

Colorado Department of Education

LEGISLATIVE

SUMMARY

2003



Sixty-Fourth General Assembly, First 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-Fourth General Assembly,
First Regular Session in 2003,
along with the statutory citations

Prepared annually for Colorado public school superintendents, principals, school board presidents, private schools, education agencies, Department of Education staff and other interested persons.

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August 2003

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INDEX

APPROPRIATIONS	
S.B. 03-258	General appropriations 5
CHILDREN AND DOMESTIC MATTERS	
S.B. 03-253	Parent liability waivers on behalf of child 6
H.B. 03-1025	Juvenile sentencing – special education history – IEP 6
H.B. 03-1169	Child abuse definition – related to child in a drug lab..... 6
H.B. 03-1211	Records of child abuse or neglect for protection of children..... 6
CONSUMER AND COMMERCIAL TRANSACTIONS	
H.B. 03-1272	Prohibit recording SSN or credit card number for check 7
COURTS	
H.B. 03-1326	Limit liability for service providers to persons with developmental disabilities 7
CRIMINAL LAW AND PROCEDURE	
H.B. 03-1191	Prohibit computer material indecent to children 7
EDUCATION - PUBLIC SCHOOLS	
S.B. 03-36	Graduation requirement of course on civil government 8
S.B. 03-53	Colorado school for deaf and blind governing board 8
S.B. 03-72	Sex offender school information..... 8
S.B. 03-117	CDE release of school accountability reports 9
S.B. 03-137	Deadlines for conversion of unsatisfactory schools..... 9
S.B. 03-149	Practices relating to school districts’ budgets 9
S.B. 03-158	Sale of property of a school district 9
S.B. 03-183	CDE K-12 program modifications..... 10
S.B. 03-195	Reduction of general fund appropriation maintenance effort 10
S.B. 03-237	Payment of school district obligations 11
S.B. 03-248	Financing of public schools 11
S.B. 03-250	Denver public schools in PERA 15
S.B. 03-254	Closing the achievement gap program..... 16
H.B. 03-1021	Financing of charter school facilities capital construction 16
H.B. 03-1032	Participation in interest-free loan program 16
H.B. 03-1083	Transfer rules for extracurricular activities..... 17
H.B. 03-1087	Requirements of transfers of low-performing students..... 17
H.B. 03-1114	Criminal history checks for employees in public schools..... 17
H.B. 03-1127	Teacher and school administrator protection act 18
H.B. 03-1160	Opportunity contract pilot program for disadvantaged children 18
H.B. 03-1172	Prohibit recommending drugs for students..... 19
H.B. 03-1173	Colorado family literacy programs..... 19
H.B. 03-1193	BOCES membership of a single school district 18
H.B. 03-1327	PERA – school districts with critical shortage employees 20
H.B. 03-1333	School district sanctions for failure to return library resources 20
H.B. 03-1368	Daily recitation of pledge of allegiance in public schools 20
H.B. 03-1369	Technical correction to opportunity contract pilot program 20
H.J.R. 03-1044	Encourage school districts to offer students more foods high in calcium 20
H.J.R. 03-1064	Marriage and relationship skills education 21
EDUCATION – UNIVERSITIES AND COLLEGES	
S.B. 03-193	State historical fund 22
S.B. 03-198	Technology learning grant program elimination 22
S.B. 03-255	Selective service registration compliance 22
H.B. 03-1108	International baccalaureate diploma program students’ credit 22
H.B. 03-1159	Certification of education paraprofessionals..... 23
ELECTIONS	
S.B. 03-139	Contest bond debt elections grounds 23
GOVERNMENT - STATE	
S.B. 03-98	Benefit provisions of PERA 24
S.B. 03-230	Uniform electronic signatures act rules 25
S.B. 03-235	Right to display national symbols..... 25
S.B. 03-273	Eliminate salary increase for certain state employees..... 25
H.B. 03-277	Inclusion of salary furlough of PERA employees 25

S.B. 03-326	Colorado library law and children’s internet protection act	25
H.B. 03-1204	Investment of public moneys	26
H.B. 03-1267	Surcharges for alternative payment of moneys to state	26
H.B. 03-1274	Interest-free loans to school districts	26
H.B. 03-1288	Colorado governmental immunity act definitions	27
MILITARY AND VETERANS		
S.B. 03-100	Award high school diploma to honorably discharged veteran.....	27
MOTOR VEHICLES AND TRAFFIC REGULATIONS		
H.B. 03-1053	Emissions testing for diesel vehicles	27
H.B. 03-1172	Prohibit recommending drugs for students.....	28
H.B. 03-1313	Exclude regions from AIR program	28
PROFESSIONS AND OCCUPATIONS		
H.B. 03-50	Licensure questionnaire for nurses.....	28
PUBLIC UTILITIES		
S.B. 03-238	Costs of utility facility relocation	28
WATER AND IRRIGATION		
S.B. 03-115	Change of agricultural water rights to urban areas.....	29

The following are summaries of 2003 bills as prepared by the General Assembly Office of Legislative Services with selected clarification or notation by the Department of Education.

APPROPRIATIONS

S.B. 03-258 General appropriation act - long bill. Provides for the payment of expenses of the executive, legislative, and judicial departments of the state of Colorado, and of its agencies and institutions, for and during the fiscal year beginning July 1, 2003. Sets the grand total for the operating budget at \$13,583,479,688, of which \$5,720,005,408 is from the general fund, \$1,453,833,904 is from cash funds, \$3,292,771,171 is from cash funds exempt, and \$3,116,869,205 is from federal funds.

Appropriates \$480,471,500 for capital construction, of which \$9,420,498 is from capital construction fund exempt, \$19,828,777 is from cash funds, \$401,306,374 is from cash funds exempt, and \$49,915,851 is from federal funds.

Makes additional changes in appropriations for the 2002-2003 fiscal years.

EFFECTIVE May 1, 2003
 PORTIONS VETOED May 1, 2003

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

	2002-03 Appropriation	2003-04 Appropriation
General Fund	\$ 2,413,169,340	\$ 2,417,662,657
Cash Funds	13,098,032	15,238,017
Cash Funds Exempt	353,511,631	439,006,927
Federal Funds	371,829,390	380,668,980
<u>Grand Total</u>	\$ 3,151,608,393	\$ 3,252,576,581

NOTE: The effective date for a bill enacted without a safety clause and without an effective date indicated in the bill is August 6, 2003, the day following the expiration of the 90-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 unless a referendum petition is filed against the act within such time period. If a referendum petition is filed, the act, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

CHILDREN AND DOMESTIC MATTERS

S.B. 03-253 Children - negligence claims - parental waiver. Permits a parent of a child to release, on behalf of the child, a prospective negligence claim of the child. Clarifies that a parent may not waive the child's prospective claim based on willful and wanton conduct, reckless conduct, or grossly negligent conduct.

EFFECTIVE May 14, 2003

Added 13-22-107 C.R.S. (Colorado Revised Statutes).

H.B. 03-1025 Juvenile sentencing – special education history – individual education programs. Includes a student's individual education program in the definition of education records. Permits the court, in a case where a juvenile has an individual education program, to order the juvenile to comply with his or her individual education program, taking into account the intellectual functioning, adaptive behavior, and emotional behaviors associated with the juvenile's disability and subject to a manifestation determination. Authorizes the inclusion on any special education history and any current individual education program the juvenile may have in a juvenile presentence report.

EFFECTIVE August 6, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Amended 22-1-123(1); 19-2-925(2)(d); 19-2-905(1)(a).

H.B. 03-1169 Child abuse definition – manufacturing a controlled substance - presence of a child. Expands the definition of "abuse" and "child abuse or neglect" in the "Colorado Children's Code" to include manufacturing or attempting to manufacture a controlled substance in the presence of a child or on the premises where a child is found or where a child resides.

EFFECTIVE July 1, 2003

Amended 19-1-103(1)(a).

H.B. 03-1211 State central registry of child protection - repeal - reports of child abuse or

neglect - investigation - training - appeal process - release of information - rules. On and after January 1, 2004, repeals the state central registry of child protection ("central registry"). On or before January 1, 2004, requires the state department of human services ("state department") to train county departments of social services ("county departments") to achieve consistency and standardization in investigating reports of child abuse or neglect; reporting confirmed incidents of child abuse or neglect; preparing documents related to records and reports of child abuse or neglect; entering data into computer systems; and maintaining confidentiality in accordance with federal and state law. Requires the state board of human services ("state board") to promulgate rules establishing a process by which a person who is found to be responsible in a confirmed report of child abuse or neglect shall receive notice and may appeal the finding of the confirmed report. Requires the rules, at a minimum, to address specific issues, including procedures that facilitate the prompt expungement of and prevent the release of any information contained in certain records and reports that are found to be unsubstantiated or false, with an exception. Requires the state board to promulgate rules establishing guidelines for the release of information contained in records and reports of child abuse or neglect for screening purposes to assure compliance with state and federal law.

Makes conforming amendments, including substituting the utilization of records and reports of child abuse or neglect maintained by the state department for the utilization of the central Registry in screening certain child care license applicants. Authorizes the state department to utilize records and reports of child abuse or neglect for the purpose of aiding the department of education in an investigation of an allegation of abuse by an employee of a school district. Repeals provisions authorizing the use of the central registry for aiding the department of corrections in decisions related to offender treatment, visitation, and supervision. Authorizes the state department to assess a fee for screening checks utilizing records and reports of child abuse or neglect. Creates the records and reports fund and transfers moneys in the central registry fund to the records and reports fund.

Makes it a class 1 misdemeanor to release or willfully permit or encourage the release of data or information contained in records and reports of child abuse or neglect to persons not permitted access to such information. Requires county departments to submit, rather than forward, a copy of a report of confirmed child abuse or neglect to the state department.

EFFECTIVE January 1, 2004

Repealed, added, and amended various parts of Titles 14, 19, 22 and 26.

CONSUMER AND COMMERCIAL TRANSACTIONS

H.B. 03-1272 Personal information - social security number - credit card number. Prohibits a person from recording a social security number or credit card number when accepting a check. Exempts checks written to provide payment on a credit card account or student loan and a loan application. Clarifies that a person may ask for a credit card when cashing a check, but may not record more than the type and issuer of the card.

EFFECTIVE August 6, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Added 4-3-506.

