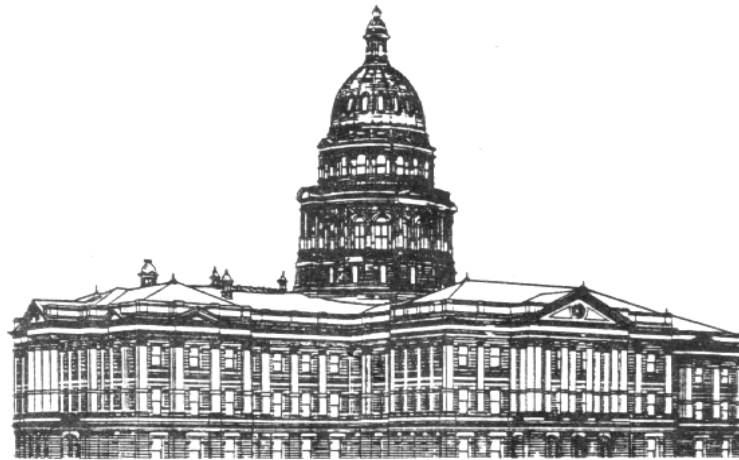


Colorado Department of Education

LEGISLATIVE

SUMMARY

1998



Sixty-First General Assembly, Second Regular Session



COLORADO DEPARTMENT OF EDUCATION

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**"To lead, to serve, and to promote
quality education for all."**

A summary of the legislation affecting education
that passed the Sixty-First General Assembly,
Second Regular Session in 1998,
along with the statutory citations

This summary is distributed annually to Colorado public school superintendents, principals, and school board presidents, private schools, education agencies, Department of Education staff and other interested parties.

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August, 1998

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The following are summaries of 1998 bills as prepared by the General Assembly Office of Legislative Services with selected clarification or notation by the Department of Education.

APPROPRIATIONS

H.B. 98-1401 General appropriation act - long bill. Makes appropriations for the payment of the expenses of the executive, legislative, and judicial departments of state government for the fiscal year beginning July 1, 1998. Sets the grand total of the operating budget at \$10,272,869,421 of which \$4,725,262,410 is from the general fund, \$3,306,932,824 is from cash funds, and \$2,240,674,187 is from federal funds.

EFFECTIVE May 4, 1998
PORTION VETOED May 4, 1998

A SUMMARY OF FEDERAL AND STATE FUNDING FOR EDUCATION IS AS FOLLOWS:

	<u>1997-98</u> <u>Appropriation</u>	<u>1998-99</u> <u>Appropriation</u>
General Fund	\$ 1,818,209,052	a/ \$1,914,473,505
Cash Funds	10,782,767	b/ 12,376,781
Cash Funds Exempt	58,674,192	c/ 89,316,931
Federal Funds	204,965,860	227,715,361
<u>Grand Total</u>	<u>\$ 2,092,631,871</u>	<u>\$ 2,243,882,578</u>

- a/ Reduced \$14,610 pursuant to H.B. 98-1242.
- b/ Reduced \$988 pursuant to H.B. 98-1242.
- c/ Includes \$53,320 appropriated by H.B. 98-1063; \$8,774,412 appropriated by H.B. 98-1234; and \$1,093,800 appropriated by S.B. 98-194. Reduced \$991 pursuant to H.B. 98-1242.

COURTS

H.B. 98-1168 Social security number - unauthorized use - civil damages. Prohibits any person from fraudulently obtaining or using another person's social security number. Allows any person whose social security number is fraudulently obtained or used to sue the offender for either actual damages or \$10,000, whichever is greater, plus attorney fees and costs. Specifies that such a civil action would be in addition to any criminal action that may be filed.

EFFECTIVE August 5, 1998

NOTE: This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Added 13-21-109.5.

EDUCATION - PUBLIC SCHOOLS

S.B. 98-1 School discipline - services for expelled students - expulsion policies. Clarifies that school districts are required to provide educational services to expelled students upon request of the student or the student's parent or guardian. Specifies the types of educational services that a school district shall provide. Instructs the school district to determine the amount of credit toward graduation that the expelled student shall receive for the educational services provided. Specifies that a student who is receiving educational services may be suspended or expelled in accordance with school district policy and state statute and that, except as required in federal law, any student so suspended or expelled is not entitled to educational services during the period of suspension or expulsion.

Clarifies that an expelling school district need not provide educational services on school property. Clarifies that a student who is at risk of suspension or expulsion or is suspended or expelled, or the student's parent or guardian, may also request other types of services that the school district may provide.

In making awards through the expelled services grant program, instructs the state board of education to consider the costs incurred by the school district in providing educational services to expelled students, rather than the number of students expelled by the school district. Deletes consideration of the number of students anticipated to be at risk of suspension or expulsion during the school year for which the grant is requested.

Expands the definition of "pupil enrollment" for school finance purposes to include pupils who are expelled prior to October 1, but are receiving educational services as of October 1.

Directs each school district, in adopting a written conduct and discipline code, to specify the general policies and procedures for determining the circumstances under and the manner in which suspensions and expulsions shall be imposed. Requires a school district to develop a remedial discipline plan for a student after the second suspension for a material and substantial disruption, rather than after the first suspension.

EFFECTIVE April 30, 1998

Amended 22-32-110(2)(b)(V); 22-33-106(1)(c.5)(IV); added 22-33-201.5; amended 22-33-203(2); 22-33-203(3); added 22-33-203(4); amended 22-33-204(1); 22-33-205; 22-54-103(10)(a); 22-54-103(10)(f) C.R.S.

S.B. 98-11 School district board of education - candidates - qualifications. Requires any candidate for the office of school district director to be a resident of the school district for at least 12 consecutive months prior to the election. Makes any person who has been convicted of commission of a sexual offense against a child ineligible for election to a school district board of

education. Directs that any board member who is convicted of commission of a sexual offense against a child while serving on a board of education becomes ineligible to serve and a vacancy is thereby created. Specifies that the act applies to persons elected on or after July 1, 1998.

EFFECTIVE July 1, 1998

Amended 1-4-803(5); 22-31-107(1); added 22-31-107(5).

S.B. 98-63 Charter schools - repeal of repealer. Repeals the provision contained within the "Charter Schools Act" that would repeal the act on July 1, 1998, thereby extending the "Charter Schools Act" indefinitely.

Repeals a provision in the "Charter Schools Act" meant to give effect to those charters existing as of July 1, 1998, for the duration of those respective charters, so that those charters existing on that date would not be extinguished automatically by the repeal of the act.

EFFECTIVE April 6, 1998

Repealed 22-30.5-114; 22-32-110.5.

S.J.R. 98-30 Economic education. A resolution adopted by the Colorado general assembly resolving and concurring that the study of economics be recognized as an essential subject in the education of kindergarten through twelfth grade students to help raise the quality of economic education in America's schools so that students can fully and effectively participate in the complex global economy they will inherit.

