HOUSE COMMITTEE OF REFERENCE REPORT

	April 7, 2025
Chair of Committee	Date
Committee on Education.	
After consideration on the merits, the following:	e Committee recommends the
HB25-1320 be amended as follows, an the Committee on A recommendation:	d as so amended, be referred to ppropriations with favorable
Amend printed bill, page 4, line 17, a general assembly is unable to fulfill this 17 of article IX of the Colorado Constitut to address the issue of how to accurate public education funding in the future.".	obligation mandated by section ion, then a group will be formed ly track a potential shortfall to
Page 5, after line 16 insert: "SECTION 2. In Colorado Reamend (2)(a) and (3); and add (2)(c) and 22-30.5-112.2. Charter schools definitions - legislative declaration - respectively.	d (5) as follows: s - at-risk supplemental aid -
budget year and each budget year then	
BUDGET YEAR, the general assembly shall	
of education for allocation to school dist at-risk supplemental aid for those scho	
schools described in paragraph (b) of the	
(2)(b) of this section. For the 2025-26	
BUDGET YEAR, THE GENERAL ASSEMBLY	
DEPARTMENT OF EDUCATION FOR ALLOCA	
AMOUNT DETERMINED FOR SUPPLEMENDISTRICTS AND DISTRICT CHARTER SCHO	
(2)(c) OF THIS SECTION. The at-risk supple	
and does not supplant any other funding p	
(c) FOR THE 2025-26 BUDGET YEAR	·
DISTRICT CHARTER SCHOOL'S AT-RISK SU	

AMOUNT THAT IT RECEIVED IN THE 2024-25 BUDGET YEAR. FOR THE

2026-27 BUDGET YEAR, EACH SCHOOL DISTRICT AND DISTRICT CHARTER

SCHOOL'S AT-RISK SUPPLEMENTAL AID IS FIFTY PERCENT OF THE AMOUNT

THAT IT RECEIVED IN THE 2024-25 BUDGET YEAR.

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- (3) If the appropriation to the department of education is insufficient to fund one hundred percent of the at-risk supplemental aid calculated pursuant to paragraph (b) of subsection (2) DETERMINED PURSUANT TO SUBSECTION (2) of this section, the department of education shall reduce each school district's and each district charter school's at-risk supplemental aid proportionately.
 - (5) This section is repealed, effective July 1, 2028.

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

22-30.5-513. Institute charter schools - funding - at-risk supplemental aid - legislative declaration - definitions - repeal. (4.5) (a) For the 2012-13 budget year and each budget year thereafter THROUGH THE 2024-25 BUDGET YEAR, the general assembly shall appropriate to the charter school institute the amount calculated for at-risk supplemental aid pursuant to paragraph (b) of this subsection (4.5) SUBSECTION (4.5)(b) OF THIS SECTION for each institute charter school whose percentage of at-risk pupils is less than the percentage of at-risk pupils in the accounting district. FOR THE 2025-26 BUDGET YEAR AND THE 2026-27 BUDGET YEAR, THE GENERAL ASSEMBLY SHALL APPROPRIATE TO THE CHARTER SCHOOL INSTITUTE FOR ALLOCATION TO INSTITUTE CHARTER SCHOOLS THE AMOUNT DESCRIBED IN SUBSECTION (4.5)(b.5) OF THIS SECTION. At-risk supplemental aid is additional funding and does not supplant any other funding allocated pursuant to this section. The charter school institute shall pass through one hundred percent of an institute charter school's at-risk supplemental aid to the institute charter school.

