Charting the Capitol
Just Over Two Weeks Remaining

With just over two weeks remaining in this year's legislative session, likely outcomes are coming into sharper focus. All that remains to be finalized for the $5.5 million in CSI equalization funding is the Governor's signature on the Long Bill, a signature that should be forthcoming soon. This year's version of the School Finance Act (HB18-1379), which locks in the $150 million buydown of the budget stabilization factor included in the state's budget, cleared the House on Friday and now heads to the Senate where quick movement is expected. And HB18-1070, the bill that would inject much-needed additional revenue not only into school construction needs statewide (via the BEST program) but also specifically into the Charter School Capital Construction Fund, moved successfully through its first Senate committee hearing this week and is expected to continue to move smoothly through the process.

Of all the major items on the table, PERA stands out as the one with perhaps the most to be determined in the session's final weeks, although that issue gained additional clarity this past week as further changes were made to SB18-200 in the House Finance Committee. It remains to be seen whether the Senate will agree to these changes or will instead want to have a conference committee to hash out remaining differences. Regardless, it does seem as though the contours of a compromise are emerging.

Read on for further details related to these and other education-related priorities. Be sure to join us on Fridays at noon for our weekly "Legislative Lunch" calls (further details below) for more up-to-the-minute developments.

School Funding on Verge of 6% PPR Increase
$5.5 Million in Equalization Funding for CSI Schools All But Finalized
HB18-1070 (Additional Capital Construction Funding) Continues Forward Momentum
House Makes Further Adjustments to PERA Proposal (SB18-200)
SB18-160 (Charter Induction and Alternative Licensure Programs) Signed into Law
Other Legislation of Note + Complete List of All Education Legislation
Join Us: Friday "Legislative Lunch" Calls

School Funding on Verge of 6% PPR Increase
HB18-1379, this year's version of the School Finance Act which will once and for all lock in school funding levels for next school year, cleared the House late last week and now heads to the Senate. If approved there and then signed by the Governor (all of which is anticipated), it would increase statewide average PPR from $7,662 this year to $8,137 next, or by $475 per student. This translates into a just over 6% increase, which represents one of the largest increases we've seen in school funding in recent years. The League has been joining others in the K-12 community to advocate for these resources so we're glad to see them on the brink of being realized. For a district-by-district breakdown of what this additional revenue would represent, see column T of the attached document from CDE.

Also of note on the school funding front is the repeat allocation of $30 million to rural schools and districts as well as the allocation of $42 million to school safety and security needs. Lawmakers had first allocated $30 million to rural schools and districts for the current school year last legislative cycle, but the expectation then was that it would be a one-time allocation. Due to the additional tax revenue available this year, however, they've decided to continue this allocation for one more year. League advocacy has helped to ensure that 100% of these funds will be passed onto charter schools in rural districts on an equal-per-pupil basis.
The remaining question on the additional school safety resources has been how they would be distributed to schools. Late last week a bill emerged (SB18-269) that outlines a disbursement program to which all schools, including charter schools, could apply to gain access to some of these funds next year.

$5.5 Million in CSI Equalization Funding All But Finalized
The only thing standing between CSI schools and $5.5 million in important equalization funding is the Governor's signature, which is anticipated in the coming days. Once finalized, we'll have taken another critical step toward leveling the playing field for Colorado charter schools and their students. Thank you to everyone who has been part of this effort.

Per the provisions of HB17-1375, these funds are to be distributed to CSI schools on an equal per-pupil basis with the one caveat being that no CSI school can receive more on a per-pupil basis than the per-pupil amount their geographic district receives from mill levy override (MLO) revenue. If you are a CSI school interested in learning more about what your distribution for next year might look like, we recommend contacting CSI.

Bill to Increase Capital Construction Funding Continues Forward Momentum
HB18-1070, the League-supported effort to increase the overall amount schools receive for capital construction needs, cleared another major hurdle this past week when it received a unanimous vote of support in the Senate Education Committee. It now goes to the Senate Appropriations Committee and then on to the Senate floor, all of which could happen this week. If adopted, HB18-1070 would result in another $4 to $5 million going into the state's Charter School Capital Construction Fund next year, raising the total amount in this fund to nearly $30 million. Once finalized, we'll have further information in the coming months as to what this additional revenue translates into on a per-pupil funding basis.

