

77
Report to the Colorado General Assembly:

PUBLIC EDUCATION

Recommendations for 1972



COLORADO LEGISLATIVE COUNCIL

RESEARCH PUBLICATION NO. 177

November, 1971

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OF THE
COLORADO GENERAL ASSEMBLY

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**PUBLIC EDUCATION
RECOMMENDATIONS FOR 1972**

**Legislative Council
Report to the
Colorado General Assembly**

**Research Publication No. 177
November, 1971**

COLORADO GENERAL ASSEMBLY



LEGISLATIVE COUNCIL

ROOM 46 STATE CAPITOL
DENVER, COLORADO 80203
892-2285
AREA CODE 303

November 15, 1971

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KAY MILLER
Research Associate

WALLACE PULLIAM
Research Associate

To Members of the Forty-eighth Colorado General Assembly:

In accordance with the provisions of House Joint Resolution No. 1033, 1971 Session, the Legislative Council submits the accompanying report and recommendations pertaining to matters of public education.

The report of the Committee on Public Education was accepted by the Legislative Council for transmission with recommendation for favorable consideration by the second regular session of the Forty-eighth Colorado General Assembly.

Respectfully submitted,

/s/ Representative C. P. (Doc) Lamb
Chairman

CPL/pm

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REP. CLARENCE QUINLAN

Representative C. P. (Doc) Lamb
Chairman
Colorado Legislative Council
Room 46, State Capitol
Denver, Colorado 80203

Dear Mr. Chairman:

Pursuant to House Joint Resolution No. 1033, the Committee on Public Education submits the following report for consideration by the Legislative Council.

The Committee's findings and recommendations concern three major topics of importance to education -- boards of cooperative services, dropout prevention, and school construction needs.

The Committee has concluded that educational quality in Colorado can be greatly aided by favorable legislative action on the bill to strengthen boards of cooperative services and to establish pupil retention programs. Many school districts might be assisted in meeting their capital construction needs through the package of bills which the committee recommends dealing with the issuance of school bonds and the construction of school facilities.

Respectfully submitted,

/s/ Senator Chester K. Enstrom
Chairman
Committee on Public Education

CKE/pm

FOREWORD

The Committee on Public Education was established by the Legislative Council pursuant to the directive of House Joint Resolution No. 1033 of the First Regular Session of the Forty-eighth General Assembly. As noted in the report, the Committee is submitting eight legislative proposals relating to three areas of education -- the encouragement of boards of cooperative services, the development of pupil retention programs, and a group of bills to assist school districts in meeting school construction needs.

Members serving on the Committee are:

Sen. Chester Enstrom	Rep. Charles Edmonds
Chairman	Rep. Harold Evetts
Rep. Jean Bain	Rep. Paul Hamilton
Vice-Chairman	Rep. Wayne Knox
Sen. Allen Dines	Rep. Leo Lucero
Sen. Hugh Fowler	Rep. Harold McCormick
Sen. Kingston Minister	Rep. Laura Miller
Sen. Al Ruland	Rep. Austin Moore
	Rep. Anthony Mullen
	Rep. Clarence Quinlan

Nine meetings were held by this Committee, with lengthy hearings and two field trips included in the Committee's schedule. In regard to the field trips, the Committee is appreciative of the cooperation of officials of Colorado State University in demonstrating their educational television capability, and the Sheridan School District, in reviewing their newly instituted program for school dropouts.

Staff members of the Legislative Council assigned to this Committee were Stanley Elofson, Principal Analyst, and Allan Green, Senior Research Assistant. Mrs. Rebecca C. Lennahan, Staff Attorney for the Legislative Drafting Office, assisted in the preparation of the Committee's bills.