COURTS

H.B. 03-1326 Limitation on liability - providers - developmentally disabled. Specifies that nothing in the act relieves a service provider for the developmentally disabled ("provider") of a duty of care expressly imposed by federal or state law or department of human services ("department") rule. Specifies that the performance of a service or an act of assistance for the benefit of a developmentally disabled person or the adoption or enforcement of a policy or practice by a provider to protect such person's health or safety shall not create a duty of care with respect to a third person, nor does it require the provider to sustain such a service or to adopt or enforce such a policy.

Specifies that a person filing a tort action against a provider is required to demonstrate liability by a preponderance of the evidence. Specifies that if a provider raises the issue that a claimant cannot demonstrate liability by a preponderance of the evidence or raises any other limitation on liability prior to or after the beginning of discovery, the court is required to suspend discovery, except any discovery necessary to decide the issue of limitation of liability, and to decide the issue on motion.

Modifies the current duty of care liability limitations by specifying that a provider, rather than a physician, social worker, nurse, or psychologist, is not liable for damages in any civil action for failure to warn or protect any person against violent, assaultive, disorderly, or harassing behavior of a person with a developmental disability or the failure to predict or prevent such behavior. Clarifies that a provider does have a duty to warn in specified circumstances and outlines the duties of the provider in these situations.

Places specific requirements and limitations on any action against a provider, including but not limited to:

- In order to maintain a tort action, requiring the person claiming to have suffered an injury or grievance to exhaust all dispute resolution procedures or other applicable interventions with the department or the community centered board within specified time frames;
- Specifying that a person with a developmental disability who is served in a residential setting, which is owned or leased by a provider, shall not be considered a tenant of the provider;
- Specifying that community centered boards and service agencies have the authority to remove a person with a developmental disability from any residential setting in specified situations and that these entities have no civil liability for exercising this authority;
- Specifying that a provider has limited civil liability for the injurious consequences to a person with a developmental disability if the person or the person's guardian declines or obstructs the administration of prescription medication or other treatment recommended by a licensed physician, psychologist, or therapist;
- Specifying that claims based on alleged deceptive trade practices do not apply to providers engaged in the provision of services to the developmentally disabled.

EFFECTIVE May 22, 2003

Repealed and reenacted 13-21-117.5.

CRIMINAL LAW AND PROCEDURE

H.B. 03-1191 Computer dissemination of indecent material to a child - prohibition - civil penalty - action to recover - distribution of penalty - attorney fees. Prohibits the computer

dissemination of indecent material to a person believed to be a child. Clarifies that the person performing the computer dissemination of indecent material is not relieved of liability if the person to whom the material was disseminated in fact was not a child. Imposes a civil penalty against a person who violates the prohibition against computer dissemination of indecent material to a child. Enables any private individual to bring a civil action to recover the civil penalty. Establishes the priority for the distribution of a civil penalty assessed by the court. Awards a plaintiff his or her reasonable attorney fees and costs if he or she is awarded a distribution of the civil penalty. Clarifies that the civil action for a recovery of a civil penalty for the computer dissemination of indecent material to a child does not abrogate a criminal action or any civil action or claim available to a plaintiff.

EFFECTIVE July 1, 2003

Added 13-21-1000 (entire part 10).

EDUCATION - PUBLIC SCHOOLS

S.B. 03-36 Graduation requirement - course on civil government - community forum. Makes satisfactory completion of a course on the civil government of the United States and the state of Colorado a requirement for high school graduation in public schools. Applies to each student entering the first year of high school on and after August 6, 2003.

Directs each school district to convene a community forum at least once every 10 years to discuss adopted content standards in civics and acceptable performance levels. Requires the school district to consider this community input when establishing graduation requirements.

EFFECTIVE August 6, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Added 22-1-104(3); 22-1-104(4).

S.B. 03-53 Colorado school for the deaf and blind - governance - restructuring - board of trustees - authority - funding. Effective July 1, 2004, re-establishes the Colorado school for the deaf and the blind ("school") as an educational institution located in Colorado Springs, and specifies that the school may include other facilities and programs in the state. Transfers

the school to the department of education as a type 1 transfer.

Designates the school as a local education agency for purposes of federal law, except for child nutrition programs. Permits the school to deliver educational services on a local and regional basis that may involve:

- Intergovernmental agreements;
- Boards of cooperative services; and
- Charter schools designed solely for deaf or blind students.

Creates a governing board ("board of trustees") for the school. Sets membership, terms, qualifications, duties, and powers of the board of trustees. Authorizes the board of trustees to promulgate rules for the operation of the school. Permits the board of trustees to charter schools designed for deaf or blind students. Requires the board of trustees to promulgate rules that describe the process for the specialized charter applications. Requires the board of trustees to issue an annual report to the general assembly regarding student assessment data, training for the school's teachers, and parental involvement. Specifies the authority of the board of trustees to appoint the superintendent and specifies qualifications for the superintendent and the teachers. Clarifies that the school may offer specialized programs for adults with sensory impairments. Effective September 1, 2003, permits the school to create and use a nonprofit entity for funding purposes. Repeals provisions concerning the current advisory board for the school.

EFFECTIVE July 1, 2004

Repealed, added, amended, repealed and reenacted various parts of Titles 22 and 24.

S.B. 03-72 Sex offender notification - sex offender management board materials. Requires each public school in the state, at the beginning of each school year, to provide parents with a statement about how to access the sex offender registration database for their community. Compels the sex offender management board to develop the statement and educational materials regarding sex offenders for use by schools. Directs the sex offender management board to provide the statement and materials to the department of education who shall make them available to schools.

EFFECTIVE March 18, 2003

Added 22-1-124; 16-11.7-103(4)(k).

S.B. 03-117 School accountability reports - date of delivery - website. Delays the date by which the department of education ("department") is required to deliver school accountability reports ("reports") to public schools. Deletes the requirement that the department wait to update its website to include reports until after the department transmits the reports for printing.

EFFECTIVE August 6, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Amended 22-7-606(1)(a); 22-7-606(3)(b).

S.B. 03-137 Statewide assessments - "unsatisfactory" schools - deletion of deadlines - conversion to charter schools - earlier deadlines. Deletes the provisions that require the department of education, by May 1, 2003, and by May 1 of each year thereafter, to release the statewide assessment results and notify a school district that a school will receive an "unsatisfactory" academic performance rating for the preceding school year.

Moves up the deadlines for:

- The state board of education to issue a request for proposals for the operation of an independent charter school, from May 10 to January 15;
- The completion of negotiations on the independent charter, from August 15 to May 30; and
- The school district's board of education to accept the independent charter application following a notice and hearing, from August 15 to May 30.

EFFECTIVE March 20, 2003

Amended 22-7-409(1.2)(a)(I); 22-7-609(2); 22-30.5-303(2)(a); 22-30.5-303 IP(2)(b); 22-30.5-306(3)(a).

S.B. 03-149 School district - budget procedures - accounting procedures. Requires each school district to hold unrestricted general fund or cash fund emergency reserves in the amount required by section 20 (5) of article X of the state constitution. Specifies that a school district budget shall not allow for expenditures, interfund transfers, or reserves, in excess of available revenues and beginning fund balances. If a school district budget includes the use of a beginning fund balance, requires the school district board of education ("board") to adopt a resolution specifically authorizing the use of the beginning fund

balance. Specifies the minimum contents of the resolution.

Requires each school district to prepare an annual itemized reconciliation between the district's fiscal year-end fund balances based on the budgetary basis of accounting used by the school district and the district's fiscal year-end fund balances based on the modified accrual basis of accounting. Directs each board to ensure that the school district uses the full accrual basis of accounting when budgeting and accounting for enterprise funds. Requires each board, at least quarterly, to review the school district's financial situation and to require school district personnel to submit a report concerning the school district's financial situation. Specifies the contents of the report. Clarifies that the provision concerning loans from one fund to another within a school district budget applies to all of the funds in the school district's budget.

EFFECTIVE July 1, 2003

Amended 22-44-105 IP(1); added 22-44-105(1)(c.5); 22-44-105(1.5); amended 22-44-103(1); 22-45-102(1); 22-44-113(1); added 22-44-113(3); 22-45-103(3).

S.B. 03-158 Sale and leaseback of property.

Prior to July 1, 2005, authorizes a school district to deposit the proceeds of a sale of real property of the school district in the school district's general fund if:

- The school district declares a fiscal shortfall emergency;
- The sale is to a lessor who leases the real property back to the school district pursuant to a lease-purchase agreement for not more than one year; and
- The terms of the agreements are approved by the state treasurer.

Describes the conditions under which a school district board of education may declare a fiscal shortfall emergency. Authorizes the state treasurer to buy and leaseback real property owned by a school district. Specifies when the treasurer may do so, conditions imposed on the transaction, and remedies for breach of the lease agreement.

EFFECTIVE April 22, 2003

Amended 22-45-112; added 22-54-110(2)(d); 24-36-111.5.

S.B. 03-183 FY 2002-03 budget reduction bill - K-12 public education programs - modifications - reduction or elimination of funding - repeals. For the 2002-03 fiscal year, modifies certain education programs and funding as follows:

- With regard to the Colorado preschool program, deletes the requirement that the department of education (department) reallocate any unused positions to other participating school districts;
- Eliminates the requirement that the state fund and districts budget an additional \$21 per pupil for the purchase of new textbooks and eliminates the \$15,018,326 appropriation from the state education fund for such purpose; allows districts to offset the elimination of such funding under certain circumstances by expending moneys in the district's capital reserve fund in the 2002-03 and the 2003-04 budget years;
- For purposes of funding public school capital construction in accordance with the capital construction settlement agreement, increases the amount of the transfer of lottery proceeds to the school construction and renovation fund by \$900,000, transfers \$3,499,940 of lottery proceeds to the school capital construction expenditures reserve, and decreases the appropriation from the state education fund for such purposes by \$4,399,940;
- Modifies the charter school capital construction program to require charter schools to submit documentation concerning expenditures made as of January 31, 2003, from moneys received in the 2001-02 budget year and moneys expended, encumbered, or obligated as of January 31, 2003, in anticipation of the receipt of moneys in the 2002-03 budget year; requires any moneys received during the 2001-02 budget year but not expended by January 31, 2003, to revert back to the state education fund; and requires any moneys appropriated for the 2002-03 budget year for charter school capital construction that are not distributed to school districts to remain in the state education fund;
- Eliminates bonuses available under the school improvement grant program to schools that make adequate progress and the \$150,000 appropriation from the state education fund for such bonuses;
- Eliminates funding for the facility summer school grant program, transfers any moneys remaining in the facility summer school grant program fund to the state education fund, and eliminates the

\$500,000 appropriation from the state education fund for the program;

- Reduces state aid for school breakfast programs in low-performing schools to \$250,000 and appropriates such amount from the general fund; reduces the general fund appropriation and increases the state education fund appropriation for the state's share of districts' total program funding by \$250,000; and
- Eliminates the specification of the amount of the increase in the maintenance of effort base and clarifies that the general fund appropriation requirement for total program funding does not apply when Colorado personal income grows less than 4.5% between the 2 calendar years preceding the fiscal year in which the appropriation is made.