- (b.5) FOR THE 2025-26 BUDGET YEAR, EACH INSTITUTE CHARTER SCHOOL'S AT-RISK SUPPLEMENTAL AID IS THE SAME AMOUNT THAT IT RECEIVED IN THE 2024-25 BUDGET YEAR. FOR THE 2026-27 BUDGET YEAR, EACH INSTITUTE CHARTER SCHOOL'S AT-RISK SUPPLEMENTAL AID IS FIFTY PERCENT OF THE AMOUNT THAT IT RECEIVED IN THE 2024-25 BUDGET YEAR.
- (d) If the appropriation to the charter school institute is insufficient to fund one hundred percent of the at-risk supplemental aid calculated DETERMINED pursuant to this subsection (4.5), the charter school institute shall reduce each institute charter school's at-risk supplemental aid proportionately.
- (e) THIS SUBSECTION (4.5) IS REPEALED, EFFECTIVE JULY 1, 2028. **SECTION 4.** In Colorado Revised Statutes, **repeal** 22-54-136. **SECTION 5.** In Colorado Revised Statutes, 22-30.5-408, **amend** (2)(a) as follows:
- 22-30.5-408. Replenishment of qualified charter school debt service reserve funds additional responsibilities state treasurer -

qualified charter schools - definitions.

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- 2 (2) (a) If the Colorado educational and cultural facilities authority has issued qualified charter school bonds on behalf of any A qualified 4 charter school that fails immediately to restore its qualified charter school debt service reserve fund to the applicable qualified charter school debt 6 service reserve fund requirement, the board of directors of the authority 7 shall submit to the governor a certificate certifying any THE amount of 8 money required to restore the qualified charter school debt service reserve 9 fund to the applicable qualified charter school debt service reserve fund 10 requirement. The governor shall submit a request for appropriations in an 11 amount sufficient to restore any or all qualified charter school debt 12 reserve funds to their respective qualified charter school debt service 13 reserve fund requirements, and the general assembly may, but is not 14 required to, appropriate money for said THAT purpose. If, in its sole 15 discretion, the general assembly appropriates any money for said THAT purpose, the aggregate outstanding principal amount of bonds for which 16 17 money may be appropriated for said THAT purpose must not exceed seven 18 hundred fifty million ONE BILLION dollars.".
- 19 Renumber succeeding sections accordingly.
- 20 Page 10, line 19, strike "and (4);" and substitute "(4), and (12)(d);".
- 21 Page 17, after line 23 insert:
 - "(I.5) IF THE GENERAL ASSEMBLY IS REQUIRED TO IMPLEMENT A SMOOTHING FACTOR PURSUANT TO SUBSECTION (4)(d)(I) OF THIS SECTION, THEN PRIOR TO THE SMOOTHING FACTOR'S IMPLEMENTATION, THE GENERAL ASSEMBLY SHALL CONSULT A STATEWIDE ASSOCIATION THAT REPRESENTS SCHOOL DISTRICTS REGARDING THE DEVELOPMENT AND IMPLEMENTATION OF A SMOOTHING FACTOR. THE CONSULTATION MUST INCLUDE AND CONSIDER THE OPINIONS OF SUPERINTENDENTS AND CHIEF FINANCIAL OFFICERS OF SMALL RURAL SCHOOL DISTRICTS, RURAL SCHOOL DISTRICTS, SUBURBAN SCHOOL DISTRICTS, AND URBAN SCHOOL DISTRICTS.".
 - Page 19, after line 8 insert:
 - "(e) IF THE DEPARTMENT OF EDUCATION DETERMINES THAT A DISTRICT'S PUPIL ENROLLMENT OR OPERATING INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR A PRECEDING BUDGET YEAR INCLUDED PUPILS WHO WERE NOT REPORTED AS MULTI-DISTRICT ONLINE PUPILS, BUT WERE DETERMINED BY THE DEPARTMENT OF EDUCATION TO HAVE BEEN EDUCATED IN A SETTING THAT WAS EQUIVALENT TO A MULTI-DISTRICT ONLINE PROGRAM, THE DEPARTMENT OF EDUCATION SHALL USE THE