November 15, 1971

Lyle C. Kyle
Director

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COMMITTEE FINDINGS AND RECOMMENDATIONS

In deliberating its recommendations this year, the Committee on Public Education has considered a number of issues affecting education in Colorado. Eight legislative proposals are recommended by the Committee. They include bills to strengthen the operation of boards of cooperative services, to provide for pupil retention programs, and to assist school districts in the construction of educational facilities. The Committee believes that the enactment of these recommendations can result in a substantial improvement in the quality of education throughout the state.

In submitting legislation concerning boards of cooperative services, the Committee has concluded that a strengthened operation of these units can provide alternative approaches for school districts in furnishing educational services. School districts which have not been able to offer needed educational services could do so through BOCS. Other districts would be able to compare costs and effectiveness of programs offered by BOCS and those of their own districts.

In the area of pupil retention programs, the emphasis of the proposed bill is on the prevention of dropouts through the early diagnosis of potential dropouts followed by specific programs to deal with difficulties of potential dropouts -- e.g., reading disabilities -- over which the school has some control. The emphasis of the proposed bill is on the development of pupil retention programs at the earliest feasible time. After a student has dropped out of secondary school, the possibility of his successful completion of high school is greatly diminished if he returns to the same educational structure. Thus, the Committee recommends a preventive medicine approach, one which would require school districts with serious dropout problems to submit plans and programs, with some state aid available, to achieve a reduction of their dropout rate.

Five bills are recommended to assist school districts in the construction of facilities. These bills would: provide for lease agreements for school buildings; require developers to submit plans for meeting educational facility needs; exempt school bond interest from the Colorado income tax; increase, from two to four mills, the allowed levy for the capital reserve fund of school districts; establish a school bond guarantee loan fund; and direct the Colorado Department of Education to provide advisory assistance to local school districts in the planning and construction of educational facilities.

Another recommendation dealing with a technical point concerns recall elections of school board members. A proposal is submitted to resolve a problem which has occurred in some areas due to the absence of a time limitation for the circulation of petitions for holding of school director recall elections.

Finally, the Committee endorses the request that the General Assembly appropriate additional funds for the development of educational television facilities in the state. Specifically, the Committee endorses a request that the Division of Communications of the State Department of Administration, be provided an appropriation of \$350,000 in addition to its budget request of \$296,000. The purpose of the request is to provide for the earlier development of: (a) two-way television facilities from the University of Colorado, Boulder campus, to the Colorado Springs center; (b) provision for audio transmission and data circuits from Colorado State University; and (c) provide facilities for data terminals in many high schools. The additional appropriation would make the above facilities operational within 18 months.

Boards of Cooperative Services -- Bill A

Several reasons may be given for the Committee's recommendation that the draft bill concerning Boards of Cooperative Services be enacted by the 1972 General Assembly. Boards of Cooperative Services (BOCS) are voluntary organizations of cooperating school districts which join together to provide a delivery system for educational services that the individual districts could not afford or could not carry out as economically and efficiently as is possible in a larger scale of operation. The Committee recommends the encouragement of BOCS for all areas of Colorado on the basis of their demonstrated success in delivering educational services to a number of school districts in Colorado.

Three primary reasons for strengthening BOCS operations are outlined below:

(1) BOCS appear to be the most efficient and economical means of providing educational services to school districts which are either too small or too isolated, or are otherwise not able to afford services which are necessary for education in the 1970's.

Examples are numerous of successful BOCS programs. Early detection and correction of speech and hearing difficulties, not usually available in small rural school districts, can improve the learning process. Special arrange-

ments with business and industry have added to vocational training programs in urban and suburban districts. Cooperative purchasing can offer economies of scale for some districts which cannot now order materials in large quantities.

(2) The enactment of Senate Bill 78 by the 1971 Session requires that school districts submit acceptable plans for special education programs by July 1, 1973, and that each school district implement a program to furnish special education services by July 1, 1974. Without BOCS units, the Committee believes that it will be virtually impossible for many school districts to meet these deadlines.