For the 2002-03 and future fiscal years:

- Repeals the summer school grant program, transfers any moneys remaining in the summer school grant program fund to the state education fund, and eliminates the \$985,400 appropriation from the state education fund for the program;
- Repeals the teacher pay incentive program and eliminates the \$4,210,400 appropriation from the state education fund for the program; and
- Eliminates increasing enrollment aid and the \$260,354 appropriation from the state public school fund for such purpose.

Requires the state treasurer to transfer the balance of the science and technology education fund to the state education fund on March 5, 2003.

EFFECTIVE March 5, 2003

Added, amended, and repealed parts of Title 22.

S.B. 03-195 FY 2002-03 budget reduction bill - public school funding - general fund maintenance of effort requirement for total program - exception - reduction in general fund appropriation for FY 2002-03. For the 2002-03 fiscal year, reduces the general fund appropriation for the state's share of districts' total program funding, and eliminates the specification of the amount of the increase in the maintenance of effort base.

Clarifies that the general fund appropriation for total program requirement does not apply when Colorado personal income grows less than 4.5% between the 2 calendar years preceding the fiscal year in which the appropriation is made.

EFFECTIVE March 5, 2003

Amended 22-54-104.1(1); 22-54-104.1(4); 22-54-104.1(5).

S.B. 03-237 School district - bond redemption fund administration - recovery for state's payment of school district obligations. Requires a school district board of education to select at least one third-party custodian to administer the school district's bond redemption fund, unless the county treasurer maintains the accounts and funds of the school district or the school district has given notice that it will not accept debt payments by the state treasurer. Specifies the powers of the custodian.

If a school district is unable to make a payment on a multi-fiscal-year obligation and the state treasurer covers the payment on behalf of the school district, allows the state treasurer to recoup the amount forwarded by withholding from both the school district's state share of total program and the unpledged tax revenues due the school district. Specifies the amount withheld generally cannot exceed 1/12th of the amount forwarded and the state treasurer cannot withhold for more than 12 months for each occasion on which a payment is forwarded. Allows the school district to make early repayment of the amount forwarded by the state treasurer. Allows a school district to give notice to the state treasurer that it will not accept debt payment from the state treasurer.

When a school district board of education certifies to the county treasurer the amount of the district's needed revenues, allows the board of education to include an amount to create a reserve for the payment of bonds in future years either prior to or at their maturities.

EFFECTIVE April 22, 2003

Amended 22-45-103(1)(b)(I); added 22-45-103(1)(b)(V); 22-45-103(1)(b)(VI); 22-40-105(5); amended 22-42-119(1); 22-42-120(2); 22-41-110(1); 22-41-110(3); 22-41-110(5); 22-41-110(8); 22-40-104(1); 22-42-117(2).

S.B. 03-248 School finance - K-12 education programs - school district and charter school capital construction - school district accreditation - public school fund - business incentive agreements - school accountability reports. Amends the "Public School Finance Act of 1994" in the following respects:

District Total Program Definitions

At-risk pupils:

- For the 2003-04 budget year and budget years thereafter, modifies the definition of "at-risk pupils" to include only those pupils eligible for free lunch.
- Eliminates the definition of "at-risk funded pupil count" and the authority of districts to average at-risk pupil count for up to 3 years.

Funded pupil count:

- For the 2003-04 budget year and budget years thereafter, modifies the definition of "funded pupil count" to include a district's preschool enrollment in addition to a district's pupil enrollment and on-line pupil enrollment.
- For the 2000-01 through 2002-03 budget years, excludes preschool pupils from a district's pupil enrollment for purposes of determining pupil enrollment based on the number of pupils averaged over a 2-, 3-, or 4-year period.

Preschool enrollment:

- Defines "preschool enrollment" as the number of pupils enrolled in a district preschool program pursuant to the "Colorado Preschool Program Act" on October 1 or the nearest school date within the applicable budget year, and specifies that the pupils are counted as half-day pupils.

Pupil enrollment:

- Specifies that a pupil enrolled in a full-day kindergarten is counted as a full-day pupil only if the pupil is enrolled in the full-day kindergarten pilot program.
- Eliminates preschool pupils enrolled in a district preschool program pursuant to the "Colorado Preschool Program Act" from the definition of "pupil enrollment".
- Authorizes the state board of education (state board) to adopt rules for the purpose of counting pupils who are enrolled as less than full-time students.
- Requires school districts, in certifying the district's pupil enrollment to the state board, to specify those students enrolled in grades 1-12 who are enrolled as full-time students and those who are enrolled as less than full-time students.

Minimum Per Pupil Funding

Defines "minimum per pupil funding" as follows:

- For the 2003-04 budget year, \$5,511, which is an increase in the minimum per pupil funding for school districts of

1.39% over the minimum per pupil funding amount for the 2002-03 budget year.

- For the 2004-05 budget year and budget years thereafter, \$5,511, as adjusted based on the annual percentage increase in the statewide base per pupil funding.

Statewide Base Per Pupil Funding

For the 2003-04 budget year, specifies that the statewide base per pupil funding is \$4,570.31, which is an amount equal to \$4,441.51 supplemented by \$128.80 to account for a 1.9% inflation increase plus one percentage point.

District Size Factor

Reduces the size factor for all districts by 0.0045 while maintaining the "L-curve".

Cost of Living Factor

For the 2003-04 budget year and each budget year thereafter in which a new cost of living analysis is required, funds the biennial cost of living analysis from the total amount appropriated for the state share of districts' total program funding.

District Budgeting Requirements

- Specifies that for the 2003-04 budget year, the minimum dollar amount a school district is required to budget per pupil for the instructional supplies and materials account and for the capital reserve fund shall be equal to the amount the school district was required to budget to the account and the fund in the 2002-03 budget year.
- Eliminates the requirement that a school district expend a certain portion of its at-risk funding attributable to pupils whose dominant language is not English on the implementation of the district's English language proficiency program and the requirement that school districts with more than 6,000 pupils submit a report to the department of education (department) concerning how the district used its at-risk funding.

Preschool Enrollment Certification

Requires the secretary of the board of education of each school district to certify annually to the state board the preschool enrollment of the district taken in the preceding October.

Makes the following amendments concerning the financing of public schools:

Boards of Cooperative Services

Modifies the procedure for the state board to grant moneys to boards of cooperative services (BOCES) as follows:

- Specifies that BOCES are eligible, rather than entitled, to receive state moneys upon receiving approval by the state board.
- Allows the state board to grant \$10,000 to each eligible BOCES, subject to available appropriations.
- Specifies that if available funds are insufficient to award the full \$10,000 to each eligible board, all awards for that year are to be reduced proportionately.
- Eliminates the requirement that the general assembly make a separate annual appropriation to the state board to cover the cost of the grants to BOCES.

District Accreditation Requirements

- Requires school districts to comply with state law concerning budgeting, accounting, and reporting procedures as a condition of accreditation.
- Requires the state board to establish this compliance requirement by rule as an accreditation indicator.

Colorado Preschool Program

- For the 2003-04 and 2004-05 budget years, reduces the number of available state preschool program slots to 9,050 children.
- For the 2005-06 budget year and budget years thereafter, restores the number of available state preschool program slots to 11,050 children.
- For the 2003-04 budget year and budget years thereafter, allows 1,000 of the state preschool program slots to be used for full-day kindergarten programs.

Charter School Financing

- Allows school districts to retain a portion of a charter school's per pupil share of the central administrative costs for charter school pupils enrolled in on-line programs.
- Expands the definition of "central administrative overhead costs" for purposes of charter school financing by adding salaries and benefits for administrative job classifications under the headings of "support services - business" and "support services - central" in the school district chart of accounts.

Full-day Kindergarten Pilot Program

- Repeals the full-day kindergarten pilot program in unsatisfactory schools,

effective July 1, 2003, instead of July 1, 2006.

- Allows a school district, on and after July 1, 2003, and subject to the receipt of sufficient moneys from the federal government through the "No Child Left Behind Act of 2001", to expand its current half-day kindergarten programs to full-day kindergarten educational programs to serve students at schools that received an academic performance rating of "unsatisfactory" or "low" for the previous school year.

On-line Pupil Enrollment

- For the 2002-03 budget year only, allows school districts to count up to an additional statewide total of 135 students who, as of October 1, are enrolled in, attending, and actively participating in on-line programs and who were enrolled in a public school or charter school after October 1 of the preceding school year or who were enrolled in a private school or were participating in a home-based education program or home instruction by licensed teachers in the preceding school year.
- Specifies that a student enrolled in an on-line program complies with the compulsory attendance requirements through participation in the program.
- For the 2003-04 budget year and budget years thereafter, for purposes of determining total program funding, prohibits a school district from counting students who enroll in or transfer into an on-line program in the school district in the district's on-line pupil enrollment unless:
 - The student was included in a school district's pupil enrollment or on-line enrollment for the preceding school year and the student substantially completed the assigned coursework for the classes for at least one semester of the preceding school year and received a semester grade for such classes; or
 - The student, in the preceding school year, was not enrolled in any private school, did not participate in a nonpublic, home-based education program, and did not participate in home instruction by a licensed or certified teacher.
- Requires a student who is enrolled for a majority of the time in an on-line program to obtain permission from the on-line program prior to enrolling in a course at

a traditional public school. Allows the on-line program to negotiate with the school district for payment of costs incurred as a result of the student's participation in a course at a traditional public school.