- 1 ADJUSTED DISTRICT PUPIL ENROLLMENT OR OPERATING INSTITUTE
- 2 CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THAT PRECEDING BUDGET
- 3 YEAR WHEN DETERMINING FUNDED PUPIL COUNT PURSUANT TO THIS
- 4 SUBSECTION (4).
- 5 (12) **District locale factor funding.** (d) A district's classification,
- 6 as described pursuant to subsection (12)(b) or (12)(c) of this section, is
- 7 determined by the latest classifications or classification criteria issued by
- 8 the national center for education statistics in the institute of education
- 9 sciences of the United States department of education EDUCATION'S
- 10 LATEST CLASSIFICATION CRITERIA OR THE CLASSIFICATION CRITERIA
- 11 ISSUED IMMEDIATELY PRIOR TO THE LATEST CLASSIFICATION CRITERIA,
- 12 WHICHEVER IS THE GREATER PERCENTAGE.".
- 13 Page 20, line 1, after "(7)(i)" insert "and (7)(j)".
- 14 Page 20, after line 20 insert:
- 15 "(i) If the department of education determines that a
- 16 DISTRICT'S PUPIL ENROLLMENT OR OPERATING INSTITUTE CHARTER
- 17 SCHOOL'S PUPIL ENROLLMENT FOR A PRECEDING BUDGET YEAR INCLUDED
- 18 PUPILS WHO WERE NOT REPORTED AS MULTI-DISTRICT ONLINE PUPILS, BUT
- WERE DETERMINED BY THE DEPARTMENT OF EDUCATION TO HAVE BEEN
- 20 EDUCATED IN A SETTING THAT WAS EQUIVALENT TO A MULTI-DISTRICT
- 21 ONLINE PROGRAM, THE DEPARTMENT OF EDUCATION SHALL USE THE
- 22 ADJUSTED DISTRICT PUPIL ENROLLMENT OR OPERATING INSTITUTE
- 23 CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THAT PRECEDING BUDGET
- 24 YEAR WHEN DETERMINING FUNDED PUPIL COUNT PURSUANT TO THIS
- 25 SUBSECTION (7).".
- 26 Page 22, after line 4 insert:
- 27 "SECTION 11. In Colorado Revised Statutes, 22-43.7-104,
- amend (1) and (2)(d)(I) as follows:
- 29 **22-43.7-104.** Public school capital construction assistance fund
- creation crediting of money to fund use of fund emergency
- 31 reserve creation reserve account creation and use definition.
- 32 (1) (a) The public school capital construction assistance fund is hereby
- created in the state treasury. SUBJECT TO THE LIMITATION SET FORTH IN
- 34 SUBSECTION (1)(b)(I) OF THIS SECTION, the principal of the assistance fund
- 35 shall consist CONSISTS of all moneys MONEY transferred or credited to the
- assistance fund pursuant to subsection (2) of this section. EXCEPT AS
- 37 OTHERWISE PROVIDED IN SUBSECTION (1)(b)(I) OF THIS SECTION, all
- 38 interest and income earned on the deposit and investment of moneys
- 39 MONEY in the assistance fund shall be IS credited to the assistance fund

and shall not be IS NOT transferred to the general fund or any other fund at the end of any fiscal year.