House Makes Further Adjustments to PERA Proposal (SB18-200)
HB18-200, the bill that seeks to modify PERA to address that program's unfunded liability, had an important hearing in the House Finance Committee last week that resulted in a number of significant changes to the proposal. Among these changes were:

- Removal of the defined contribution plan option that had been included in the original Senate version
- Removal of the 3% employee contribution rate increase (to accompany the removal of the 2% employer contribution rate increase that had been previously dropped in the Senate)
- Extension into future years of the state's $225 million direct distribution to PERA that was initially just contemplated as a one-time allocation next year
- Change in the net to gross shift (as the basis of determining the base salary off which contribution rates are calculated) to only apply to individuals who become members of PERA after June 30, 2019
- Re-inclusion of trigger provisions that allow for automatic adjustments (i.e. not requiring further legislative action) to employee and employer contribution rates in future years depending on the status of the unfunded liability

Click here for full text on where the proposal stands as of today.

What now remains to be seen is whether the Senate will go along with these changes or will instead call for a conference committee to come together and hash out a compromise between this version and the version that left the Senate a couple weeks ago. Either way, we will continue to advocate to minimize impacts on school budgets as much as we can recognizing the disproportionate amount schools are already required to devote to PERA expenses.

SB18-160 (Charter Induction and Alternative Licensure Programs) Signed into Law
The League-backed bill ensuring charter schools continue to operate their own induction and alternative licensure programs was officially signed into law on April 2. Because of this legislation, charter schools will now be able to continue to seek independent approval for their own induction and alternative licensure programs as opposed to having to incorporate all such programs into those of their district.
Other Legislation of Note + Complete List of Education Legislation

What follows is a brief synopsis of several other bills with possible interest and implications for charter schools:

- **HB18-1269 - Parent Notice for Student Safety and Protection**
  - **Summary:** The bill requires school districts, district charter schools, institute charter schools, and boards of cooperative services (local education providers) to notify parents of students enrolled in a local education provider of certain criminal charges brought against an employee or former employee who has or had contact with students.
  - **Status:** Has passed the House, about to be assigned to committee in the Senate

- **HB18-1355 - Public Education Accountability System**
  - **Summary:** The bill makes certain changes to the state's accountability system to strengthen the law as it applies to chronically underperforming schools and districts.
  - **Status:** Has passed the House and Senate Education Committee, headed to the full Senate sometime this week

- **HB18-1286 - School Nurse Give Medical Marijuana at School**
  - **Summary:** Under current law, a primary caregiver may possess and administer medical marijuana in a non-smokable form to a student while the student is at school. The bill allows a school nurse or the school nurse’s designee or school personnel designated by a parent to also possess and administer medical marijuana to a student at school. The bill provides a school nurse or the school nurse’s designee or the school personnel designated by a parent protection from criminal prosecution if he or she possesses and administers medical marijuana to a student at school.
  - **Status:** Has passed the House, assigned to Health & Human Services Committee for first hearing in the Senate

- **HB18-1367 - Leadership Professional Development For School Principals**
  - **Summary:** The bill creates the school leadership pilot program to provide professional development for public elementary, middle, and high school principals. During the 2018-19 budget year, the department of education is directed to design and implement the program or contract with a nonprofit entity to design and implement the program. The program must include identification of high-quality school principals who will interact with the school principals selected to receive professional development through the program. School principals may apply to receive professional development through the program during the 2019-20 and 2020-21 budget years.
  - **Status:** Just introduced, assigned to House Education Committee for first hearing

- **HB18-1412 - Retaining Teachers Grant Program**
  - **Summary:** The bill creates the retaining teachers grant program to assist school districts, boards of cooperative services, and charter schools (local education providers) in implementing initiatives to improve retention of teachers. The department of education is directed to implement the grant program by reviewing applications and recommending grant recipients and grant amounts to the state board of education, which awards the grants.
  - **Status:** Just introduced, assigned to House Education Committee for first hearing

If interested in learning more about other education-related bills, our partners at Chalkbeat Colorado continue to maintain one of the most comprehensive lists of current education legislation available. Check out their 2018 database here. Please don't hesitate to email or call me at the contact information provided below should you have any questions about specific bills under consideration.

**Join Us for Friday "Legislative Lunch" Calls**

The League continues to host weekly conference calls with up-to-the-minute details on the preceding week's legislative developments. These calls take place over the lunch hour starting at noon on Fridays and can be accessed by dialing 1-800-977-8002 and inserting access code 9299699#. Legislative Lunch calls started on Friday, January 19, and will continue every Friday through May 11. Please make plans to join us for this week's call on Friday, April 27, at noon.

Sincerely,
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