- Allows a school district to receive only minimum per pupil funding for the entire year for a student who transfers into an on-line program after the October 1 count.
- Specifies that if a student who is included in a school district's pupil enrollment transfers to an on-line program within the same district within the same school year, but is not eligible to be counted in the district's on-line enrollment, the department is to remove the student from the district's pupil enrollment and reduce the district's total program funding accordingly for the entire school year.
- Requires a school district to provide information to an on-line program to verify that a student meets the requirements for enrollment in the on-line program.
- Allows the state board to promulgate rules allowing exemptions from the rules regarding counting on-line students for:
 - Students whose parents or legal guardians remove them from school for extraordinary reasons;
 - Students who are habitually disruptive or are otherwise at risk; and
 - Students who did not reside in and attend a school in the state during the prior school year.
- Modifies the definition of "on-line pupil enrollment" to include only pupils who are enrolled in, attending, and actively participating in an on-line program.

Public School Fund

- For the 2003-04 fiscal year and each fiscal year thereafter, caps the amount of interest earnings from the public school fund that may be expended for the maintenance of public schools at \$19 million.
- Specifies that any amount of interest the public school fund earns that exceeds the cap is to remain in the fund as principal.
- Eliminates the definition of "interest", which includes both interest and capital gains, for purposes of the public school fund.

Capital Construction Expenditures Reserve

For the 2003-04 budget year only, suspends the requirement that the school capital construction expenditures reserve receive the same amount of funding from the state education fund as the charter school capital construction fund.

Charter School Capital Construction

- For the 2003-04 budget year and budget years thereafter, defines "qualified charter school" as:
 - A charter school that is not operating in a school district facility and that has capital construction costs; or
 - A charter school that is operating in a school district facility but also has capital construction costs.
- For the 2003-04 budget year and budget years thereafter, excludes the following charter schools from the definition of "qualified charter school":
 - A charter school that does not have capital construction costs, whether operating in a school district facility or not; or
 - A charter school that is operating in a state-owned and state-maintained facility.
- For the 2003-04 budget year and budget years thereafter, allows qualified charter schools that are not operating in a school district facility and that have capital construction costs to receive a per pupil amount of capital construction funding, but specifies that charter schools that have capital construction costs but are operating in a school district facility receive one-half of such amount.
- For the 2003-04 budget year and budget years thereafter, caps the appropriation from the state education fund for capital construction aid to qualified charter schools at \$5 million rather than allowing the appropriation to annually increase by the rate of inflation plus one percentage point through the 2011-12 budget year and by the rate of inflation for the 2012-13 budget year and each budget year thereafter.
- Authorizes the state board to approve and order payments from the school capital construction expenditures reserve for supplemental assistance to charter schools that do not otherwise qualify for charter school capital construction funding in order to address immediate safety hazards or health concerns. Specifies that any supplemental assistance granted to a charter school

is to be provided to the chartering school district for distribution to the charter school, and the chartering district may not retain any portion of the moneys so granted.

- Allows charter schools that do not otherwise qualify for charter school capital construction funding to apply directly to the state board for financial assistance from the school construction and renovation fund for capital construction projects that will address safety hazards or health concerns at existing charter school facilities if the project did not otherwise qualify for funding from the school capital construction expenditures reserve in the contingency reserve fund. Specifies that any such financial assistance granted to a charter school is to be provided to the chartering school district for distribution to the charter school, and the chartering district may not retain any portion of the moneys so granted.

National Credentials Fee Assistance Program

For the 2003-04 budget year, eliminates funding of the national credentials fee assistance program, which requires the department to provide fee assistance to qualified persons seeking national credentials. For the 2004-05 budget year and budget years thereafter, makes the program subject to available appropriations.

State Capital Construction Settlement Agreement

For the 2003-04 state fiscal year, to meet obligations under the Giardino lawsuit, provides for a:

- \$5 million appropriation from the state education fund to the school construction and renovation fund.
- \$5 million appropriation from the state education fund to the school capital construction expenditures reserve fund.

Academic Growth Pilot Program

Funds the academic growth pilot program at a rate of \$200,000 per budget year and specifies that the funding for the pilot program is to come from the in-year cost recovery resulting from the use of unique student identifiers.

Business Incentive Agreements

- Eliminates a school district's authority to enter into new business incentive agreements with a taxpayer who either establishes a new business facility in the district or expands an existing facility.
- Eliminates the state replacement of school district revenues lost due to

business incentive agreements entered into after the effective date of this act.

- Eliminates the requirement that the Colorado economic development commission review business incentive agreements negotiated by school districts and taxpayers.

Publicity for Charter Schools

Prohibits a school district from discriminating against a charter or nonpublic school participating in the Colorado opportunity contract pilot program in publicizing the educational options available to students residing within the district, provided that the charter or nonpublic school pays for its share of the publicizing costs.

Education Grant Programs

Expands existing law addressing information for education grant program applications and allocating education grant program appropriations to BOCES who assist in preparing grant program applications to apply to state and federal education grant programs.

School Accountability Reports

Eliminates the requirement that the department print reports in excess of the total number of pupils and teachers.

EFFECTIVE May 22, 2003

PORTIONS VETOED May 22, 2003

Amended, added, and repealed parts of Titles 2, 22, and 24.

S.B. 03-250 Retirement systems - merger. Authorizes a school district retirement system (merging system) to enter into an agreement to merge into another public employee retirement system (continuing system), including the public employees' retirement association. Specifies that the terms of the merger shall be binding on the governing bodies of the merging system, the school district sponsoring the merging system (school district), and the continuing system. Authorizes the terms of the merger to include additional provisions that are acceptable to the governing bodies of the merging system, the school district, and the continuing system.

Specifies that the effective date of the merger shall be January 1, 2005. Provides that on the effective date of the merger, all assets, liabilities, and obligations of the merging system shall become the assets, liabilities, and obligations of the continuing system. Specifies that the costs of the merger shall be paid on the effective date of the merger.

Allows the merging system, the school district, or the continuing system to terminate the merger on or before July 1, 2004, without cause. Allows the merger to be terminated after such date but prior to the effective date of the merger if one or more specified conditions exist.

Provides that upon the effective date of the merger, the school district shall become an affiliated employer of the continuing system and subject to the laws, rules, and other provisions governing the continuing system. Specifies that the merger shall not result in a reduction of the retirement benefits for any retiree or beneficiary receiving benefits as of the date of the merger. Specifies that members of the merging system who are not retired as of the date of the merger shall not have their benefits reduced. Allows the members to elect to receive benefits calculated under the laws and rules governing the merging system or the continuing system. Specifies that accounts of inactive participants of the merging system shall be maintained by the continuing system as separate accounts and governed by the provisions of the merging system in effect before the merger. Provides that all new employees hired after the merger shall be members of the continuing system.

Specifies that retirement benefits will not be reduced for post-retirement employment in specified circumstances with the school district or an employer of the merging system when the retiree commenced such employment before the merger.

Requires a 1st actuarial valuation to establish an estimated cost of the merger as of December 31, 2003. Requires a final actuarial valuation to be received by June 1, 2005. Specifies that a final reconciliation of the costs and funding of the merger shall be determined upon receiving the final actuarial valuation.

Provides for the employer contribution rate to be modified in a certain manner to amortize any difference between the funding ratios of the merging system and the continuing system.

Requires the continuing system to maintain specified insurance coverage for board members and employees of the merging system. Provides that staff members of the merging system shall become employees at-will of the continuing system.

Specifies the intent of the act and requirements for a person who challenges any provision of the merger agreement. Specifies procedures for transferring the assets of the merging system and certifying the consummation of the merger.

EFFECTIVE June 5, 2003

Added 22-64-220; 22-64-221; amended 24-51-101(20); added 24-51-219; amended 24-51-401 IP(1.7); 24-51-1101 IP(1); 24-51-1101(1.5)(a); 24-51-1102(1); 24-51-1103(1).

S.B. 03-254 Closing the achievement gap – program - eligible schools - commission – appointment - cash fund. Establishes the closing the achievement gap program ("program") in the department of education ("CDE"). Makes a school eligible to participate in the program if the school has either received an academic performance rating of "unsatisfactory" or been identified by the state board of education ("state board") as having a significant achievement gap. Requires CDE to distribute to eligible schools an outline of strategies for improvement, and directs school districts to choose the strategies it will implement. Requires the state board to determine eligibility criteria for schools, and authorizes rule-making. Directs CDE to provide assistance to schools participating in the program.

Creates the closing the achievement gap commission ("commission"). Sets the membership of the commission, and directs the appointment of members by the governor and the commissioner of education. Requires written reports to the state board and the general assembly. Directs the commission to consider, at a minimum:

- Systemic educational planning;
- Best practices;
- Professional development;
- Parental involvement; and
- Program strategies.

Creates a cash fund for grants and donations to fund the commission. Repeals the commission, effective January 1, 2005.

EFFECTIVE June 5, 2003

Added 22-7-611, 22-7-612; 22-7-613.

H.B. 03-1021 Financing of charter school facilities - requirements for participation in credit enhancement programs. Makes both technical and substantive changes to the "Charter School Facilities Financing Act" as follows:

- Specifies that only qualified charter schools that have an investment grade credit rating may have bonds that rely upon the state charter school debt reserve fund issued on their behalf by

the Colorado educational and cultural facilities authority (CECFA).

- Requires a qualified charter school that has such bonds issued on its behalf to simultaneously use the credit enhancement of the state's moral obligation for the bonds and to also request to participate in an existing intercept program whereby the state treasurer or, in certain circumstances, the chartering school district makes direct bond payments on behalf of the qualified charter school from moneys that the state treasurer or the chartering district would ordinarily pay to the charter school.
- Requires a qualified charter school to pay to the state treasurer for deposit into the state charter school interest savings account of the state charter school debt reserve fund a specified amount of interest rate savings on bonds issued on its behalf by CECFA that result from more favorable financing terms that are attributable to the existence of the state charter school debt reserve fund, the intercept program, and an existing statutory provision that imposes a moral obligation on the state to replenish qualified charter school debt service reserve funds, and authorizes the state treasurer to charge a fee to the charter school to defray administrative costs.
- Modifies existing definitions of "qualified charter school", "qualified charter school bonds", and "qualified charter school debt service reserve fund requirement".
- Clarifies that the maximum outstanding principal amount of bonds that may be enhanced by the state's moral obligation and the qualified charter school debt service reserve funds is \$200 million.
- Covenants with the purchasers of qualified charter school bonds that the state will not repeal, revoke, or rescind any statutory provisions that would adversely affect the rights and remedies available to the bond purchasers.