(3) BOCS provide school districts with alternative approaches, thus greater flexibility, in furnishing educational opportunities. A school board is not required to purchase a BOCS service. A school board may examine the BOCS approach in comparison with its own staff recommendations to determine which of two proposals would be the most efficient and successful. BOCS are administratively flexible in being able to adapt program ideas to specific needs of member districts and also can easily drop programs when the need no longer exists. Since local school boards control the decisions concerning the services offered by BOCS, these services must be furnished in a manner and at a cost acceptable to the school districts.

A few highlights of the bill should be noted. The Committee recommends the establishment of not more than 17 BOCS to cover the state, with each cooperative unit expected to contain not less than 4,000 students and have an assessed valuation of not less than \$60,000,000. Waiver of these requirements can be obtained from the State Board of Education, but the Committee's intent is to provide for the voluntary arrangement of units large enough, and financially strong enough, to offer the services requested by the school districts.

Financially, the BOCS idea would receive some support from the state under the proposed bill. A basic grant of \$25,000 per BOCS would be provided to assist in the planning for educational services and for the administrative function of each BOCS. Each participating school district would receive \$0.50 per student to assist in the financing of BOCS programs. The total appropriation included in the bill is \$690,000.

The proposed bill contains references to several powers and duties of local school boards which would be granted to BOCS. These changes are recommended to correct some administrative problems which exist primarily because of the

lack of statutory authorization for BOCS under existing legislation. As an example, BOCS do not now have specific authority to employ and discharge their own staff. The changes in section 123-34-7 of the proposed bill would clarify this point, among others, concerning powers and duties of BOCS.

It is important to note, however, that none of the powers granted to BOCS would conflict with any powers of local school districts nor would BOCS assume any supervisory role or authority over local schools. Further, BOCS would not have authority to levy any taxes or to grant diplomas.

Pupil Retention Programs -- Bill B

Extensive Committee consideration was given to preparing legislation to encourage school districts in the formulation of pupil retention programs to meet the needs of students who are potential dropouts. The Committee recommends Bill B, which is designed to assist school districts in focusing on programs to reduce the serious problem of school dropouts.

Through the development of testing procedures, it is now possible to identify students, at a very early age, who will face serious educational problems. The great majority of these children are not physically or mentally handicapped, but, rather, are pupils who have special needs or problems within the school setting.

Once the problems of the child have been identified, special programs may be developed which will meet the needs of that child in order that he may successfully complete his education. In this manner, the student may be able to adjust to the traditional educational system and be better able to adjust in society after completion of his education.

One school district currently working with potential dropout students is Poudre School District in Fort Collins. In that district, all students are tested during the third grade and those with identifiable problems are given special counseling and guidance to meet their individual needs. Some of the types of problems identified with potential dropouts relate to reading deficiencies, parental problems, and emotional instabilities. With special efforts devoted by counselors, teachers, and parents, beginning during early school years, these children may be able to successfully adjust to the school environment.

The program in Poudre School District is only one approach. The fact is that there are no simple answers or approaches to deal with potential dropout students. As the problems of students likely vary according to ethnic, geographical, and many other factors, each pupil retention program is to be based upon the identified characteristics of the potential dropout students in the school district.

The development of pupil retention programs would be required of those districts with a dropout rate in excess of the average for the state and districts in which more than 100 students dropped out during the past year. Other districts may submit programs but would not be required to do so. School districts would be assisted in the formulation of pupil retention programs by a state advisory council which would provide information to school districts and make recommendations to the State Board of Education on matters relating to dropouts.

The Committee recommends that a total of \$1,130,000 be appropriated by the General Assembly to finance the pupil retention programs. These funds would be allocated by the State Board of Education, upon recommendation of the advisory council, to those school districts whose pupil retention programs were deemed of merit. Preference would be granted to districts required to submit proposals.