The general assembly urges the state board of education to approve model content standards for economics as soon as possible so that students can be better informed consumers, savers, producers, investors, and citizens.

ADOPTED by the general assembly May 1, 1998

S.J.R. 98-33 Creation of an interim committee to study the dropout rate in secondary schools. A resolution adopted by the Colorado general assembly creating an interim committee to work through the 1998 interim to study the dropout rate in secondary schools in Colorado considering the issues of methods to reduce the dropout rate, alternative methods of completing a high school education, means by which to stress the importance of education to the state's youth, and methods of assisting students to overcome the education barriers that face them.

The interim committee shall consist of 9 members, among which will be an individual representing the Colorado department of education and one individual from a school district. The committee shall make findings and recommendations regarding the issues, including but not limited to any necessary legislation, and shall submit a written report on the findings and recommendations to the general assembly no later than October 15, 1998.

All personnel of the Colorado department of education shall cooperate with the interim committee and with any persons assisting the committee in carrying out its duties.

ADOPTED by the general assembly May 6, 1998

H.B. 98-1071 Substitute teacher - definition. Clarifies the definition of "substitute teacher" by eliminating the current cumulative limit of 110 regular school days worked and the requirement of working 4 or more hours per school day. Adds that a substitute teacher is one who works as a replacement for a regular teacher, a probationary teacher, or a part-time teacher on a short-term basis while the teacher is absent or unavailable. Specifically excludes from the definition of "substitute teacher" a nonprobationary teacher or a probationary teacher assigned as a permanent substitute teacher within a school district.

EFFECTIVE March 16, 1998

Amended 22-63-103(10).

she carries out the evaluation responsibilities.

H.B. 98-1089 Licensed educators - evaluator training - performance evaluation systems.

Establishes requirements for principal and administrator preparation and other evaluator training programs to ensure that training in evaluation skills is consistent statewide. Requires institutions of higher education that provide principal and administrator preparation programs and school districts and boards of cooperative services that provide evaluator training to comply with the program requirements. Identifies the areas that evaluator training shall include, and requires a principal or administrator to demonstrate competencies in the specified areas in order to successfully complete evaluator training.

Requires each school district's performance evaluation system to include two documented observations and one evaluation that results in a written report per year for probationary teachers and one observation each year and one evaluation that results in a written report every 3 years for nonprobationary teachers.

Specifies that one of the standards set by a school district for measuring teacher performance shall be directly related to classroom instruction and shall include multiple measures of student performance. Requires the performance evaluation system to ensure that teacher performance standards and criteria are available in writing to all certificated personnel and that the standards and criteria are communicated and discussed by the person being evaluated and the evaluator prior to and during the course of the evaluation.

Allows the evaluation report to include peer, parent, or student input obtained from standardized surveys. If the person being evaluated disagrees with the evaluation, allows the person to attach any written explanation or other documentation that the person deems necessary.

Requires evaluators to keep records regarding each evaluation. Specifies that each principal or administrator who is responsible for evaluating personnel shall be evaluated on how well he or

EFFECTIVE July 1, 1998

Added 22-2-109(1)(p); amended 22-9-104(2)(b); 22-9-106(1); 22-9-106(2.5); 22-9-106(3); added 22-9-106(3.2); 22-9-106(3.3); amended 22-9-106(4); 22-9-106(4.5); repealed and reenacted 22-9-108.

H.B. 98-1090 Teachers - dismissal. Shortens the time for notifying the teacher of a dismissal recommendation from 7 days to 3 days. Shortens the time for the teacher to request a hearing from 7 days to 5 working days. Shortens the maximum period for which a suspended teacher may receive pay from 120 days to 100 days. Changes the time for selecting a hearing officer from 5 days to 5 working days after the notice of objection. If the teacher and chief administrative officer cannot agree on a hearing officer within 5 working days, instructs them to request assignment of an administrative law judge by the department of personnel. Requires the hearing officer to set the hearing date and the date of a prehearing conference within 3 working days after selection, rather than 5 days. Requires the conference and the hearing to be held within 30 days after the hearing date is set, rather than 30 days after selection of the hearing officer. Explains that one purpose of the prehearing conference is to limit the amount of evidence to be presented at the hearing, and requires the parties and their counsel to attend the prehearing conference.

Requires the teacher to provide the school district with copies of any documents he or she plans to introduce at the hearing. Allows both the teacher and the chief administrative officer of the district to supplement their document and witness lists within 7 days after the teacher submits his or her documents. Prohibits the addition of witnesses or documents after expiration of the 7-day period, except on a showing of good cause.

Allows the hearing officer to conduct an informal hearing, but requires that the Colorado rules of evidence concerning hearsay testimony be followed. Reduces the length of the hearing from 10 days to 6 days unless extended by a showing of good cause, and specifies that each party has

3 days to present its case in chief. Limits each party to no more than 10 witnesses, except on a showing of good cause.

Limits the hearing officer to recommending only dismissal or retention. Prevents the hearing officer from placing any conditions on a recommendation for retention. Allows the hearing officer to issue his or her decision, rather than requiring adoption of the decision in open session.

Deletes language establishing a different standard of review on appeal if the board did not follow the hearing officer's recommendation. Allows, rather than requires, the court of appeals to remand a case for further hearing if the court finds a substantial irregularity or error. On request of the prevailing party, requires the court of appeals or the supreme court, depending on the level of appeal, to enter a judgment for costs, including attorney fees, against the nonprevailing party if the nonprevailing party's appeal or defense on appeal lacked substantial justification.

EFFECTIVE July 1, 1998

Amended 22-63-302(10); 22-63-302(2); 22-63-302(3); 22-63-302(4)(a); 22-63-302(5); 22-63-302(6)(a); 22-63-302(7)(a); 22-63-302(7)(d); 22-63-302(7)(e); 22-63-302(8); 22-63-302(9).

H.B. 98-1095 Retirement funds - school districts - investment. Specifies that, where a school district maintains a benefit or retirement system that utilizes the trust form for managing and investing the funds and assets of that system, the trustee or trustees of such trust shall manage and invest any property or investments held by the trust pursuant to the standard set forth in the "Uniform Prudent Investor Act", as made applicable to any such trust on July 1, 1995.

EFFECTIVE August 5, 1998

NOTE: This act shall take effect on August 5, 1998; except that, if a referendum petition is filed against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition

pursuant to article V, section 1 (3) of the state constitution, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Amended 22-64-112(2).

H.B. 98-1139 Tobacco-free schools - repeal of exception. Effective July 1, 1999, eliminates a school district board of education's authority to adopt exemptions from the prohibition against the use of tobacco on school property, and invalidates any exemption adopted prior to said date.

EFFECTIVE August 5, 1998

NOTE: The effective date statement as cited under H.B. 98-1168 on page 2 also applies to this bill.

Amended 25-14-103.5(3)(a)(II).

