WORDS "ACTIVITY BUS" IN BLACK LETTERS NOT LESS THAN
14 EIGHT INCHES IN HEIGHT.

15 (3) Every school bus used for the transportation of schoolchildren,
16 except those small passenger-type vehicles described in subsection (1) of
17 this section AND MULTIFUNCTION SCHOOL ACTIVITY BUSES, ~~shall~~ MUST be
18 equipped with school bus pedestrian safety devices that comply with 49
19 CFR 571.131 or its successor regulation.

20 **SECTION 21. Appropriation.** For the 2025-26 state fiscal year,
21 \$7,009,989 is appropriated to the department of education. This
22 appropriation is from the state education fund created in section 17 (4)(a)
23 of article IX of the state constitution. To implement this act, the
24 department may use this appropriation for at-risk supplemental aid.

25 **SECTION 22. Appropriation - adjustments to 2025 long bill.**
26 (1) To implement this act, appropriations made in the annual general
27 appropriation act for the 2025-26 state fiscal year to the department of

1 education are adjusted as follows:

2 (a) The cash funds appropriation from the state education fund
3 created in section 17 (4)(a) of article IX of the state constitution for state
4 share of districts' total program funding is decreased by \$16,135,769;

5 (b) The cash funds appropriation from the state education fund
6 created in section 17 (4)(a) of article IX of the state constitution for
7 at-risk per pupil additional funding is decreased by \$5,000,000; and

8 (c) The cash funds appropriation from public school capital
9 construction assistance fund created in section 22-43.7-104 (1), C.R.S.,
10 for public school capital construction assistance board - cash grants is
11 decreased by \$45,648,087.

12 **SECTION 23. Safety clause.** The general assembly finds,
13 determines, and declares that this act is necessary for the immediate
14 preservation of the public peace, health, or safety or for appropriations for
15 the support and maintenance of the departments of the state and state
16 institutions.