The thrust of the recommended legislation is to provide educational assistance to meet the needs of students who are having problems with the educational system. The programs to be implemented under this legislation would not be panaceas which would eliminate the problem of dropouts in Colorado schools. Indeed, not all children should be expected to complete a high school education. However, the Committee views the current dropout rate in Colorado as alarming. Although the rate has decreased slightly, it remains above 20 percent. This means that nearly 9,000 students drop out of schools each year and it is projected that over 37,000 students will drop out between grades 7 and 12 over the next six years if conditions remain unchanged.

The Committee has considered programs for students who have already dropped out of school. Sheridan schools, for example, are receiving over \$330,000 in federal funds this year for a post-dropout program. While there is much value in such programs, they are not only very expensive, but may not deal with the fundamental causes of why students drop out. Testimony to the Committee indicated that it is highly unlikely that a student will succeed upon returning to the traditional classroom from which he has dropped out. If programs can be devised which will aid the student in adjusting

to the school system, the pupil retention rate will be increased and a substantial cost savings incurred.

The recommended legislation does provide for up to 15 percent of the funding to be granted to post-dropout programs. However, the bill would require that these programs must be designed to assist in understanding the factors that cause pupils to drop out and the methods of establishing more effective dropout prevention programs.

In short, the Committee proposes legislation which would encourage school districts to submit innovative programs to meet a serious problem. All school districts may share the results of the experience of each program. As a consequence, the dropout rate in all Colorado schools may be significantly reduced.

Financing of School Construction Bills C Through G

Some school districts in Colorado are facing a serious problem of providing school facilities for rapidly increasing enrollments. This problem is particularly serious in districts with large new housing subdivisions. These developments not only house many children for which educational facilities must be provided by the district, but frequently provide no tax revenue for approximately the first 18 months after completion.

As a related problem, some school districts have reached the maximum bonded indebtedness allowed by law, thus precluding the immediate construction of needed school facilities. Other districts face serious problems in gaining voter acceptance of bond issues for school construction.

In order to provide some assistance to school districts with regard to the financing of school construction, the Committee recommends a series of bills. These proposals, each independent of the other, would provide options to school districts to aid in the construction of school facilities. The bills are briefly summarized below:

Concerning the Provision of School Sites, Buildings, and Structures -- Bill C

Bill C is addressed specifically to the need for alternative means of financing school facilities and for the consideration of school facility needs in the planning of any subdivision.

The proposed legislation would grant to school directors the power to lease school buildings. Such a lease or rent agreement, if for a period of greater than one year, would constitute an indebtedness of the district and would be subject to the same requirements of voter approval as would a bond issue for school construction. The primary advantage of such a lease agreement is that it would not be subject to the bonded indebtedness limitations of the district.

The second major provision of the bill is that requiring school directors to review all plans for subdivisions which contain 20 or more residential sites. Before a subdivision plan could be approved by a planning commission, it would be necessary to have the recommendation of the board of education concerning the adequacy of provisions for whatever school sites, buildings, or structures might be necessitated by the subdivision. A decision to override the recommendation of the board of education would require a two-thirds vote of the planning commission.

The Committee believes that this legislation will be most advantageous for school districts in Colorado. First, it will provide an alternative means of constructing school facilities, and second, it will require developers, school directors, and planning commissions to consider the needs for school facilities before approval of any subdivision.

Exemption from Colorado Income Tax for School Bonds -- Bill D

The proposed bill provides that interest on all school bonds issued after July 1, 1972, shall be exempt from Colorado income tax. The purpose of the bill is to make the purchase of school bonds more attractive to Colorado residents. The loss of revenue to the state would be very small, probably under \$15,000.

Levy for the Capital Reserve Fund of School Districts -- Bill E

The levy authorized for the capital reserve fund would be increased from two to four mills under the recommended legislation. The effect of the proposal would be to double the potential base of the capital reserve fund which is used for land acquisition, construction, and equipment for schools.