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- (b) (I) (A) FOR THE 2025-26 STATE FISCAL YEAR, AND EACH STATE FISCAL YEAR THEREAFTER, THE TOTAL AMOUNT OF REVENUE CREDITED IN THE STATE FISCAL YEAR TO THE ASSISTANCE FUND PURSUANT TO THIS SECTION MUST NOT EXCEED ONE HUNDRED FIFTY MILLION DOLLARS, WHICH AMOUNT MUST BE ANNUALLY ADJUSTED FOR INFLATION FOR EACH STATE FISCAL YEAR THEREAFTER AND MUST INCLUDE THE LESSER OF THE FIRST FORTY MILLION DOLLARS OR ALL THE MONEY RECEIVED FROM THE EXCISE TAX ON RETAIL MARIJUANA THAT IS REQUIRED TO BE CREDITED TO THE ASSISTANCE FUND PURSUANT TO SECTION 16 (5)(d) OF ARTICLE XVIII OF THE STATE CONSTITUTION.
- (B) FOR THE 2025-26 STATE FISCAL YEAR, AND EACH STATE FISCAL YEAR THEREAFTER, THE STATE TREASURER SHALL CREDIT TO THE STATE PUBLIC SCHOOL FUND CREATED IN SECTION 22-54-114(1) ANY AMOUNT OF REVENUE THAT EXCEEDS IN THE STATE FISCAL YEAR ONE HUNDRED FIFTY MILLION DOLLARS, AS ADJUSTED ANNUALLY FOR INFLATION FOR STATE FISCAL YEARS COMMENCING ON OR AFTER JULY 1, 2026, THAT OTHERWISE WOULD BE CREDITED TO THE ASSISTANCE FUND PURSUANT TO THIS SECTION.
- (II) AS USED IN THIS SUBSECTION (1)(b), "INFLATION" MEANS THE ANNUAL PERCENTAGE INCREASE IN THE UNITED STATES DEPARTMENT OF LABOR'S BUREAU OF LABOR STATISTICS CONSUMER PRICE INDEX, OR A SUCCESSOR INDEX, FOR DENVER-AURORA-LAKEWOOD FOR ALL ITEMS PAID FOR BY URBAN CONSUMERS.
- (2) (d) (I) (A) For the state fiscal year commencing July 1, 2018, the state treasurer, as provided in section 39-28.8-305 (1)(a), shall credit to the assistance fund the greater of the first forty million dollars received and collected from the excise tax on retail marijuana imposed pursuant to part 3 of article 28.8 of title 39 or ninety percent of the money received and collected from the tax. For the state fiscal year commencing July 1, 2019, and for each state fiscal year thereafter except for the state fiscal year commencing July 1, 2020, the state treasurer, as provided in section 39-28.8-305 (1)(a), shall annually credit to the assistance fund all of the money received and collected from the excise tax on retail marijuana imposed pursuant to part 3 of article 28.8 of title 39. For the state fiscal year commencing July 1, 2020, the state treasurer, as provided in section 39-28.8-305 (1)(a), shall credit to the assistance fund the lesser of the first forty million dollars received and collected from the excise tax on retail marijuana imposed pursuant to part 3 of article 28.8 of title 39 or all of the money received and collected from the tax. For state fiscal years commencing before July 1, 2019, the state treasurer shall credit twelve and five-tenths percent of the amount annually credited pursuant to this

subsection (2)(d) to the charter school facilities assistance account, which account is created within the assistance fund. For each state fiscal year commencing on or after July 1, 2019, the state treasurer shall credit to the charter school facilities assistance account a percentage of the amount credited pursuant to this subsection (2)(d) that is equal to the percentage of pupil enrollment, as defined in section 22-54-103 (10), statewide represented by pupils who were enrolled in charter schools for the prior school year. The department of education shall notify the state treasurer of the applicable percentage no later than June 1 of the immediately preceding fiscal year FOR THE STATE FISCAL YEAR COMMENCING JULY 1, 2019. AND FOR EACH STATE FISCAL YEAR THEREAFTER, THE STATE TREASURER, AS PROVIDED IN SECTION 39-28.8-305 (1)(a), SHALL ANNUALLY CREDIT TO THE ASSISTANCE FUND ALL OF THE MONEY RECEIVED AND COLLECTED FROM THE EXCISE TAX ON RETAIL MARIJUANA IMPOSED PURSUANT TO PART 3 OF ARTICLE 28.8 OF TITLE 39, SUBJECT TO THE LIMITATION SET FORTH IN SUBSECTION (1)(b)(I) OF THIS SECTION.