EFFECTIVE May 21, 2003

Added 22-30.5-406(3); amended 22-30.5-407; 22-30.5-408(1)(b); 22-30.5-408(1)(c); added 22-30.5-408(1)(c.5); amended 22-30.5-408(1)(d); 22-30.5-408(1)(e); 22-30.5-408(2)(a); added 22-30.5-408(3); amended 22-30.5-409 IP(1); 22-30.5-409(1)(i).

H.B. 03-1032 Interest-free loan program - school district board of education - approval of loan. On March 25, 2003, requires a school district board of education ("board") to approve the

school district's application to participate in the interest-free loan program. For a month in which a school district requests an interest-free loan, requires the school district's superintendent and chief financial officer to present the loan request to the school district's board for prior approval. If the board approves the loan, directs the chief financial officer and the district superintendent to request the loan from the state treasurer and certify the amount of the loan approved by the school district board.

EFFECTIVE March 25, 2003

Amended 22-54-110(1)(a); added 22-54-110(1)(a.5).

H.B. 03-1083 Transfer rules - extracurricular activities. Repeals the requirement that transfer rules shall not prohibit a student's participation in extracurricular activities if the student enrolls in the transfer school within 15 days after the school year begins and prior to participating in the activity during the same school year at the prior school of enrollment.

EFFECTIVE April 22, 2003

Amended 22-32-116.5(9).

H.B. 03-1087 Open enrollment - policies and procedures - priority for students who rate unsatisfactory and attend an unsatisfactory school. Directs school districts to consider adopting a policy that a student with a proficiency rating of unsatisfactory in at least one academic area who attends an unsatisfactory school and who is applying for enrollment under open enrollment be given priority over all other applicants for open enrollment purposes.

EFFECTIVE July 1, 2003

Amended 22-36-101.

H.B. 03-1114 Educator licensure - criminal history record checks - teacher in residence authorization. Requires the department of education ("department") to deny, annul, suspend, or revoke an educator license, authorization, or endorsement for:

- A conviction for felony child abuse, a crime of violence, a felony offense involving unlawful sexual behavior, a felony involving domestic violence, or a similar offense in another jurisdiction;
- A conviction for indecent exposure;

- An adjudication for a juvenile offense that would constitute unlawful sexual behavior if committed by an adult; or
- Failure to submit fingerprints within 30 days after a request from the department, when the department has good cause to believe that the educator has been convicted of any felony or misdemeanor.

Permits the department to deny, annul, suspend, or revoke an educator license, authorization, or endorsement for:

- A conviction for a specified misdemeanor or involving sexual assault, unlawful sexual conduct, sexual assault on a client by a psychotherapist, child abuse, sexual exploitation of children, or domestic violence and the conviction is for a second or subsequent conviction for the same offense;
- A conviction for contributing to the delinquency of a minor;
- A conviction for a misdemeanor violation involving the illegal sale of controlled substances;
- A conviction for a felony that would not require an automatic denial, annulment, suspension, or revocation;
- An adjudication for a juvenile offense that would constitute physical assault, battery, or a drug-related offense if committed by an adult, if the offense was committed within ten years prior to application for licensure; or
- Forfeiture of any bail, bond, or other security deposited to secure the appearance by the applicant or holder who is charged with having committed certain felonies or misdemeanors.

Permits the state to annul, suspend, or revoke an educator license, certificate, endorsement, or authorization if the educator is convicted of an offense that would ordinarily require annulment, suspension, or revocation if the educator held a license prior to June 6, 1991, unless the educator has already been afforded the relevant due process rights.

Repeals the existing prohibition against requiring fingerprints for a professional educator license, renewal of a license, or an authorization. Clarifies the use of fingerprints in the application process for educator licensure. Permits the department to use the ICON system at the state judicial department, the federal bureau of investigation, and other available sources when investigating the criminal history of educators. Clarifies that the state board of education may not waive any provisions of law relating to

criminal history record checks of school personnel. Allows the department to require an educator to submit fingerprints when the department finds good cause to believe the educator has been convicted of a felony or misdemeanor, other than a misdemeanor traffic offense or traffic infraction.

Directs the court to notify the department if a person who holds a teacher license, or who is a current or former employee of a school district or a charter school, is convicted of a felony or is convicted of incest and the victim is younger than 18 years of age. Requires the department to notify a school district of a person's conviction for a felony or a certain misdemeanor. Permits the department to grant a new type of authorization for a person employed as a teacher in a teacher-in-residence program. Allows a conviction of a felony or other offense involving moral turpitude to be the sole basis for denying an educator license or authorization.

EFFECTIVE June 5, 2003

Amended, and added to various parts of Titles 13, 18, 22, and 24.

H.B. 03-1127 Administrators and teachers - civil immunity - prohibit false reporting. Creates the "Teacher and School Administrator Protection Act" to grant immunity to an educational entity and its employees:

- For an action taken pertaining to students, unless the action is in violation of a statute, rule, or policy; and
- For making certain reports consistent with federal law.

Makes it a misdemeanor for a person 18 years of age or older to intentionally make a false accusation of criminal activity against an employee of an educational entity. Specifies penalties a court may impose on a public school student who is at least 10 years of age, but younger than 18 years of age, who makes a false accusation of criminal activity against an employee of an educational entity.

In a civil action against an educational entity or its employee, allows the court to award attorney fees and costs to the educational entity or its employee if the court finds the defendant is immune from suit or liability under this act. Specifies that a policy of insurance indemnifying an educational entity against liability for damages is not a waiver of a defense otherwise available to the educational entity or its employee. Specifies that the provisions of the act are supplemental to the "Colorado Governmental

Immunity Act" ("CGIA"), that any suit that is barred under the "CGIA" is barred under this act, and that if there is a conflict between this act and the "CGIA", the court shall resolve the conflict in the manner that provides the most protection to the educational entity or its employee.

EFFECTIVE August 6, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Added 22-12-0 (entire article).

H.B. 03-1160 Opportunity contract pilot program - establishment - eligible children - application process - participating nonpublic schools - appeal - notification - opportunity contracts - financing - payments to parents - audit - evaluation. Establishes the "Colorado Opportunity Contract Pilot Program" ("pilot program"), which specifies the procedures for a school district to provide financial assistance for an eligible child to attend a participating nonpublic school under the terms of an opportunity contract between the child's parent and the school.

Requires a school district that had 8 or more schools that received an academic performance rating of "low" or "unsatisfactory" in the 2001-02 school year and continues to operate those schools in the 2003-04 school year to participate in the pilot program. Permits any other school district to voluntarily participate in the pilot program after adoption of a favorable resolution of the school district board of education. Limits the eligibility for a child to participate in the pilot program to a child entering or enrolled in kindergarten or in one of grades one through 12 who is eligible for free or reduced-cost school lunch. Specifies additional criteria for eligibility.

Directs a parent of a child who seeks to participate in the pilot program to apply on or before January 1 of the school year that precedes the year the child intends to participate. Directs a school district to notify, by February 15, each parent of a child that meets the eligibility criteria. Clarifies that an eligible child remains eligible to participate in the pilot program so long as the child attends a participating nonpublic school. Requires an eligible child to provide annual notification of intent to attend a participating nonpublic school.

Caps the number of children participating in the pilot program at 1% of a school district's enrollment for the first school year of the pilot program; 2% for the second school year; 4% for the

third school year; and 6% for the fourth school year and for subsequent school years. Directs a school district to meet the cap by giving a priority to eligible children who participated in the pilot program the previous year and to siblings of selected children and by use of a lottery. Permits a parent to withdraw an eligible child from a participating nonpublic school at any time.

Specifies the actions that constitute a breach of the opportunity contract and relinquishment of the payments. Directs a school district to fill any resulting spaces in the pilot program by using a weekly lottery. Prohibits a home-schooled student or a nonpublic school student from participating in the pilot program the following school year. Requires a parent of an eligible child to apply to a participating nonpublic school between April 1 and June 1 of the school year in which the child is deemed eligible for participation in the pilot program. Directs the nonpublic school to notify the parent within 15 days whether the eligible child is accepted for admission.

Specifies the criteria to be met by a nonpublic school to qualify as a participating nonpublic school in the pilot program. Requires a participating nonpublic school operating less than 3 years to obtain a bond or surety. Permits a participating nonpublic school to adjust the number of spaces in the pilot program at any time; except that it cannot decrease the number spaces between March 1 and August 15. Permits a nonpublic school to appeal a denial of participation in the pilot program to the state board of education. Requires a school district to provide parents information each year about the pilot program and participating nonpublic schools.

Directs an eligible child's parent and a participating nonpublic school to enter into an opportunity contract. Specifies the required contents of the contract. Permits the school district to count an eligible child attending a participating nonpublic school in its pupil enrollment for purposes of the "Public School Finance Act of 1994".

Requires participating nonpublic schools to report annually the number of children participating in the pilot program. Specifies the amount paid by the school district to the parent of an eligible child enrolled in the pilot program. Directs the school district to pay the amount in 4 installments. Requires the school district to issue a check for each payment in the name of the parent, and requires the parent to endorse the check over to the participating nonpublic school.

Requires the state auditor to conduct a performance and financial audit of the pilot program and to report findings on or before January 1, 2008. Requires a school district, on or before January 1, 2008, to evaluate the academic performance of children participating in the pilot program and to report certain information to the general assembly.

EFFECTIVE April 16, 2003

Added 22-56-0 (entire article); 22-54-103(10)(a)(III).

H.B. 03-1172 School board policies – recommending use of psychotropic drug - behavior tests. Requires each school district board of education to adopt a policy prohibiting school personnel from recommending or requiring the use of a psychotropic drug by a student. Prohibits school personnel from testing a student's behavior without written permission after disclosure of the disposition of the results of the test.

EFFECTIVE June 5, 2003

Added 22-32-109(1)(ee).