H.B. 98-1157 Teachers - retirees receiving benefits through school district's retirement fund - post-retirement employment. Conforms the amount of time that a person receiving benefits through a school district retirement fund may be reemployed to provide services to the school district to the amount of time that a person receiving benefits through the public employees retirement association may be reemployed by a school district: 110 full days per year if employment is for full or half days; 720 hours per year if employment is hourly; and 110 full days per year if employment is a combination of full days, half days, and hourly. Specifies the amount of reduction in benefits if a person works more than the specified amount of hours.

EFFECTIVE July 1, 1998

Repealed and reenacted 22-64-111.

H.B. 98-1162 Postsecondary enrollment options - payment of tuition - reimbursement. Requires any high school pupil who enrolls in courses at an institution of higher education under the "Postsecondary Enrollment Options Act", or the pupil's parent or guardian, to pay the amount of tuition required to enroll in such courses. Requires the school district to provide reimbursement for the amount of tuition paid, upon presentment by the pupil of evidence of passage of the courses.

Requires the school district to pay the tuition for pupils who are eligible for free or reduced-cost school lunch. Allows the school district to pay the tuition for a pupil if payment of the tuition would impose a financial hardship on the pupil or the pupil's parent or guardian and the pupil shows evidence of a commitment to successfully completing the course. If the pupil fails to pass the course, requires the pupil, parent, or guardian to reimburse the school district for the amount of tuition paid.

EFFECTIVE March 27, 1998

Amended 22-35-102; 22-35-104(3)(c); 22-35-105(3)(a)(III); 22-35-105(4)(b); 22-35-105(4)(b.5); 22-35-105(6); added 22-35-105(8).

H.B. 98-1171 Charter schools - request for waiver of statutes and regulations - process. Permits the release of charter schools from state regulations and statutes on an expedited basis. Specifies that the state board of education has 45 days after a waiver request is submitted to either grant or deny the request. Permits the state board to orally grant a request, but provides that the board can only deny a request in writing and must specify the reasons for denial. States that a waiver request is deemed granted if the state board has not acted on the request within 45 days after its submission. Clarifies that, when more than one waiver is requested, denial shall apply to only those statutes or regulations so specified. Deletes a requirement that a local board of education and a charter school shall submit a joint waiver request.

EFFECTIVE August 5, 1998

NOTE: The effective date statement as cited

under H.B. 98-1168 on page 2 also applies to this bill.

Amended 22-30.5-105(3).

H.B. 98-1186 Public schools - history and civil government - American Indians. Adds a requirement that public schools teach the history, culture, and contributions of American Indians to the existing requirement of teaching the history, culture, and contributions of minorities. Changes existing references in the law from Spanish Americans and American Negroes to read Hispanic Americans and African Americans.

EFFECTIVE April 17, 1998

Amended 22-1-104(2).

H.B. 98-1208 Educator licensing - provisional special services license - basic skills assessment - exemption. Exempts any school psychologist or school social worker who holds a valid Colorado license or registration or a valid national certificate from the requirement of passing a basic skills assessment prior to receiving a provisional special services license.

EFFECTIVE April 6, 1998

Amended 22-60.5-210(1)(a)(III).

H.B. 98-1209 Waiver of requirements. Repeals the provision that would have repealed the state board of education's authorization to waive any of the requirements of title 22, C.R.S., and any regulatory requirements on July 1, 1998.

EFFECTIVE April 17, 1998

Repealed 22-2-117(4).

H.B. 98-1227 Authorization of on-line educational program. Authorizes a school district, any group of school districts, or a board of cooperative services to establish an on-line educational program ("on-line program") as an alternative educational program for a student who has been

expelled from a public school or a student who demonstrates circumstances that indicate such student's probable success in the on-line program. Identifies the required features of an on-line program.

Creates an exception to the mandatory attendance law for a student who participates in the on-line program. Authorizes the school district to count any student who is participating in the on-line program as an enrolled student for the purpose of determining pupil enrollment under the school finance act if in the preceding academic year the child was enrolled in a public school or charter school of a school district in the state or the child was not enrolled in any private school, had not participated in a non-public home-based education program, or had not participated in home instruction by a licensed or certified teacher.

EFFECTIVE August 5, 1998

NOTE: The effective date statement as cited under H.B. 98-1168 on page 2 also applies to this bill.

Amended 22-33-104(1); 22-33-104(2)(d); 22-33-104(2)(i); added 22-33-104.6; amended 22-33-105(5)(a); 22-54-103(10)(a).

H.B. 98-1231 Capital construction - assistance program for school districts - matching grants. Establishes a school construction and renovation fund to be used to make matching grants to school districts for capital construction projects. Allows matching grants only for projects that have been evaluated and included on the prioritized list prepared by the state board of education.

Permits the use of moneys in the school construction and renovation fund for school district capital construction projects involving instructional facilities, including classrooms, libraries, physical plants, and administrative areas, but does not permit the use of moneys in the fund for athletic, recreational, or other noninstructional facilities.

Requires school districts to submit grant applications to the state board of education no

later than July 1 of each year. Allows an individual school to apply through the school district in which the school is located. States that it is the intent of the general assembly that school districts give consideration to the needs of both traditional public schools and charter schools when submitting applications for grants. Authorizes the state board to prescribe the form of the applications, to request additional information, and to promulgate rules for the implementation of the program.

Directs the state board or its designees to review the applications and to prioritize them based on the relationship of the project to safety or health concerns, the relative wealth of the school district, the enrollment growth within the district, the efforts of the school district to allocate moneys to its capital reserve fund in excess of the amounts required by law, and whether the project will assist in incorporating technology into the educational environment. Directs the state board to transmit its prioritized list of eligible projects to the joint budget committee no later than December 1 of each year for inclusion in the general appropriations bill. Requires the state board to transmit the list to the education committees of the house of representatives and the senate. Provides that the joint budget committee shall determine how many of the eligible projects can receive grants of moneys from the fund, that only projects on the prioritized list may receive grants of moneys from the fund, and that the projects shall be funded in the priority determined by the state board.

Provides that the state board shall develop criteria to determine the amount of each matching grant, including the ranking of the school district's assessed value per pupil, the district's mill levy and debt capacity, the percentage of at-risk pupils in the district, the district's effort to submit and support bond questions, and the age and condition of the buildings to be remodeled or rebuilt.

EFFECTIVE August 5, 1998

NOTE: The effective date statement as cited under H.B. 98-1168 on page 2 also applies to this bill.

Added 22-43.7-0 (entire article).

H.B. 98-1234 School finance - funding of student assessments - small attendance center aid - bonded debt limits - release of student information to recruiters - audit recoveries - military affairs program for expelled students - appropriations.

Increases statewide base per pupil funding from \$3,667 to \$3,783. Modifies the size factor formula to provide a minimum size factor of 1.0081 in FY 1998-99 and 1.0120 in FY 1999-2000. Increases the size factor slightly for districts with funded pupil counts between 2,293 and 5,650. Provides that per pupil funding for the minimum districts in FY 1998-99 is not affected by the statutory change in the size factor and for fiscal years thereafter is not affected by changes in the district's size or cost-of-living factor or statutory changes in the at-risk factor. Provides that the size factor for districts with 500 or less pupils be calculated using the district's funded pupil count minus 65% of the pupils enrolled in charter schools. Requires a legislative council staff study of the size factor during the 1998 interim.

