



COLORADO DEPARTMENT of EDUCATION

## Public School Finance Unit

### Summary HB14-1298

Introduced February 28, 2014

**Amended House Education – March 19, 2014**

**Amended House Appropriations – April 8, 2014**

**Amended House - Second Reading – April 9, 2014**

**Amended Senate Education and Unamended Senate Finance – April 17 - 22, 2014**

**Amended Senate Appropriations – April 25, 2014**

**Amended Senate – Second Reading – April 29, 2014 passed Third Reading April 30**

**Amended – Conference Committee – Concurred and Passed May 7, 2014**

### CONCERNING THE FINANCING OF PUBLIC SCHOOLS

(By summarizing the language in the bill, this does not alter the statutory language nor should it be considered legal advice in any way. For detailed language, please see the applicable section within the bill.)

#### ISSUE—FINANCE FORMULA

#### Sections 1 & 3 (without passage of HB14-1292)

Calculates statewide base per pupil funding to add for inflation of 2.8%

|                                  |            |
|----------------------------------|------------|
| Base per pupil funding – 2013-14 | \$5,954.28 |
| Add 2.8% inflation               | 166.72     |
| Base per pupil funding – 2014-15 | \$6,121.00 |

The bill proposes Total Program Funding is not less than ~~\$5,775,143,042~~ **\$5,785,202,169** **\$5,775,143,042**. The bill eliminates the requirement that the state average per pupil revenues are adjusted by inflation. The bill does not allow the negative factor to increase in 2015-16 from the amount established in HB14-1298. This includes the provision outlined in section 6 below which increases funding for an additional Colorado preschool program (CPP) slots.

#### Section 2

This section provides a technical clarification regarding the method used to calculate the cost of living factor in years when average teacher salaries either decline or increase by less than 1 percent. See the [fiscal note](#) for more information.

#### Section 4

Since HB14-1292 passed, (Student Success Act), then this section aligns the two bills and sets total program at ~~\$5,919,662,880~~ ~~\$5,929,709,582~~ ~~\$5,939,768,500~~ 5,929,709,582. This section also keeps the 2015-16 negative factor steady at the 2014-15 level. This includes the additional preschool slots.

## Section 5

Provides a definition for “Actual statewide total program funding” as total program funding including the application of the negative factor.

Provides a definition for “Calculated statewide total program funding” as the total program before the application of the negative factor.

## ~~Section 6~~ — Eliminated through conference committee

~~For 2014-15 budget year and each year thereafter, adjusts the full day kindergarten factor to .60 full day pupil — up from .58 full day pupil.~~

## Section ~~6-7~~ 6

Increases the number of children who may participate in the Colorado preschool program by 5,000 for a total of 28,360 annually. ~~Eliminates the requirement that the first slots are distributed to full-day kindergarten.~~

~~The increase in “slots” shall be distributed to first to districts or charter school’s to expand the number of students enrolled in existing full day kindergarten programs. If there are any remaining slots after this distribution, then the remainder is distributed to half day or full day preschool programs.~~

## Section ~~8-7~~ 7

The department of education working with the department of human services shall produce a report concerning the status of implementing the quality rating and improvement system for school district and charter school early childhood education programs. The report will include specific reporting elements including but not limited to timelines and the coordination of the implementation of this system with other statutory requirements.

## Section ~~8-9~~ 9 THIS LANGUAGE ELIMINATED IN SENATE APPROPRIATION COMMITTEE

~~The bill adds language that seventy-five percent of the amounts above any reserve requirements in the State’s General Fund at the end of 2014-15 would be transferred to the State Education Fund.~~

## Section ~~7-8-9~~ 8

Allows school districts to operate with a higher limit on bonded indebtedness if the district’s average annual increase in pupil enrollment for 3 or 5 years is at least 2.5 percent. Current law requires that pupil enrollment increases by at least 2.5 percent each year for 3 consecutive fiscal years. This provision would expand the options for districts to access the higher limit.

## Section ~~9-10-9~~

Adds language that cooperation in the assignment of unique student identifiers for students who receive state-subsidized or federally-subsidized early childhood education services is an important element for accountability reporting, and therefore the state education fund may be used for this purpose.

## Section ~~10 & 11~~ ~~11 & 12~~ **10 & 11**

This section ensures that the statutory minimum per pupil funding (95 percent of the statewide average) is available to all charter schools. Currently, some schools fall below minimum funding due to the alternative at-risk calculations. This language states that a charter school's per pupil funding is the greater of the formula per pupil funding plus the at-risk funding or the minimum per pupil funding (floor funding).

## Section ~~12-13-12~~

Provides funding for the Colorado Teacher of the Year program.

## Section ~~9-13~~ **14-13**

Repeals and reenacts with amendments article 24 of title 22 – the English Language Proficiency Act. This was included in HB14-1292, the Student Success Act.

Briefly – the bill expands funding to five years; creates a grant program subject to available appropriations. The appropriation for the grant program is \$500,000. ~~The appropriation for the English language proficiency categorical program is increased by \$30,000,000.~~

The amended bill creates a new program called the Professional Development and Student Support Program (Support Program) which will provide ~~\$30~~ **\$27** million in funding for English language learners (ELL). The funds will be distributed on a per pupil basis as follows: 75 percent to ELLs who do not comprehend or speak English or who comprehend and speak some English, but whose primary language is something other than English; and 25 percent to ELLs who comprehend and speak English, but whose proficiency is below acceptable levels. ELL students would be able to receive this funding for five years instead of the current two.

Note that the bill does not consider the additional \$30 million as part of the existing categorical program.

## Section ~~14,~~ **14,** 15, 16, 17, 18, 19, 20, 21, 22, ~~23~~

Provides conforming language throughout statutes to refer to English language learners in lieu of limited English proficiency.

## Section ~~10, 11, 12, 13 & 14~~ ~~23,~~ **23 - 33** – Various Appropriations

The bill increases by \$2 million the appropriation to boards of cooperative services to assist school districts in implementing and meeting the state's education priorities.

Read Act funding is increased by \$18,000,000 for a total of \$34,000,000.

Various other appropriations are included in these sections to meet the cost increases above .

**Makes a technical adjustment to when SB14-112 is applicable – BEST cash grant award appropriations.**