Establishment of a School Bond Guarantee Loan Fund -- Bill F

The sale of school district bonds could be made more attractive with the establishment of a school bond guarantee

loan fund. The proposed bill would authorize local school districts to contract with the state board of land commissioners to guarantee payment of principal and interest on the school district's bonds. With this proposal, a school district could receive a loan from the permanent school fund under specified conditions. Any such contract would be specified in the original bond issue approved by the district's votes.

In the event that a school district was about to default on its bond payments and found it necessary to receive a loan from the land commission, the district would be required to repay the loan, with interest, within the next fiscal year. If the district were unable to repay the loan, the General Assembly would assume the obligation to restore the amount of the loan to the permanent school fund.

The Committee believes this proposal would make school district bonds more attractive because of the guarantee basis. No school district, utilizing this legislation, would be faced with a situation of defaulting on bond payments with resultant impaired credit status. Further, there can be no loss to the permanent school fund because of the General Assembly's obligation to guarantee a defaulting district's payment.

Advisory Assistance by the Department of Education in the Planning and Construction of Educational Facilities -- Bill G

Testimony received by the Committee indicated that many school districts do not have administrative staff with extensive experience in the planning and construction of school facilities. This recommendation would direct the State Department of Education to provide such advisory assistance to the local districts. In particular, the Department could assist school districts in the technicalities of selling bonds. Currently, the district may find it necessary to rely on advisory assistance from bond companies or others who have a vested interest in the bond issue.

The independent advice from the Department could result in the avoidance of errors and in obtaining more advantageous interest rates. Further, school districts may find substantial use of advice, from the Department, regarding the actual construction of school facilities.

School Director Recall Election Petitions -- Bill H

Present Colorado statutes do not place a limit on the length of time which may be taken in the circulation of peti-

tions for recall elections for school board members. Testimony was received by the Committee that the lack of such a time limitation has led to petitions having been used in an attempt to intimidate school board members. On occasion, persons who have circulated petitions have used the threat of filing the petitions unless the board members act in a manner acceptable to the persons circulating the petition.

The Committee recommends the enactment of Bill H to correct this situation with an amendment to provide that any name on the petition would be invalidated ninety days after the filing of the petition with the board of education. This requirement, of course, would place a time limit on the circulation of recall election petitions. This limitation, however, should not inhibit the legitimate use of recall petitions since a serious recall effort should be completed within a three month period.

BILL A

A BILL FOR AN ACT

CONCERNING BOARDS OF COOPERATIVE SERVICES, AND MAKING AN APPROPRIATION
FOR THE FINANCING THEREOF.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 123-34-3 (3), Colorado Revised Statutes 1963 (1967
Supp.), is REPEALED AND REENACTED, WITH AMENDMENTS, to read:

123-34-3. Creation of board of cooperative services. (3) The agreement to establish a board of cooperative services may be amended to admit one or more additional school districts, community and technical colleges, junior college districts, or state-supported institutions of higher education if the governing board or governing agency of the school district, community and technical college, junior college district, or state-supported institution of higher education seeking admission shall certify by resolution a desire to be admitted to membership in the board of cooperative services, and if the board of cooperative services by resolution agrees to the admission of the school district, community and technical college, junior college district, or state-supported institution of higher education.

Procedures would be added by which boards of cooperative services (BOCS) could admit, by resolution, additional members including school districts, community and technical colleges, junior colleges, and state colleges and universities. Some institutions of higher education now participate in BOCS as associate members and this change would provide that these institutions could become voting members.