For FY 1998-99 and thereafter, permits a district whose funding is capped by TABOR (section 20 of article X of the state constitution) to certify their eligibility for additional school finance revenues up to the district's formula amount. Requires that such certification be submitted no later than December 1 and be reviewed and approved by the district's auditor.

Provides that the student assessment program will be funded as a separate line item in the long bill instead of funded from school finance moneys.

Modifies the definition of "funded pupil count" to mean the greater of the following: The district's pupil enrollment for the applicable budget year; a two-year average; a three-year average; or a four-year average.

Establishes a small attendance center categorical program to provide additional funding for districts

that operate schools with less than 200 pupils that are at least 20 miles from a similar school in the district.

Increases the cap on the preschool program from 8,500 to 8,850. Requires the department of education allocate up to 500 positions to full-day kindergarten programs.

Makes other changes relating to public schools as follows:

- Extends the time frame that increasing enrollment districts can use the 25% limitation on bonded debt to July 1, 2005, and extends the eligibility for such provision to districts with a 2.5% growth in enrollment over 3 consecutive years.
- Prohibits a school that receives school finance money to participate in a department of education program that allows a surrogate parent to make educational decisions about a child when the child's parent is unknown or unavailable.
- Provides that modifications in cost-of-living factors following the biennial cost-of-living study apply only to school district cost-of-living amounts that increase.
- Eliminates the provision that allowed amounts budgeted for instructional supplies and materials to be expended for staff development.
- Eliminates the schools of choice fund.
- Provides that money recovered from districts by the department of education following audits be deposited in the state public school fund.
- Eliminates the requirement that the amount of money saved by each school district due to the reduction of the employer contribution to PERA in 1997 be deposited in a capital construction account in the general fund.

- Increases the minimum per unit cost for purchasing certain equipment from the capital reserve fund from \$750 to \$1,000.
- Repeals a provision that allowed the deposit of certificate of participation proceeds in a district's pension or retirement fund.
- Modifies a provision in the open records law to provide that a school board may release a student's personal information to an armed forces recruiting officer unless the student notifies the school board that he or she does not want such information released.
- Transfers \$3,000,000 from the department of state cash fund to the state public school fund for FY 1998-99.
- Allows a district with a funded pupil count of 2,000 or less to apply for contingency reserve funds to offset costs incurred when pupils move into the district after the count date.
- Authorizes the department of military affairs to apply for a grant under the expelled student services grant program to assist the department in providing educational services to expelled students.

Adjusts the 1997 long bill to reduce the general fund appropriation to the department of education by \$3,891,120 and appropriates such amount to the state public school fund. Adjusts the 1998 long bill to increase the appropriation to the department of education for the school finance, total program, by \$3,007,206, the appropriation to the department for the gifted and talented program by \$500,000, and the appropriation to the department for the expelled student services program by \$500,000. Appropriates \$3,967,206 to the department of education to pay the costs of the student assessment program. Appropriates \$800,000 to the department of education for the small attendance center categorical program. Authorizes the department of military affairs to seek a supplemental appropriation to expend any moneys it may receive from the department of education to fund a national guard challenge

program and allows the department to spend any federal funds it may receive to fund such program.

EFFECTIVE May 27, 1998

Added to, amended, and repealed various portions of title 22, articles 7, 20, 28, 33, 36, 42, 43.7, 45, 54; and title 24, articles 21 and 72.

H.B. 98-1240 State special education advisory committee - membership. Changes the qualifications for members appointed to the state special education advisory committee to conform with the requirements for advisory panels under the federal "Individuals with Disabilities Education Act".

EFFECTIVE March 23, 1998

Amended 22-20-104(2)(a).

H.B. 98-1261 School district reorganization. Instructs the school district boards of education that are affected by the appointment of a school organization planning committee to cooperate with the committee by providing any information requested by the committee to assist in formulating the plan of organization.

Requires, rather than allows, school districts to compensate school organization planning committee members for their actual expenses incurred in performance of their duties. Limits "actual expenses" to travel expenses and expenses incurred in purchasing necessary supplies.

Prohibits a plan of organization from setting school district boundaries to create a portion of a school district that is not contiguous to the remainder of the school district.

Provides that the expense of the special school district organization election shall be apportioned among the affected school districts based on population.

EFFECTIVE August 5, 1998

NOTE: The effective date statement as cited under H.B. 98-1168 on page 2 also applies to this bill.

Added 22-30-107.5; amended 22-30-111; added 22-30-114(4); amended 22-30-117(1).

H.B. 98-1267 Education accreditation - statewide assessments. Requires the state board of education to implement a school accreditation process that focuses on student achievement results on standards-based tests. Requires the state board of education to establish accreditation indicators no later than December 31, 1998. Requires the state board of education to prepare annual reports on achievement of the accreditation indicators by public schools and school districts.

Requires each school district to enter into an accreditation contract with the state board of education, which contract shall define the standards, goals, and requirements to be met by the school district over the 6-year term of the contract. Requires the state department of education to monitor the accreditation contracts and to provide technical assistance to any school district in the state that requests such assistance.

Establishes a corrective action cycle pursuant to which a school district shall receive notice that it is out of compliance with a provision of the accreditation contract, is on probation for failure to implement a plan to remedy a lack of compliance, or has its accreditation removed if it fails to remedy its lack of compliance within 120 days after the school district is placed on probation.

Revises the statewide assessment schedule by requiring administration of a statewide assessment in reading and writing to all students in the 7th grade, starting in the spring semester of 1999; a statewide assessment in mathematics

and science to all students in the 8th grade, starting in the spring semester of 2000; and a statewide assessment in reading, writing, and mathematics to all students in the 10th grade, starting in the spring semester of 2001. Requires that, beginning in the spring semester of 2003 and each spring semester thereafter, all students enrolled in the 12th grade who scored below proficient in the statewide assessment administered in the 10th grade shall be required to take the test again before graduation. The state department of education shall maintain the results of such assessments and shall consider such results as accreditation indicators for a school district.

Instructs the state board of education to annually review the competency assessments for professional educators to ensure that they establish an adequate level of competency. Requires teacher preparation programs to include instruction in implementing standards-based education.

EFFECTIVE July 1, 1998

Added 22-11-0 (entire article); amended 22-2-106(1)(c); 22-2-106(2); 22-2-106(3); 22-2-109(1)(b); 22-2-109(1)(c); added 22-2-112(1)(o); amended 22-30-105(1)(c); 22-30-114(1)(d); added 22-30-114(1)(d.5); amended 22-30.5-204(1); 22-60.5-110(3)(c)(l); 22-60.5-116; 22-60.5-203(1); 22-60.5-203(2)(a); 22-60.5-203(2)(b); 22-60.5-203(3); added 22-60.5-203(4); 22-60.5-212(3); 22-60.5-303(4); 22-60.5-308(4); repealed 22-7-203; amended 22-7-205; 22-7-409; 23-1-121.