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(B) There is created within the assistance fund the charter school facilities assistance account. For the 2019-20 state fiscal year, and each state fiscal year thereafter, the state treasurer shall credit to the charter school facilities assistance account a percentage of the amount credited pursuant to this subsection (2)(d) that is equal to the percentage of pupil enrollment, as defined in section 22-54-103, statewide represented by pupils who were enrolled in charter schools for the prior school year. The department of education shall notify the state treasurer of the applicable percentage no later than June 1 of the immediately preceding state fiscal year.

SECTION 12. In Colorado Revised Statutes, 22-7-1209, **amend** (7) as follows:

22-7-1209. State board - rules - department - duties. (7) Beginning in the 2019-20 budget year, the department shall contract with an entity to develop and implement a public information campaign to emphasize the importance of learning to read by third grade and to highlight the local education providers that are achieving high percentages of third-grade students who demonstrate reading competency. The public information campaign must be disseminated statewide and must emphasize the important roles that educators and parents have in teaching children to read and in providing a school and home environment that promotes reading. The department is encouraged to work with the public and private library agencies throughout the state in developing and implementing the public information campaign.

SECTION 13. In Colorado Revised Statutes, 42-1-102, **amend** (88) and (88.5)(a); and **add** (60.2) as follows:

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

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

(88) "School bus" means a motor vehicle that is designed and used specifically for the transportation of school children to or from a public or private school or a school-related activity, whether the activity occurs within or without OUTSIDE the territorial limits of any A SCHOOL district and whether or not the activity occurs during school hours. "School bus" does not include informal or intermittent arrangements, such as sharing of actual gasoline expense or participation in a car pool, for the transportation of school children to or from a public or private school or a school-related activity A "SCHOOL BUS" MUST COMPLY WITH ALL FEDERAL MOTOR VEHICLE SAFETY STANDARDS AND REGULATIONS APPLICABLE TO SCHOOL BUSES.

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

SECTION 14. In Colorado Revised Statutes, 42-4-707, **amend** (1)(a) introductory portion and (5) introductory portion; and **add** (5)(a.5) as follows:

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

- (5) For the purposes of AS USED IN this section:
- (a.5) "MULTIFUNCTION SCHOOL ACTIVITY BUS" MEANS A

MULTIFUNCTION SCHOOL ACTIVITY BUS THAT IS REQUIRED TO BEAR ON THE FRONT AND REAR OF THE BUS THE WORDS "ACTIVITY BUS" PURSUANT TO SECTION 42-4-1903 (2)(a.5).

SECTION 15. In Colorado Revised Statutes, 42-4-1901, **amend** (2)(b) as follows:

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

SECTION 16. In Colorado Revised Statutes, **amend** 42-4-1902 as follows:

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

SECTION 17. In Colorado Revised Statutes, 42-4-1903, **amend** (1)(a), (2)(a) introductory portion, and (3); and **add** (2)(a.5) as follows:

- **42-4-1903.** School buses stops signs passing. (1) (a) The driver of a motor vehicle upon any highway, road, or street, upon meeting or overtaking from either direction any school bus that has stopped, shall stop the vehicle at least twenty feet before reaching the school bus if visual signal lights as specified in subsection (2) of this section have been actuated on the school bus. The driver shall not proceed until the visual signal lights are no longer being actuated. The driver of a motor vehicle shall stop when a school bus that is not required to be equipped with visual signal lights by subsection (2) of this section stops to receive or discharge schoolchildren.
- (2) (a) Every school bus as defined in section 42-1-102 (88), other than a small passenger-type vehicle having a seating capacity of not more than fifteen TWELVE, used for the transportation of schoolchildren shall MUST:
- (a.5) EVERY MULTIFUNCTION SCHOOL ACTIVITY BUS AS DEFINED IN SECTION 42-1-102 (60.2) MUST BEAR ON THE FRONT AND REAR OF THE BUS THE WORDS "ACTIVITY BUS" IN BLACK LETTERS NOT LESS THAN EIGHT INCHES IN HEIGHT.

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

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