H.B. 03-1173 Family literacy education grant program - federal funding - annual review. States the general assembly's intent that the department of education, for purposes of Colorado family literacy programs, actively pursue all federal moneys for family literacy available through the federal "No Child Left Behind Act of 2001" and the federal "Workforce Investment Act of 1998". Requires an annual review and determination by the state treasurer of whether sufficient moneys have been credited to the family literacy education fund.

EFFECTIVE June 3, 2003

Amended 22-2-124(9).

H.B. 03-1193 Boards of cooperative services - certain boards - appointment of members of the public. Permits the participating boards of a board of cooperative services ("BOCES") consisting of a single school district and a single postsecondary institution to appoint up to 4 members of the BOCES from the public at large.

EFFECTIVE August 6, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Amended 22-5-104(2)(e).

H.B. 03-1327 Public employees retirement association - post-retirement employment - critical shortage employees. Extends the repeal dates on statutory provisions that allow:

- School districts to declare critical shortages of nonlicensed employees; and
- Retirees of the public employees' retirement association (PERA) or a school district retirement plan to work in nonlicensed school positions in excess of a certain number of hours without reducing the retirees' retirement benefits.

In order to declare a critical shortage of non-licensed employees, requires a school district to solicit applications through widely distributed newspapers. Prohibits a school district from declaring a critical shortage if it has offered a retirement incentive plan during the current calendar year of either of the 2 previous calendar years. Provides that employees shall be eligible to participate in a school district's health plan while employed as a nonlicensed employee. Specifies that a PERA retiree who is employed in a position for which a critical shortage has been declared shall not receive a PERA health care premium subsidy.

EFFECTIVE June 3, 2003

Amended 22-32-109(1)(f)(II); 24-51-1101(1.5)(b); 24-51-1101(2.5)(b); added 24-51-1103.5(2.5); amended 24-51-1103.5(3); 22-64-111(4)(b); 22-64-211(4)(b).

H.B. 03-1333 School district - board of education - powers - return of library resources. Permits a school district board of education to require a student to replace or return library resources by withholding the student's diploma, transcript, or grades at the end of a semester or school year, or by refusing to allow the student to participate in graduation or continuation ceremonies.

The law originally applied only to textbooks, but the phrase "or library resources" was added through this act.

EFFECTIVE May 2, 2003

Amended 22-32-110(1)(jj).

H.B. 03-1368 Honor of flag - pledge of allegiance - required recitation - exemptions. Requires the

teachers and students in each classroom in each public school in the state to recite aloud each day the pledge of allegiance to the flag of the United States of America ("pledge").

Exempts a teacher or student who objects on religious grounds; a student whose parent or guardian files a written objection with the school principal; and a student or teacher who is not a United States citizen.

EFFECTIVE August 6, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Amended 22-1-106.

H.B. 03-1369 Colorado Opportunity Contract Pilot Program - eligibility criteria - enrollment in public school - literacy assessment. Clarifies that, for a child entering or enrolled in one of grades 1 through 3 to be eligible to participate in the Colorado Opportunity Contract Pilot Program ("program"), the child must have been continuously enrolled in and attending a public school during the previous school year. Creates an additional eligibility criterion to allow a child in one of grades 1 through 3 to participate in the program if the child has been assessed at a level below the level established by the state for reading readiness or literacy and reading comprehension for the child's grade level.

EFFECTIVE June 5, 2003

Amended 22-56-104(2)(b)(II).

HOUSE JOINT RESOLUTIONS

H.J.R. 03-1044 – Encouraging school districts to offer students more foods and beverages that are high in calcium.

WHEREAS, Calcium is an essential part of a healthy diet, and it is integral to almost every human physiological function.

Calcium deficient diets are known to be associated with many diseases and conditions, including osteoporosis, hypertension, obesity, colon cancer, pre-eclampsia, polycystic ovary disease, and kidney stones.

More than 50% of the children and teens in America do not receive the recommended daily amount of calcium.

The national health community such as the National Institute of Child Health Development, the National Academy of Sciences, and the American Academy of Pediatrics, recognize our calcium needs are high during childhood and highest during adolescence.

Bones grow and incorporate calcium most rapidly during the teen years and a person establishes approximately 90% of his or her adult bone mass by age 17, but only about 11% of teenage girls and 28% of teenage males get the calcium necessary to build their bones to peak capacity.

Many children do not receive enough calcium because foods and beverages that are high in calcium and been displaced by less nutritious fare.

The best way to get enough calcium is by eating and drinking enough foods and beverages and contain calcium.

Milk and other dairy products are good sources of calcium that naturally offer the most calcium per serving, and other important sources of calcium include tofu, legumes, and green leafy vegetables.

Many children and adolescents can receive foods and beverages that are high in calcium without drastically changing their dietary habits.

The members of the general assembly find that there are calcium deficient diets among Colorado's school age children, and strongly encourage each school district in Colorado to offer students more foods and beverages that are high in calcium in school breakfast, lunch, and snack bar programs.

ADOPTED May 7, 2003

H.J.R. 03-1064 Marriage and relationship skills education.

WHEREAS, The vast majority of Americans desire happy, stable marital and family relationships.

Evidence shows that individuals, as well as society at large, benefit when those citizens who choose marriage for themselves are able to maintain healthy marriages and healthy familial relationships.

It is a worthy goal, of both the public and private sectors, to help make the dream of healthy

marriages and families more attainable for Americans.

One key element in forming strong, healthy families is marriage, family, and relationship skills education.

Successful marital and family relationships, according to over 30 years of research, are not a matter of luck nor is marital failure a matter of mystery.

Through marriage, family, and relationship skills education, couples and families can learn to reduce patterns of negative interaction that are risk factors for marital failure, depression, and countless other problems.

Through marriage, family, and relationship skills education, couples can also learn effective strategies for maintaining high levels of relationship satisfaction.

Marriage, family, and relationship skills education can help couples to be better providers and to be less reliant on government services by teaching them to work as a team and communicate effectively not only in their marriage, but in their jobs as well.

Marriage, family, and relationship skills education can help couples learn conflict resolution skills, thereby reducing domestic violence against each other and their children.

Marriage, family, and relationship skills education can facilitate the creation of clear guidelines for keeping children out of the middle of parents' disputes and can enhance focus on the needs of the children.

Relationship skills education includes communication and conflict management.

Marriage and family therapists are equipped to assist public and private schools in diffusing crisis situations by teaching staff and students preventive communication and conflict resolution techniques.

There is national concern regarding the increase of violence in secondary and high schools.

Marriage and family therapists are specifically trained to assist marital couples, families, schools, peers, and communities to work together to prevent violence by teaching relationship skills.

Today, more than 50,000 marriage and family therapists provide marriage and relationship

strategies to individuals, couples, and families nationwide.

The members of the Colorado general recognize the importance of marriage, family, and relationship skills education and support the vital role marriage and family therapists play in that education.

ADOPTED May 7, 2003

EDUCATION – UNIVERSITIES AND COLLEGES

S.B. 03-193 FY 2002-03 budget reduction bill - state historical society - state historical fund - grants - expenditures for society costs. In addition to the current purposes, authorizes the state historical society (society) to make grants from the state historical fund to provide certain education and training on preservation of archaeological structures, buildings, objects, sites, and districts. Instead of authorizing the society to make grants primarily to public entities and persons in the private sector who apply through a municipality or county, makes modifications clarifying that the society is authorized to make such grants to governmental, instead of public, entities, nonprofit organizations, and private persons making application through such a governmental entity. Defines "governmental entity" as the state and any state agency or institution, county, city and county, incorporated city or town, school district, special improvement district, authority, and every other kind of district, instrumentality, or political subdivision of the state organized pursuant to law.

Authorizes the society, subject to annual appropriation, to expend moneys to cover certain costs relating to the society's mission as a state educational institution and carrying out certain activities authorized by law, including expenditures for capital construction and controlled maintenance relating to properties owned, managed, or used by the society.

Requires that all moneys received by the society, including certain grants, fees, and charges, be credited to the state historical fund or other funds authorized by law. Specifies that interest and income derived from such moneys in such funds remain in those funds.

EFFECTIVE March 5, 2003

Amended 12-47.1-1201(1)(b); 12-47-1201(1)(c); 12-47.1-1201(2); added 12-47.1-1201(5).

S.B. 03-198 FY 2002-03 budget reduction bill - technology learning grant and revolving loan program - elimination - transfer of funds.

Eliminates the technology learning grant and revolving loan program and directs the state treasurer to transfer the balance of moneys held for the purpose of funding the program to the general fund.

EFFECTIVE March 5, 2003

Added 23-11.5-107.

S.B. 03-255 Selective service registration compliance - verification. For male persons enrolling at a state-supported institution of higher education ("institution") beginning January 1, 2004, requires the institution at which a person is enrolling to verify his sworn statement of selective service registration compliance. Allows the institution to require the person to provide appropriate documentation in order to verify his sworn statement of registration compliance. Specifies that if a student knowingly gives false information regarding selective service registration compliance, he shall be suspended from the institution at which he is enrolled. Prohibits a person who, prior to becoming a student, knowingly gives false information regarding selective service registration compliance from enrolling at an institution. Allows a person to enroll or reenroll in an institution after he provides appropriate documentation proving that he is properly registered with the selective service system.

EFFECTIVE January 1, 2004

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Amended 23-5-118.

H.B. 03-1108 International baccalaureate diploma program - granting of college credit - minimum requirements. Requires the Colorado commission on higher education ("commission") on or before January 1, 2004, to ensure that 4-year public institutions of higher education ("institutions") adopt and implement policies for the acceptance of first-time freshman students who have successfully completed an international baccalaureate diploma program ("program").

Requires the governing boards of institutions to set the number of credits granted to a student who has completed the program and to identify

the specific general education or elective requirements satisfied. Specifies that, generally, no fewer than 24 credit hours shall be granted. Permits each institution to determine a minimum level of student performance on program exams to qualify to receive credits. Exempts from the provisions of the act an institution that has entered into a performance contract with the commission.

EFFECTIVE August 6, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Added 23-1-113.2.

H.B. 03-1159 Education paraprofessionals - preparation programs. Recognizes the benefits to school districts in using education paraprofessionals and the federal intent that all education paraprofessionals be highly qualified. Finds that regulation of education paraprofessionals, including licensure and certification, is not necessary. Allows the Colorado commission on higher education to approve education paraprofessional preparation programs. Allows a community college or a 4-year institution that offers an approved teacher preparation program to offer an education paraprofessional preparation program. States the minimum requirements for an education paraprofessional preparation program.