H.B. 98-1371 Expulsions - dangerous weapon. Requires a school district to expel a student for bringing a firearm facsimile to school only if the facsimile could reasonably be mistaken for an actual firearm. Creates an exception to the mandatory expulsion requirement for bringing a dangerous weapon to school if the student notifies a teacher or other authorized person as soon as possible after discovering the dangerous weapon and delivers the dangerous weapon to the teacher or other authorized person. Clarifies that the school district may expel a student under

such circumstances if expulsion would be in accordance with the school district's discipline code.

EFFECTIVE April 21, 1998

Amended 22-33-106(1)(d)(II)(A); added 22-33-106(1)(d)(III).

EDUCATION - UNIVERSITIES AND COLLEGES

S.B. 98-82 Colorado postsecondary educational facilities authority - change of name - institutions eligible for assistance. Changes the name of the "Colorado Postsecondary Educational Facilities Authority Act" to the "Colorado Educational and Cultural Facilities Authority Act" and changes the name of the Colorado postsecondary educational facilities authority to the Colorado educational and cultural facilities authority.

Expands the institutions the authority may assist from institutions of postsecondary education to any governmental, quasi-governmental, or nonprofit educational institution, including charter schools and any institution that provides an educational program to the residents of the state.

Specifies that no financial obligation of a charter school incurred pursuant to the "Colorado Postsecondary Educational Facilities Authority Act" shall become an obligation of the school district that granted the charter to the charter school unless the district consents in writing and the authority obtains a legal opinion that the obligation is legally permissible.

EFFECTIVE May 4, 1998

Added to and amended various portions of title 23, article 15; and titles 24 and 29.

ELECTIONS

S.B. 98-133 Fair Campaign Practices Act - contributions to candidate committees - undeclared candidates - acceptance of contributions - unexpended campaign contributions - definition - additional permissible uses. Specifies that a person who remains a

candidate after an election cycle by reason of the maintenance of a registered candidate committee, but who has not publicly announced an intention to seek election to public office in the next or any subsequent election cycle, is an undeclared candidate. Provides that an undeclared candidate who is an elected and serving state officeholder may maintain a candidate committee during his or her term of office and accept contributions, subject to applicable contribution limits, for any permissible use of unexpended campaign contributions.

Defines "unexpended campaign contributions" as the balance of funds on hand in any candidate committee at the end of an election cycle, less the amount of all unpaid monetary obligations incurred prior to the election in furtherance of such candidacy. Provides that, in addition to the existing permissible uses of unexpended campaign contributions, an elected official may use unexpended campaign contributions for any of the following purposes:

- Voter registration;
- Political issue education;
- Postsecondary educational scholarships;
- To defray reasonable and necessary expenses related to mailings and similar communications to constituents; and
- Any expenses that are directly related to such person's official duties as an elected official, including, but not limited to, expenses for the purchase or lease of office equipment and supplies, room rental for public meetings, necessary travel and lodging expenses for legislative education such as seminars, conferences, and meetings on legislative issues, and telephone and pager expenses.

EFFECTIVE May 27, 1998

Amended 1-45-103(1); added 1-45-103(14); 1-45-104(14); amended 1-45-106(1).

H.B. 98-1105 Local government elections - "Fair Campaign Practices Act: - reporting requirements - issue committees. Defines "appropriate officer"

as the individual with whom a candidate or committee must file, depending on the office or election, for purposes of meeting the FCPA's filing and reporting requirements. Specifies that committees and political parties that are required to file reports with the municipal clerk or the county clerk and recorder must report contributions and expenditures to the appropriate officer instead of with the secretary of state. Changes the reporting date for reports that are to be filed with the county clerk or recorder or the municipal clerk or county clerk and recorder to register the committee or political party with the appropriate officer instead of with the secretary of state.

Expands the measures that an issue committee may organize to support or oppose from any ballot initiative and referendum to any ballot issue or ballot measure.

EFFECTIVE April 10, 1998

Added 1-45-103(1.5); amended 1-45-103(8); 1-45-108(1); 1-45-108(2)(a); 1-45-108 IP(3).

GOVERNMENT - COUNTY

H.B. 98-1305 County boundary adjustment - petition of landowners - conditions for adjustment - county approval - limitation - boundary control commission - repeal. Authorizes a portion of the territory of one county to be stricken off and added to an adjoining county without an election upon the petition of 100% of the landowners in the territory of the county proposed to be stricken off. Requires a hearing on the boundary adjustment after published notice. Specifically requires notification of all owners of real property in and any special district serving the territory to be stricken.

Prohibits a boundary unless:

- The territory to be stricken off and added to an adjoining county is contiguous to such adjoining county;
- The total area of the territory to be stricken off does not exceed 50 acres;
- Both the county from which the territory is to be stricken off and the adjoining county

to which the territory is to be added are represented on the boundary control commission and the governing bodies of both counties have consented to the adjustment.

- The board of directors of both school districts have consented to the boundary adjustment if the adjustment that will detach area from any school district and attach that area to another school district.
- The governing body of any municipality having incorporated territory contiguous to or contained within any portion of the territory to be stricken off has consented to the adjustment.

Requires the board of county commissioners of the county from which the territory is proposed to be stricken off, upon approval of the boundary adjustment, to negotiate an intergovernmental agreement with the board of county commissioners of the adjoining county. Specifies certain terms that must be included in that agreement. Upon approval of the agreement, requires the board of county commissioners of each county to adopt a resolution approving the boundary adjustment and to record that resolution in both counties.

Prohibits any county from striking or adding more than 250 acres pursuant to this procedure. Prohibits striking off territory of a county pursuant to this procedure that contains an occupied residential unit. Requires prior approval by the boundary control commission prior to initiating a boundary adjustment striking territory off of Adams, Arapahoe, or Jefferson county and adding that territory to the city and county of Denver.

Provides for the repeal of these provisions created in this act five years after these provisions take effect.

EFFECTIVE August 5, 1998

NOTE: The effective date statement as cited under H.B. 98-1168 on page 2 also applies to this bill.

Added 30-6-109.7.

GOVERNMENT - LOCAL

S.B. 98-32 Auditor - powers and duties. Requires local governments to inventory and the state auditor to formulate classifications of inventory accounts for:

- Property for which the original cost thereof equals or exceeds an amount established by the governing body of a local government board; and
- Property for which the original cost thereof is less than the amount established by the governing board of a local government but is required to be inventoried by the state auditor.

Prohibits the amount established by a local government for property inventory purposes to exceed the amount specified in the state controller's rules regarding the inventory of state property.

EFFECTIVE August 5, 1998

Amended 29-1-506(1); 29-1-603(3).