SECTION 2. 123-34-5 (1), Colorado Revised Statutes 1963, as amended by section 1 of Chapter 306, Session Laws of Colorado 1971, is amended to read:

123-34-5. Financing, budgeting, and accounting. (1) Financing of the services performed under the direction of the board of cooperative services shall be by contributions from available moneys in any funds, which may be legally expended for such services, of the participating members on the basis of a proportionality agreed upon by the governing boards of the participating members and from the boards of cooperative services. ~~fund.~~

SECTION 3. 123-34-7, Colorado Revised Statutes 1963, as amended, is REPEALED AND REENACTED, WITH AMENDMENTS, to read:

123-34-7. Powers of boards of cooperative services. (1) (a) In addition to any other powers granted by law, the board of cooperative services shall have the following specific powers, to be exercised in its judgment:

(b) Those powers set forth for boards of education in subsections (3) through (13), (16) through (19), (21) through (25), (27), and (29) through (33) of section 123-30-10, and in sections 123-30-14, 123-30-15, 123-30-17 through 123-30-19, 123-30-21 through

BOCS powers would be expanded to include many of the powers granted to local boards of education. The sections referred to are:

123-30-10. Board of education - specific powers. (In general, the subsections listed for 123-30-10 pertain to employment and discharge of personnel ownership of property, purchasing of equipment and insurance,

123-30-23, and 123-30-25.

(c) To take and hold in the name of the board of cooperative services so much real and personal property as may be reasonably necessary for any purpose authorized by law.

(d) To operate schools and classes as authorized by the members.

(e) To determine which programs and facilities of the board of cooperative services shall be operated and maintained.

(f) To award certificates of accomplishment as authorized by the members.

(g) To exclude from any library operated by the board of cooperative services any books, magazines, papers, or other publications which, in the judgment of the board, are of immoral or pernicious nature.

(h) To select a depositary for moneys belonging to the board of cooperative services, and to invest any funds on hand which are not then needed in the conduct of its affairs in any securities which are legal investments for the state and its political subdivisions, pursuant to article 1 of chapter 83, C.R.S. 1963.

SECTION 4. Article 34 of chapter 123, Colorado Revised Statutes 1963, as amended, is amended BY THE ADDITION OF THE FOLLOWING NEW

and certain administrative procedures now used by school districts).

123-30-14. Transportation of pupils - when.

123-30-15. Transportation by parents of own children.

123-30-17. Exclusion of nonresidents - exception.

123-30-18. Miscellaneous fees.

123-30-19. Summer schools - continuation and evening programs.

123-30-21. Food services - facilities.

123-30-22. Facsimile signature.

123-30-23. Contract services, equipment, and supplies.

123-30-25. Building codes - zoning - planning.

No powers would be given to BOCS that would conflict with local school districts. No supervisory or other authority would be given to BOCS over local districts. BOCS would not be given powers to levy taxes of any kind.

SECTIONS to read:

123-34-13. Eligibility for funds. (1) Any board of cooperative services organized under the provisions of this article shall be entitled to such state moneys as may be available upon receiving approval by the state board, except that the state board shall approve not more than seventeen such boards of cooperative services.

(2) (a) Unless otherwise approved by the state board, to be eligible for state funds, a board of cooperative services shall meet all the following criteria:

(b) It shall serve school districts with a combined total enrollment of not less than four thousand students;

(c) It shall serve school districts in two or more counties; and

(d) It shall serve school districts with a combined total valuation for assessment of not less than sixty million dollars.

123-34-14. Financing boards of cooperative services. (1) No later than July 1, 1972, and July 1 of each year thereafter, the state board shall determine the number of eligible boards of cooperative services.

(2) (a) No later than the following September 15, the state board shall determine the proportionate amounts to be paid each

The organization of not more than 17 BOCS units would be approved by the State Board.

Criteria for BOCS eligible for state funds would be:

- (1) Not less than 4,000 students;
- (2) School districts served would be in two or more counties;
- (3) Minimum assessed valuation of \$60 million.

eligible board of cooperative services and each eligible school district, within the limits of available appropriations, as determined by the following formula:

(b) Each eligible board of cooperative services shall receive a basic grant of twenty-five thousand dollars, and

(c) Each school district participating as a member of a board of cooperative services shall receive, upon application to the state board and upon its subsequent approval, a sum equal to fifty cents multiplied by the average daily attendance entitlement of that school district. The funds paid to school districts under this paragraph (c) shall be expended for the development, implementation, and operation of shared educational services, provided by the board of cooperative services of which the school district is a member, which are designed to extend the educational opportunities available to the people of the communities served by the cooperating school district.