EFFECTIVE April 17, 2003

Added 23-1-131.7.

ELECTIONS

S.B. 03-139 Election contests - ballot issues for approval of debt or financial obligation - required posting of information - failure or misstatement grounds to contest election. Requires districts submitting a ballot issue concerning the creation of any debt or other financial obligation at an election in the district to post the following information on the district's website or at the district's chief administrative office at least 20 days before the election:

- The ending balance of the district's general fund or other fund from which the debt or other financial obligation will be paid for the last 4 fiscal years and the projected fund balance for the current fiscal year;

- A statement of the total revenues in and expenditures from the district's general fund or other fund from which the debt or financial obligation will be paid for the last 4 fiscal years and the projected total revenues in and expenditures from the general fund for the current fiscal year;
- The amount of any debt or other financial obligation incurred by the district for each of the last 4 fiscal years for cash flow purposes that has a term of not more than one year and the amount of any such financial obligation projected for the current fiscal year;
- A statement as to whether the district's emergency reserve has been fully funded by cash or investments for the current fiscal year and each of the last 4 fiscal years and an identification of the funds or accounts in which the reserve is currently held. If the reserve has not been fully funded, the notice shall include a statement of the reasons the reserve has not been fully funded.
- The location or locations at which any person may review the district's audited financial statements for the last 4 fiscal years, any management letters that have been made public and have been provided to the district by its auditors in connection with the preparation of its audits for the last 4 fiscal years, and the district's budget for the current fiscal year.

Specifies that if a district fails to provide the required information or the information provided contains a material misstatement, such failure or material misstatement constitutes grounds to contest the results of the ballot issue election seeking approval to create any debt or other financial obligation, including a municipal election.

Specifies that the provisions of law establishing the procedures for contesting other election results apply to the contest of an election to determine a ballot issue that includes approval of the creation of any debt or other financial obligation, and that such contests are to be tried and decided in the district court for the political subdivision in which the contest arises.

Requires the district court to pronounce judgment on whether the approval of a ballot issue to create debt or any other financial obligation should be set aside. Specifies that if the judgment is against the person contesting the election result, reasonable costs and attorney fees shall only be assessed against the contestor and awarded to the state or any political subdivision

if the suit is ruled frivolous. Allows the elector who instituted the contest to file a civil action to recover costs and reasonable attorney fees from the governing body if the result of the election is set aside.

Specifies that the result of any municipal election seeking approval to create any debt or other financial obligation may be contested in accordance with the procedures for contesting elections set forth in the "Colorado Municipal Election Code of 1965".

EFFECTIVE August 6, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Added 1-7-908; 1-11-201(4); 1-11-212.5; 1-11-216.5; amended 1-11-217(2); 1-11-218; 31-10-501.5; added 31-10-1308(3).

GOVERNMENT – STATE

S.B. 03-98 Public employees' retirement association - inclusion of Colorado association of school executives - confidentiality of member records - purchase of service credit - amounts paid upon death of retiree - modification of benefit option upon dissolution of marriage - exception from reduction in retirement benefits if filling vacancy left by employee in armed forces - election to participate in or withdraw from the public officials' and employees' defined contribution plan - withdrawal of local government from participation in a retirement association with other local governments. Includes the Colorado association of school executives in the definition of "employer" for purposes of the statutory provisions governing the public employees' retirement association (PERA).

Requires all information, rather than specified information, contained in the records of members and retirees of PERA to be kept confidential.

Allows service credit to be purchased for employment in a foreign country. Requires a portion of the amount paid by a PERA member to purchase service credit to be transferred to the PERA health care trust fund. Limits the amount of service credit that may be purchased to 10 years. Provides an exception for members who apply to purchase service credit by October 31, 2003. Specifies that members employed by a political subdivision of the state that affiliates with PERA will have 3 years from the date of affiliation to complete or commence payments

on purchases of service credit in excess of 10 years.

Limits eligibility to make direct payments to PERA in lieu of member contributions to vested inactive members who terminate PERA membership before July 1, 2003.

Increases the amount paid to beneficiaries if, upon the death of persons receiving retirement benefits, the total amount of benefits paid does not exceed the amount of moneys credited to the member contribution account.

Specifically authorizes the court in a dissolution of marriage action to modify or allow a retiree to modify the selected benefit option to no longer provide a continuing benefit to a spouse named as a cobeneficiary in the event of the retiree's death.

Allows a retiree to work in a position without a reduction in retirement benefits if the position has been temporarily vacated by an employee called into active duty in the armed forces of the United States.

Removes the requirement that an election to join the public officials' and employees' defined contribution plan shall be a one-time irrevocable election. Specifies that any member of PERA who is eligible to participate in the defined contribution plan may make a written election during the month of January of any year to participate in the plan.

Allows employees who participate in the public officials' and employees' defined contribution plan to terminate future contributions to the plan and instead participate in PERA by making a written election during the month of January of any year. Allows employees who make such election to purchase service credit in PERA.

Allows a local government that participates in a retirement association with other local governments to withdraw from its participation in and contributions to the association. Specifies procedures for and the effective date of such withdrawal. Requires at least 65% of all active members employed by the local government to approve the withdrawal. Allows employees who have terminated contributions to a local government retirement plan to elect to have a rollover distribution paid to an eligible retirement plan in accordance with federal law. Specifies a time limit for making the distribution.

PORTIONS EFFECTIVE June 5, 2003

PORTIONS EFFECTIVE July 1, 2003

PORTIONS EFFECTIVE November 1, 2003

Amends and adds to various parts of Title 24.

S.B. 03-230 Electronic transactions – rules.
Authorizes the secretary of state to promulgate rules pursuant to the “Uniform Electronic Transactions Act”. Deletes requirements that the secretary of state consult with the office of innovation and technology in promulgating such rules. Deletes requirements that local governments comply with standards established by the office of innovation and technology in accepting and distributing electronic records.

EFFECTIVE January 1, 2004

Amended 24-71.3-118(1); recreated and reenacted 24-71.3-118(2); amended 24-71.3-119.

S.B. 03-235 Right to display United States flag - person or property - reasonable regulations.
States that a person's right to display reasonably the United States flag is not to be infringed with respect to the display:

- On an individual's person;
- Anywhere on an individual's personal or real property; and
- In the buildings or on the grounds of any tax-supported property in the state; except that the state or political subdivision may adopt reasonable regulations regarding the display.

Regarding real property only, makes the right to display the flag subject to any restrictive covenants. Clarifies that a homeowners' association cannot prohibit a display consistent with the United States Code, but permits the association, the state, or a political subdivision to adopt reasonable regulations regarding the display of the flag.

Specifies that a reasonable display of the flag is presumed to include a display consistent with the United States Code. Specifies the right is deemed a protected form of expression under the constitutions of the United States and Colorado.

EFFECTIVE August 6, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Added 27-2-108.5.

S.B. 03-273 FY 2003-04 budget reduction bill - personnel system - annual total compensation - one year delay in recommended changes to salaries - teachers employed by Colorado school for the deaf and blind exempt. States that for the 2003-04 fiscal year and every fiscal year thereafter, the changes to salaries recommended by the state personnel director shall be effective on July 1 of the fiscal year following the fiscal year for which the recommended changes were made unless the general assembly, acting by bill, establishes a different effective date for that fiscal year or the governor orders otherwise and such order is adopted by the general assembly through a joint resolution declaring a fiscal emergency and approved by the governor in accordance with the state constitution.

States that the one year delay in salary increases for employees in the state personnel system shall not affect the salary increases for teachers employed by the Colorado school for the deaf and blind who are compensated in accordance with the salary schedule for the school district in which such school is located.

EFFECTIVE May 1, 2003

Amended 24-50-104(4)(c); added 24-50-104(4)(d); 24-50-104(4)(e).

S.B. 03-277 FY 2002-03 and 2003-04 budget reduction bill - public employees' retirement association - furlough - calculation of highest average salary. Allows a member of the public employees' retirement association to elect to include the amount of the member's salary that was reduced as a result of a furlough during the 2002-03 or 2003-04 state fiscal years when calculating the member's highest average salary for retirement benefit purposes. Requires the payment of employer and employee contributions on the amount if such election is made.

EFFECTIVE May 1, 2003

Added 24-51-101(25)(d).

S.B. 03-326 Modifications to Colorado Library Law – establishment of regional library authorities – creation of Library Capital Facilities Districts Act – creation of Children’s Internet Protection Act.

- Authorizes the State Librarian (the Commissioner of Education) to develop and promulgate service standards for school, public, and institutional libraries.

- Authorizes the formation and establishment of regional library authorities to provide public library service by existing libraries in a broad geographic area.
- Renames the Colorado library network (formerly called ACLIN) the Colorado Virtual Library and requires the state librarian to procure on-line databases to support education, subject to available appropriations.
- Authorizes public library districts to establish one or more facilities districts to fund public library outlets subject to approval by the voters and to be paid by an ad valorem tax on and against all taxable property within the boundaries of the facilities district.
- Creates the Children's Internet Protection Act (CIPA) that requires all school districts to adopt and implement a policy of internet safety for minors that includes the operation of a technology protection measure for each computer operated by the school district that allows access to the internet by a minor. The Colorado Act mirrors the requirements of the Federal CIPA act. These requirements cannot be waived by the State Board of Education.

EFFECTIVE August 15, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Amends, adds, and repeals various parts of Titles 22, 24, and 29.

H.B. 03-1204 Investments - public entities - disclosures. Requires investment firms offering investment products consisting of corporate securities to disclose to the state treasurer, the board of the public employees' retirement association, the board of the fire and police pension association, and any public entity whether the investment firm has an agreement with a for-profit corporation that is not a government-sponsored enterprise that may create a conflict of interest involving any of the securities being offered for sale by the investment firm.

EFFECTIVE August 6, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Adds 24-51-206(3)(c); amended 24-36-113(1); added 24-75-601.1(2.5); amended 31-31-302(1).

