LATE IN 2018 AND EARLY IN 2019, THE UNIFORM SCHOOL MILL RATE IDEA STARTED GAINING TRACTION AT THE LEGISLATURE AND IN THE MEDIA.

Jan 6, 2019

POLITICS - COLORADO POLITICS

Colorado legislators plan to overhaul education funding system critics say disproportionately benefits wealthy districts

High-income areas with lower property tax rates would have to replace state education aid by raising property taxes under bipartisan plan

By CHRISTOPHER N. OSIER | cosier@denverpost.com and ANNA STAVER
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Colorado lawmakers who write the state budget say they have a plan to change how $8.1 billion is distributed for kindergartners through 12th graders, overhauling a system that critics say disproportionately sends state money to wealthy school districts while schools in poorer areas struggle.

If signed into law, voters in wealthy areas with low property tax rates would have to increase their property taxes to keep school funding at current levels. The state money saved would then get redistributed statewide. Poorer districts already paying relatively high property taxes would be among the top beneficiaries.

"This is going to be the legislature doing its job," said state Rep. Bob Rankin of Carbondale, a Republican member of the Joint Budget Committee, which drafts the state budget.

Jan 11, 2019

OPINION - EDITORIALS

Editorial: It'll take a modern day Robin Hood to fix Colorado's school finances

Feb 15, 2019
THE CASB BOARD SCHEDULED A SPECIAL DELEGATE ASSEMBLY ON FEB 28, 2019.

- This concept is complex and has a significant impact on our membership.
- Having a resolution adopted by CASB membership will give CASB significant leverage in shaping this legislation.
- CASB is being proactive in having its membership discuss and provide guidance to CASB on a proposal that would be “one of the most significant pieces of education legislation in Colorado in years.” (Colorado Sun)
RESOURCE MATERIALS WERE PREPARED. A RESOLUTION WAS PASSED BY THE DELEGATES AT THE ASSEMBLY.

- District Fact Sheets
- Q&A Document
- Draft Resolution
Casb staff has met with legislators and legislative staff to explain guardrails and explore ideas.

- Help explore ways to use incentives, as opposed to penalties
- The taxpayer inequities are a result of TABOR and Gallagher interactions over the past 20 – 30 years.
- The resolution will go before the CASB Delegate Assembly next week for approval going into the 2020 legislative session
The state share is meant to make up for disparities in capacity to raise revenue at the local level. Chart shows mills needed to fully fund total program in each of these school schools.
Mills range from less than 2 to 27.
NUMBER OF DISTRICTS RELATIVE TO LOCAL VS STATE SHARE

FY2019-20 Percent of local share dollars: Number of districts

Data Source: CDE FY 2019-20 District Funding Calculation Worksheet

From: CSFP presentation at Superintendents’ Conference
LAST YEAR, THE JBC LEGISLATIVE STAFF CONDUCTED AN ANALYSIS TO SEE HOW MUCH BE RAISED IF ALL DISTRICTS WENT TO 27 MILLS.

$450 million
DISTRICTS THAT ARE WITHIN 24-27 RANGE OR WITHIN 3 MILLS OF TOTAL PROGRAM – REFLECTS 73% OF STUDENTS

**FY2019-20 Current Mills:**
Number of Districts

<table>
<thead>
<tr>
<th>Mills</th>
<th>Number of Districts</th>
</tr>
</thead>
<tbody>
<tr>
<td>27</td>
<td>39</td>
</tr>
<tr>
<td>26</td>
<td>10</td>
</tr>
<tr>
<td>25</td>
<td>7</td>
</tr>
<tr>
<td>24</td>
<td>8</td>
</tr>
<tr>
<td>Need 3 mills or less</td>
<td>5</td>
</tr>
</tbody>
</table>

Data Source: CDE, FY 2019-20 District Funding Calculation Worksheet

From: CSFP presentation at Superintendents’ Conference
ADDITIONAL MILL LEVY FACTS

- 74 school districts are currently at 24-27 mills OR are within 3 mills of total program funding
  - 642,393.5 Funded Pupil Count (FPC)
  - Account for 73% of FPC in the state

- 104 school districts are below 24 mills and are NOT within 3 mills of total program funding
  - 234,875 Funded Pupil Count (FPC)
  - Account for remaining 27% of FPC
IN ANTICIPATION OF THE NEXT LEGISLATIVE SESSION, CASB HAS INCLUDED THIS TOPIC IN ITS FALL REGIONAL MEETINGS

- 10 meetings so far across Colorado
- Over 250 responses through an interactive polling software (includes September CSFP meeting)
- This content will be shared with membership at next week’s Fall Delegate Assembly Conference
RATE YOUR LEVEL OF UNDERSTANDING ON THIS TOPIC

- Very knowledgeable: 49
- Neutral: 92
- Not knowledgeable: 44
SHOULD THE BILL REQUIRE THAT ANY STATE FUNDS MADE AVAILABLE BY AN INCREASE IN LOCAL REVENUES BE REINVESTED IN PUBLIC SCHOOLS TO REDUCE THE BUDGET STABILIZATION FACTOR?
WHAT SHOULD THE UNIFORM MILL RATE BE?

- Other: 13
- 40: 19
- 27: 126
- 22.6: 43
- 1.68: 4
HOW DO YOU FEEL ABOUT INCENTIVIZING SCHOOL DISTRICTS AND WHAT IDEAS DO YOU HAVE?

- Matching funds
- Needs-based/match
- Subsidize low AV communities
- Tiered system
- Matching very important
- Concern for high poverty

- Concern for rural in a matching program
- Capacity to apply for a grant
- Concern matching won’t be honored by the state
- Grace period
THOUGHTS ON THE PHASE IN PERIOD AND STRUCTURE FOR SCHOOL DISTRICTS?

- 20% each year for 5 years
- 5-10 years
- Concern for rural districts
- 3-15 years
- 25% increments every year over 4 years
- Tiered phase in
- 1 mill a year
- Concern for Gallagher implications
- 2 mills a year
- 1 mill a year
- Sliding scale
- Concern for hardship on districts not successful
WHAT ELSE WOULD YOU LIKE TO SHARE WITH THE JBC?

- Need new formula after there is substantial dollars (A73)
- Payoff the BS Factor more important than mill levy changes
- Concern of Robin Hood effect
- Devil is in the details — hard to explain
- Concern for rurals — many other issues more important (teacher pay/retention)
- No trust in legislators

- Fix or remove Gallagher, remove TABOR — fix tax policy
- No band aids
- This needs to happen
- Put children first
- Fully fund K-12
- This doesn’t solve the funding problem for K-12
ADDITIONAL INFORMATION AND NEXT STEPS

- CASB’s website provides additional information under Advocacy / Legislative Priorities & Process / Uniform Mill Levy
- The Q&A document provides answers to common questions
- The CASB Delegate Assembly Conference next week will have a breakout session on this topic and the delegates will address a resolution on Saturday, October 19