H.B. 98-1296 Early education and school readiness program. Creates the early education and school readiness program in the department of local affairs to be administered in conjunction with the youth crime prevention and intervention program, contingent upon available appropriations. States that early education and school readiness funds are intended to be used for purposes directly related to increasing the reading readiness and language development of children.

Identifies the qualifications a jurisdiction must meet to receive a grant under the early education and school readiness program. Requires the youth crime prevention and intervention board to administer the program and to develop a formula for distribution of grants to qualified jurisdictions. Repeals the program, effective July 1, 2001.

EFFECTIVE April 21, 1998

Added 24-32-2804.

GOVERNMENT - STATE

S.B. 98-26 Work force coordinating council. Changes the size and composition of the existing work force training coordinating council (created within the office of the governor and established as a human resources investment council in accordance with section 701 of the federal "Job Training Partnership Act") by adding the executive director of the Colorado commission on higher education and additional members representing business, labor, and community-based organizations (including a representative of local public education).

EFFECTIVE August 5, 1998

NOTE: The effective date statement as cited under H.B. 98-1168 on page 2 also applies to this bill.

Amended 24-46.3-101; repealed 24-46.3-102(3).

H.B. 98-1143 Public employees' retirement association - health care program - eligibility requirements for dependents. Provides that dependents, as defined in the "Colorado Health Care Coverage Act", unmarried children who are not natural or adopted children of the recipient but who reside full time with the recipient and who are dependents of the recipient for federal income tax purposes, and qualified children, as defined by rules adopted by the board of the public employees' retirement association (PERA), shall be eligible to participate in PERA's health care program.

EFFECTIVE March 27, 1998

Amended 24-51-101(37); 24-51-1204(1)(a).

H.B. 98-1150 School libraries - taxing authority of school districts. Clarifies that school districts that began levying a tax to support school district supported public libraries with or without voter approval before July 1, 1979, may continue to levy such tax until voters approve a change in the levy.

EFFECTIVE April 6, 1998

Amended 24-90-109(4); added 24-90-112(1)(a)(V); amended 24-90-112(1)(b)(I); 24-90-112(1)(b)(III); 24-90-112(1)(b)(IV).

H.B. 98-1191 Defined contribution plans for specified eligible state officials and employees - public employees' retirement association - eligibility for full service retirement - benefit formula for reduced service retirement - appropriations. Creates the state defined contribution retirement committee and authorizes the committee to establish and administer one or more defined contribution plans for specified state officials and employees. Requires the committee to establish at least one deferred compensation plan on or before January 1, 1999. Provides that the department of personnel shall provide necessary administrative support to the committee in connection with the establishment and operation of any plan established by the committee.

Imposes requirements on the designation of companies from which contracts for plans are purchased, the number of providers of investment products that must be selected for each plan, the servicing of accounts, and the portability of investments. Specifies that the employer and employee contribution rates for any defined contribution plan shall be the same as the contribution rates that would be payable to the Public Employee's Retirement Association (PERA).

Requires employees who are not members of PERA when they are initially employed in an eligible position with an employer having a defined contribution plan to make a one-time irrevocable election to participate in the plan or join PERA within 60 days of commencing employment. Allows employees who are members of PERA at the time they are initially employed in an eligible position or at the time a defined contribution plan is established to make a one-time irrevocable election during the months of January and February of each year to participate in a defined contribution plan. Allows such employees who elect to participate in a defined contribution plan to maintain any existing rights to

contributions and benefits in PERA or to terminate their membership in PERA and have their member contributions, interest, and employer contributions transferred to the defined contribution plan.

Reduces the age and service requirements to qualify for full service retirement benefits from PERA on or after July 1, 1998, to 50 years of age and 30 years of service. For reduced service retirement benefits that first become effective on or after July 1, 1998, modifies the formula for calculating the benefit for reduced service retirement.

Appropriates \$20,140 of moneys received from providers of investment products for defined contribution plans to the department of personnel for the implementation of this act. Appropriates \$8,640 and 0.1 FTE to the department of law for the provision of legal services to the department of personnel.

EFFECTIVE July 1, 1998

Amended 13-54-104(1)(b)(II)(B); 13-54.5-101(2)(b)(II); 14-10-115(7)(a)(I)(A); 14-14-102(9); 24-51-310(1)(k); 24-51-602(1)(a); 24-51-605(1); 24-51-605(3)(b); added 24-54.7-0 (entire article).

H.B. 98-1242 Public employees' retirement association - reduction in state and school employers' contribution rate. Effective July 1, 1998, reduces the contribution rate for employers in the state and school division of the public employees' retirement association from 11.5% to 11.4%.

EFFECTIVE July 1, 1998

Amended 24-51-401(1.7).

H.B. 98-1256 Retention of excess state revenues for state infrastructure needs. Creates the state excess revenue trust fund in the state treasury. Requires the state treasurer to transfer to the fund an amount equal to the lesser of \$200,000,000 or the amount of state revenues in excess of the state constitutional limitation on fiscal year spending for the 1997-98 state fiscal year no later

than February 1, 1999. Requires the state treasurer to transfer to the fund an amount equal to the lesser of \$200,000,000 or the amount of state revenues in excess of the state constitutional limitation on fiscal year spending for any state fiscal year commencing on or after July 1, 1998, but prior to July 1, 2002, by November 1 of the calendar year in which such state fiscal year ends. Specifies that such transfers are not appropriations subject to the statutory limitation on state general fund appropriations. Specifies that such transfers shall constitute a voter-approved revenue change and shall not be included in either state or local government fiscal year spending.

For fiscal years commencing on or after July 1, 1999, but prior to July 1, 2004, requires the general assembly to annually transfer revenues from the state excess revenue trust fund to the school construction and renovation fund, the higher education account of the capital construction fund, and the highway users tax fund. Of the total amount of revenues to be transferred over the 5-year period, requires 50% to be allocated to the highway users tax fund, 30% to be allocated to the school construction and renovation fund, and 20% to be allocated to the higher education capital construction account of the capital construction fund.

Creates the higher education capital construction account within the capital construction fund. States that revenues in the account shall be appropriated only for capital construction projects of state-supported institutions of higher education. Of the portion of excess revenues transferred to the highway users tax fund, requires 60% to be allocated to the state highway fund, 22% to be allocated to counties, and 18% to be allocated to cities and incorporated towns. Specifies the purposes for which the excess revenues allocated from the highway users tax fund may be expended.

For fiscal years commencing on and after July 1, 1998, requires the state controller, based upon the financial statement prepared to ensure compliance with section 20 of article X of the state constitution, to certify the amount of state revenues in excess of the constitutional limitation on state fiscal year spending for a given fiscal

year by September 1 of the calendar year following such fiscal year. Requires the state auditor to conduct an audit of the certified amount of excess revenues by September 15 of the same calendar year.

Refers the act to the voters statewide at the 1998 general election pursuant to section 20 of article X of the state constitution (TABOR).