H.B. 03-1267 Alternative forms of payment - surcharge. Authorizes state and local governmental entities to impose a surcharge on any person who uses an alternative form of payment such as a credit or debit card to make a payment to the state. Limits the amount of the surcharge to the actual additional cost to the governmental agency to process the transaction by alternative form of payment. Specifies that a state agency may impose a surcharge only in accordance with the master agreement negotiated by the state treasurer and the rules of the alternative payment provider. Requires any surcharge imposed by a local governmental entity to be imposed in accordance with the rules of the alternative payment provider.

EFFECTIVE April 29, 2003

Amended 24-19.5-103; 29-11.5-103; 5-2-212(1).

H.B. 03-1274 Interest-free loans to school districts - tax and revenue anticipation notes. Permits the state treasurer to issue tax and revenue anticipation notes (notes) for school districts for the purpose of alleviating temporary cash flow deficits of such school districts by making interest-free loans. Establishes the powers of the state treasurer in connection with issuance of notes.

Specifies that the proceeds of notes may be used to make interest-free loans to school districts to alleviate cash flow deficits, to pay note issuance costs and attendant expenses, and to pay the principal, premium, if any, and interest on notes. Permits the state treasurer to invest the proceeds of the notes pending use, and specifies that investment earnings may be used to pay principal, premium, if any, interest, and issuance costs of notes. Specifies the sources from which the state treasurer may pay the notes. Specifies that a financial obligation to repay the notes shall be deemed discharged on any date on which moneys or investments in an amount sufficient for the total repayment of the notes is on deposit in one or more segregated and restricted accounts that are pledged irrevocably for the purpose of repayment. Creates the school district tax and revenue anticipation notes repayment account in the state general fund, and specifies that the account consists of all moneys paid by school districts as repayment for the loans made to the school districts.

Establishes specifications for notes. Generally, requires notes to mature on or before August 31 of the fiscal year immediately following the fiscal

year in which the notes are issued, but allows notes to have a date of maturity that is after the end of the fiscal year in which the notes are issued if an amount sufficient for the total repayment of the notes is deposited in one or more special segregated and restricted accounts and pledged irrevocably to the payment of the principal, premium, if any, and interest related to the notes.

Requires notes to be paid solely from the revenues pledged thereto. States that the notes shall not constitute a debt or an indebtedness of the state or any school district within the meaning of any applicable provision of the state constitution or state statutes. Specifies that the issuance of notes constitutes a contract between the state treasurer and note holders, and prohibits impairment of such a contract. Specifies that notes are exempt from all state and local taxes.

Requires interest-free loans made by the state treasurer to a school district to be made from note proceeds. Requires a school district seeking a loan from the state treasurer to submit any actual or projected financial or budgetary statements required by the state treasurer to determine that the district will have a general fund cash deficit and that the district will be able to repay the loan by June 25 of the state fiscal year in which the loan shall be made. If a school district seeks to have notes issued on its behalf, requires the chief financial officer of the district and the district superintendent to request and obtain prior approval from the district board of education and to include specified need-related information in the request. Specifies that interest shall accrue on the loans, if the loans are not repaid on or before the repayment date.

Permits the state treasurer to make a low-interest, emergency loan to a school district that has a cash flow deficit and that does not receive enough moneys from interest-free loans made from note proceeds. Establishes the interest rate for low-interest loans.

EFFECTIVE July 1, 2003

Recreated and reenacted 29-15-112; amended 22-54-110(1)(a); 22-54-110(1)(a.5); added 22-54-110(1)(c); 22-54-110(1)(d); amended 22-54-110(2)(a); 22-54-110(2)(c); 22-54-110(3); added 22-54-110(2)(a.5); 22-54-110(2)(a.7).

H.B. 03-1288 Colorado governmental immunity act - definitions. Modifies the definitions of "dangerous condition" and "operation" for purposes of the "Colorado Governmental Immunity Act" (Act). Adds new definitions of

"maintenance", "public sanitation facility", and "public water facility" to the Act.

EFFECTIVE July 1, 2003

Legislative declaration; amended 24-10-103(1); added 24-10-103(2.5); amended 24-10-103(3)(a); added 24-10-103(5.5); 24-10-103(5.7).

MILITARY AND VETERANS

S.B. 03-100 High school diploma - military service - award by school district - terms. Permits a board of education of a school district to award a diploma to an honorably discharged veteran who:

- Served in the United States armed forces during a period that included World War II, the Korean War, or the Vietnam War;
- Left high school before graduating in order to serve;
- Has attained the age of 60;
- Has not received a high school diploma; and
- Resided in the school district at the time of service or at the time of requesting the diploma.

Permits a board of education of a school district to award the diploma posthumously and to award the diploma even though the veteran has received a GED high school equivalency certificate.

Authorizes the school district to use a form proposed by the Colorado board of veterans affairs and adopted by the adjutant general to receive information from a veteran who requests a diploma.

EFFECTIVE March 18, 2003

Legislative Declaration; added 22-32-132.

MOTOR VEHICLES AND TRAFFIC REGULATIONS

H.B. 03-1053 Emissions program - heavy-duty diesel vehicles. Changes the definition of a "heavy-duty diesel vehicle" from a vehicle that exceeds 7,500 pounds empty weight to a vehicle that exceeds 14,000 pounds gross vehicle weight rating. Defines "light-duty diesel vehicle".

Transfers from the executive director of the department of public health and environment to the air quality control commission the authority

to promulgate rules covering the heavy-duty diesel fleet inspection and maintenance program (program). Replaces criminal penalties with civil penalties up to \$15,000 for violations concerning the program. Repeals the authority of the executive director of the department of revenue to contract with the Colorado institute for fuels and high altitude engine research of the Colorado school of mines to research the unique conditions existing in the front range and the high altitude communities that affect heavy-duty diesel vehicles.

Increases the model year exemption from 2 to 4 years for heavy-duty diesel vehicles and decreases test frequency to biennial testing for heavy-duty diesel vehicles that are equal to or less than 10 model years old and at least model year 1995. Requires testing of all diesel vehicles routinely operated in the program area, not just those registered, required to be registered, or housed in the program area. Allows the use of an automated testing protocol as an option for fleet heavy-duty vehicles equal to or less than 10 model years old. Eliminates visual testing for heavy-duty vehicles in the program for vehicles greater than 10 model years old.

Authorizes the transfer of ownership of a diesel vehicle from the lessor to the lessee without an emissions test during the first 4 model years of the vehicle's life. Changes from 50% to 40% for less than one second the peak smoke opacity limit that may be promulgated by the air quality control commission.

Authorizes a trained peace officer to perform a snap acceleration opacity test to determine if a person has committed the offense of polluting the air. Repeals a clause that allows a person who has received a complaint for polluting the air to avoid the penalty if such person repairs or decommissions the offending diesel vehicle.

EFFECTIVE August 6, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Amended, added and repealed parts of 42-4 and amended 25-7-122(1)(b).

H.B. 03-1172 – School board policies – recommending use of psychotropic drug – behavior tests.

NOTE: See summary of H.B. 03-1172 under EDUCATION – PUBLIC SCHOOLS as it relates to school transportation.

H.B. 03-1313 Emissions inspection program area - boundary change - legislative pre-approval. Requires the air quality control commission to review the boundaries of the motor vehicle emissions inspection program area. Authorizes the commission to promulgate a rule on or before December 31, 2004, to adjust the program area boundaries to exclude particularly identified regions from either the program area, the enhanced area, or both, based on an analysis of the applicable air quality science and the effects of the program on the population living in such regions. Exempts such exclusion from the general assembly's state implementation plan review process.

EFFECTIVE August 6, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Amended 42-4-304 IP(20)(a); 42-4-304(20)(c)(I); 42-4-304(20)(c)(II); added 42-4-304(20)(d); amended 25-7-133(7).

PROFESSIONS AND OCCUPATIONS

S.B. 03-50 Nurses - questionnaire - license renewal. Requires the state board of nursing to create a questionnaire to be disseminated to licensed professional, practical, and retired nurses upon application for renewal of such nursing licenses. Requires the questionnaire to inquire whether a nurse has violated the "Nurse Practice Act" or committed any other act that would make the licensee unfit to practice nursing. Specifies that negligent or willful failure to respond to the questionnaire shall constitute grounds for discipline.

EFFECTIVE August 6, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Added 12-38-111(3); 12-38-112(3); 12-38-112.5(8); 12-38-117(1)(v).

PUBLIC UTILITIES

S.B. 03-238 Public utilities - government required relocation of facilities - recovery of costs. Authorizes local exchange providers of basic

local exchange service to request authorization from the public utilities commission to recover the actual costs incurred in relocating infrastructure or facilities requested by the state or a political subdivision. For purposes of this bill, defines the terms "state" and "political subdivision". Requires the public utilities commission to verify the actual costs that may be recovered and specifies that the recovery period may not exceed 3 years. In determining the allocation of the costs to be recovered, requires the commission to consider the geographic area most directly benefiting from the relocation to determine the customers or services that will bear the costs.

EFFECTIVE August 6, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Added 40-3-115.

WATER AND IRRIGATION

S.B. 03-115 Change of agricultural water right - basin of origin mitigation - special taxes. Defines "removal of water" as a change in the type and place of use of an absolute decreed agricultural water right from irrigated agricultural use in one county to a use not primarily related to agriculture in another county. Defines a "significant water development activity" as any removal of water that results in the transfer of more than 1,000 acre-feet of consumptive use of water per year by a single applicant.

Requires applicants for a significant water development activity to notify affected local governments, school districts, and water districts. Prohibits significant water development activities unless the water right is the subject of an agreement or a decree containing terms and conditions designed to address the impacts of the change on the county in which the water had been used.

Authorizes water courts to impose mitigation payments upon any person who files an application for removal of water as part of a significant water development activity. Requires the board of county commissioners of the county from which water is removed to distribute any moneys collected among the entities in the county having bonded indebtedness in proportion to the percentage of their share of the total of such indebtedness.

Allows counties, alone or pursuant to an intergovernmental agreement, to levy a county sales tax, use tax, or any combination of such taxes of up to 1% for the purposes of purchasing, adjudicating changes of, leasing, using, banking, and selling water rights. Requires the ballot question for such proposed tax increases to clearly state that approval may result in a sales or use tax rate in excess of the current limitation. Requires the county to establish standards for the use of such revenues.

EFFECTIVE August 6, 2003

NOTE: This act was passed without a safety clause. For further explanation concerning the effective date, see page 4 of this report.

Added and amended var. parts of 37-92 and 29-2.