EFFECTIVE upon the Governor's proclamation or thirty days after a canvas of the votes is completed, whichever occurs earlier.

Added 24-75-1100 (entire part); 24-75-302(3.5); amended 24-77-106.5; added 43-4-205(6.7); 43-4-206(3); amended 43-4-206 IP(1); 43-4-206 IP(1)(b).

H.B. 98-1321 Community-based youth crime prevention and intervention - youth mentoring program. Creates the Colorado youth mentoring program for the purpose of providing state funding for community-based youth mentoring services to at-risk youths through the youth crime prevention and intervention ("YCPI") program. Identifies the purposes of such services as reducing substance abuse and decreasing the incidents of youth crime and violence. To be eligible for funding for the provision of youth mentoring services from the youth mentoring services cash fund, requires an entity to apply to the YCPI board in accordance with specified timelines and meet certain specified criteria.

Allows an entity to apply to the YCPI board for a grant from the department of local affairs to provide community-based youth mentoring services or to enhance existing community-based youth mentoring programs. Identifies the duties of entities that are selected by the board for the provision of such programs.

Authorizes community-based organizations to obtain private and public funds, grants, gifts, or donations for youth mentoring programs. Authorizes the executive director of the department of local affairs to accept and expend said funds. Requires selected entities to match 20% of the grant moneys received from the

department of local affairs. Creates the youth mentoring services cash fund.

Encourages entities seeking to provide youth mentoring programs to submit an application to the YCPI board for grants to establish or enhance youth mentoring services.

EFFECTIVE May 18, 1998

Added 24-32-2801(7); 24-32-2805.

HEALTH AND ENVIRONMENT

H.B. 98-1015 Administration of medications in facilities - continuation of regulation under sunset law. Pursuant to the provisions of the sunset law, extends until July 1, 2009, the department of public health and environment's regulation of facilities that use qualified unlicensed persons to monitor and administer medication.

Permits an unlicensed person to fill and label medication reminder boxes in a licensed facility only if such person has completed appropriate training approved by the department. Requires such facilities to provide on-the-job training appropriate to the job responsibilities of the unlicensed persons and to hire a qualified manager to oversee the work of such employees. Requires the completion of such training to be documented in the personnel file of each unlicensed person. Requires the unlicensed person and qualified manager to sign a disclosure statement stating that they never had a professional nursing, medicine, or pharmacy license revoked for reasons directly related to the administration of medications. Defines "facility" to include all services funded through and regulated by the department of human services in support of persons with developmental disabilities.

Authorizes the department of public health and environment to develop and implement policies concerning the administration of medication reminder boxes by unlicensed persons.

EFFECTIVE July 1, 1998

Added to, amended and repealed portions of titles 12, 24 and 25.

H.B. 98-1210 Immunization records - tracking system. Clarifies that health departments may gather immunization information from doctors, clinics, 3rd-party payors, and persons who have contracted with the state to operate a comprehensive immunization tracking system.

Modifies the existing infant immunization tracking system by authorizing health departments to gather immunization information from licensed health care practitioners, schools, parents of infants, children, students, and insurers and managed care organizations that provide coverage for immunizations.

Modifies the existing tracking system by authorizing the release of immunization records to a child or student, an insurer or managed care organization in which a child or student is enrolled, if such insurer or organization covers immunizations, hospitals, or any person or entity that has contracted with the state for the operation of the tracking system.

Allows the use of electronic files and copies of such files as certificates of immunization if they are provided directly to the school from the immunization tracking system. Continues to allow the use of paper forms as certificates of immunization, if they contain information transferred from the records of a doctor, nurse, or public health official. Allows a person to confirm immunizations for public assistance eligibility purposes pursuant to records in the immunization tracking system.

EFFECTIVE August 5, 1998

NOTE: The effective date statement as cited under H.B. 98-1168 on page 2 also applies to this bill.

Amended 25-4-1705(5)(e); 25-4-901(1); added 25-4-901(1.5); amended 25-4-906(1); 26-2-111.1.

MOTOR VEHICLES AND TRAFFIC REGULATION

H.B. 98-1059 School zones - doubling of penalties and surcharges - designation of school zones. Doubles the fine and surcharge imposed for a moving traffic violation if the violation occurs in a school zone. Requires that a school zone have appropriate signs indicating that penalties and surcharges will be doubled. Requires the state or local government having jurisdiction over the placement of signs and traffic control devices in a school zone area to designate when the area will be deemed to be a school zone. In making such designation, requires the state or local government to consider when increased penalties are necessary to protect the safety of school children. Exempts a violation from the required increase in penalties and surcharges if the penalty and surcharge for the violation has been doubled because the violation also occurred within a highway maintenance, repair, or construction zone.

EFFECTIVE July 1, 1998

Added 42-4-1701(4)(d); 42-4-615.

H.B. 98-1075 Licence plates - characters used on plates - reissuance of plates - manufacture of certain plates - option to obtain plates without county designation. Directs the department of revenue, to the extent that it is practical, to issue motor vehicle license plates that have standardized coloring and have a combination of letters and numbers not exceeding 6 characters.

On or after January 1, 2002, authorizes the department of revenue to require the replacement of license plates as necessary to ensure that plates are legible. Directs the department to complete a replacement of all license plates, other than newly issued license plates or remanufactured license plates, on or before January 1, 2004. Authorizes the general assembly to appropriate moneys from the highway users tax fund to the department for such license plate replacement.

Allows a motor vehicle owner who has currently assigned and registered license plates with only 2 alphabetic and up to 4 numeric characters to have such plates remanufactured upon application to the department of revenue. Prohibits the charging of any fee for remanufacture of license plates beyond the fees and taxes charged for vehicle registration.

If license plates issued for motor vehicles include the county of vehicle registration, allows a vehicle owner the option of obtaining plates that do not include such county designation.

EFFECTIVE June 1, 1998

Amended 42-3-113(2); added 42-3-113(5); 42-3-113.5; amended 42-3-114(4); 43-4-201(3)(a)(II)(I); 43-4-201(3)(a)(II)(J); added 43-4-201(3)(a)(II)(K); amended 43-4-201(3)(a)(III)(C).

H.B. 98-1081 Motor vehicle registration - reporting of type of fuel. Requires the owners of vehicles within the AIR program area, upon registration, to report the type of fuel used by such vehicle and whether such vehicle is dual-fueled or dedicated to the use of a single fuel.

Requires the owners of fleet vehicles within the AIR program area, upon registration, to report that the vehicle is a fleet vehicle and list their tax identification number.

EFFECTIVE July 1, 1998

Added 42-3-112(12).

H.B. 98-1273 School buses - safety procedures. Directs the operator of a school bus to activate the visual signal lights of the bus when the bus is stopped because it is behind another school bus that is receiving or discharging passengers or because it has met a school bus traveling in a different direction that is receiving or discharging passengers. Authorizes the operator of a school bus to block the lane of traffic, rather than stopping the school bus as far to the right of the roadway as possible, when a passenger being

received or discharged is required to cross the roadway.

EFFECTIVE March 23, 1998

Amended 42-4-1903(2)(b)(l); 42-4-1903(5).

TAXATION

S.B. 98-49 Internet access services - 3-year moratorium on taxes, fees, and regulations. Until April 30, 2001, prohibits the state and local governments (including school districts) from imposing, assessing, or collecting any tax, regulation, fee, or charge upon:

- The direct charges for provision of internet access services; or
- A provider of internet access services as a means of collecting sales or use taxes from persons who purchase taxable property or services through use of the internet unless such provider acts as a vendor of taxable property or services.

Also imposes a 3-year moratorium on the requirement that a provider of internet access services collect sales or use taxes.

EFFECTIVE May 18, 1998

Added 24-79-0 (entire article); 29-1-1000 (entire part 10); 39-26-114(1)(a)(XXVI); 39-26-203(1)(ii).

S.B. 98-85 Income tax - rural technology enterprise zone act - tax credit for investment in rural technology infrastructure. Requires the public utilities commission to conduct a technology infrastructure needs assessment and inventory in rural areas of the state to assess the ability to access the internet in such areas. Provides that the commission shall conduct a public hearing on the establishment of rural technology enterprise zones.

Allows the public utilities commission to designate rural areas of the state as rural technology enterprise zones based upon the results of the needs assessment and inventory and the

evidence received at the public hearing. Requires the commission to specify certain information concerning each zone, including the boundaries of each zone, and the types of technology investments in each zone that will qualify for a tax credit.

Commencing with the 1999 income tax year through the 2004 income tax year, provides an income tax credit equal to 10% of the total investments in technology infrastructure made by a taxpayer within a rural technology enterprise zone that improve access to the internet within the zone. Specifies a \$100,000 maximum annual amount claimed under such credit. Allows any unused portion of the credit to be carried forward for up to 10 years.

Requires the public utilities commission to report to the general assembly by September 1, 2003, on the investments made to improve internet access in rural technology enterprise zones.

EFFECTIVE May 18, 1998

Added 39-32-0 (entire article).

H.B. 98-1169 Income tax - tax credit for alternative fuels vehicles and refueling facilities - alternative fuels vehicles rebate program - appropriation. Modifies the definition of "alternative fuel" in the Colorado clean vehicle fleet program to include ethanol or any fuel mixture containing at least eighty-five percent ethanol.

Modifies the formula for calculating the amount of the income tax credit allowed for purchasing a motor vehicle that uses an alternative fuel or for converting a vehicle's fuel system to a fuel system that uses an alternative fuel. Allows a taxpayer who replaces the power source in a vehicle that uses a traditional fuel with a power source that uses an alternative fuel to claim the credit. Conforms the definition of "alternative fuel" used for purposes of the credit to the definition used for the clean fuel fleet program. Allows the credit only for vehicles that are used for business purposes. Doubles the amount of the credit for any motor vehicle purchase or power source replacement that permanently displaces a motor vehicle or

power source that is 10 years old or older. Prohibits the credit from being claimed if a purchase, conversion, or power source replacement is required by the clean fuel fleet program. Extends the period of time that any unused credit can be carried forward from 3 to 5 tax years. Eliminates the existing July 1, 1998, repeal date for the credit, and provides that the credit, as modified, shall apply to tax years commencing on or after July 1, 1998, but prior to July 1, 2006.

For tax years commencing on or after January 1, 1998, but prior to January 1, 2006, provides an income tax credit for a portion of the cost incurred in constructing, reconstructing, or acquiring an alternative fuel refueling facility that is directly attributable to the storage, compressing, charging, or dispensing of alternative fuels for motor vehicles. Increases the amount of the credit allowed for facilities that are generally accessible to persons in addition to the person claiming the credit. Increases the amount of the credit allowed for facilities that dispense renewable alternative fuels derived from a renewable energy source. Provides that any unused credit may be carried forward for 5 tax years.

For costs incurred on or after July 1, 1998, but prior to July 1, 2006, establishes a program to provide cash rebates to state and local governmental entities and to tax-exempt entities for each motor vehicle owned by such entity that uses or is converted to use an alternative fuel or has its power source replaced with a power source that uses an alternative fuel. Specifies the formula for calculating the maximum amount of the rebate. Allows a rebate only to the extent that a vehicle is used for the business or official activities of the entity. Doubles the amount of the rebate for any motor vehicle purchase or power source replacement that permanently displaces a motor vehicle or power source that is 10 years old or older. Prohibits the rebate from being granted if a purchase, conversion, or power source replacement is required by the clean fuel fleet program. Authorizes the executive director of the department of revenue to grant the rebates and promulgate rules for granting rebates. Establishes the alternative fuels rebate fund from which rebates are made.

Transfers \$500,000 from the AIR account to the alternative fuels rebate fund on July 1, 1998. Appropriates \$654,595 from the alternative fuels rebate fund to the department of revenue for initial implementation costs and for making rebates to qualified entities.

EFFECTIVE June 1, 1998

Amended 25-7-106.8(1)(a); 39-22-516; added 39-33-0 (entire article).

H.B. 98-1269 Sales tax - exemption - donations of manufactured goods. Exempts from sales and use tax donations of manufactured goods donated by the manufacturer of such goods to governmental entities and other entities that are exempt from federal income tax pursuant to section 501 (c) (3) of the internal revenue code. States that the sales and use tax exemption only applies to a donation if the aggregate value of all goods included in the donation exceeds \$1,000.

EFFECTIVE April 22, 1998

Added 39-26-114(20); 39-26-203(1)(ff).

TRANSPORTATION

H.B. 98-1304 Transportation funding - investment in public-private transportation projects - authority to privatize county highways and bridges - public-private initiative agreements for transportation projects. Among the provisions of the act, it authorizes the department of transportation or the private entity responsible for funding a public-private transportation project initiative, issuing bonds for turnpikes, or issuing anticipation warrants for toll tunnels to forward a copy of the public-private initiative agreement, bonds, or anticipation warrants, as applicable, and a description of the investment opportunity for such an initiative, bonds, or anticipation warrants to the board of trustees of the public employees' retirement association, the state deferred compensation committee and its administrator, the board of directors of the fire and police pension association, the board of trustees of the firefighters' and police officers' old hire pension

funds, the board of trustees of the volunteer firefighter pension fund, the boards of education of school districts, the board of directors of the university of Colorado hospital authority, the state treasurer, the county boards of retirement, the governing boards of state colleges and universities, and any employer who has established a defined contribution plan.

EFFECTIVE August 5, 1998

NOTE: The effective date statement as cited under H.B. 98-1168 on page 2 also applies to this bill.

Amended 23-20-117.5(3); added 31-30-1113(3); 31-30-1113(4); 40-1-104(9); 40-20-102(1)(h); 40-9.5-116; amended 43-1-1204(3); repealed 43-1-1208; added 43-1-1209; 43-2-219; 43-3-220; 43-3-416.