(3) Upon determination of the amounts payable to eligible boards of cooperative services and eligible school districts, but no later than December 5, 1972, and December 5 of each year thereafter, the state board shall certify to the state treasurer the name and address of, and the amount payable to, each eligible board of cooperative

Criteria for apportionment and use of funds:

- (1) \$25,000 per BOCS unit;
- (2) \$.50 per ADAE to participating school districts.

The flat grant appropriation would stimulate BOCS development with state assistance for some basic costs for BOCS; the \$.50 grant would assist school districts with the financing of BOCS programs.

services and eligible school district. Upon receipt of such certification, but no later than the following December 14, the state treasurer shall make distribution of the amounts so certified to the respective boards of cooperative services and school districts.

(4) The general assembly shall annually make a separate appropriation to the state board to cover the estimated cost of the basic grants to eligible boards of cooperative services and the grants to eligible school districts, as set forth in subsection (2) of this section.

(5) If the amount of the appropriation under subsection (4) of this section is less than the amount required to make one hundred percent of the grants provided for in subsection (2) of this section, the amount to be distributed shall be prorated according to the provisions of section 123-38-11 (4) among the eligible boards of cooperative services and eligible school districts.

(6) If the amount of the appropriation under subsection (4) of this section is greater than the amount to be distributed under the formula set forth in subsection (2) of this section, the amount remaining after distribution shall revert to the general fund of the state.

Grants from the General Assembly would be prorated if insufficient money is available to meet all needs.

Any surplus would revert to the general fund.

123-34-15. Corporate status of boards of cooperative services.

Each regularly organized board of cooperative services heretofore or hereafter formed is hereby declared to be a body corporate, and in its name may hold title to personal property for any purpose authorized by law, sue, and be a party to contracts for any purpose authorized by law.

123-34-16. Definitions. (1) As used in this article, unless the context otherwise requires:

(2) "School district" means any public school district existing pursuant to law.

(3) "Board of cooperative services" means a regional educational service unit designed to provide supporting, instructional, administrative, facility, community, or any other services contracted by participating members.

(4) "State board" means the state board of education.

(5) "Average daily attendance entitlement" means the average daily attendance entitlement as calculated under the "Public School Foundation Act of 1969", being article 38 of this chapter, for the most recently completed school year immediately preceding the calendar year for which an appropriation for support is made.

SECTION 5. Appropriation. In addition to any other appropriation, there is hereby appropriated, out of any moneys in the state treasury not otherwise appropriated, for the fiscal year beginning July 1, 1972, to the department of education, the sum of six hundred ninety thousand dollars (\$690,000), or so much thereof as may be necessary, for expenditure in accordance with the provisions of article 34 of chapter 123, C.R.S. 1963.

SECTION 6. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

An appropriation of \$690,000 would provide \$25,000 for 17 BOCS units and \$.50 per ADAE, state-wide.

BILL B

A BILL FOR AN ACT

CONCERNING THE ESTABLISHMENT OF PUPIL RETENTION PROGRAMS, AND MAKING
AN APPROPRIATION THEREFOR.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Chapter 123, Colorado Revised Statutes 1963, as
amended, is amended BY THE ADDITION OF A NEW ARTICLE to read:

ARTICLE 44

PUPIL RETENTION

123-44-1. Legislative declaration. The general assembly hereby
declares that the purpose of this article is to encourage and assist
school districts and boards of cooperative services in the development
and improvement of educational programs to increase the pupil
retention rate of the districts and to meet the needs of potential
school dropouts and those who actually drop out of school.

123-44-2. Definitions. (1) As used in this article, unless the

Self explanatory.

context otherwise requires:

(2) "Potential dropout" means any pupil who on the basis of an evaluation of his tests, educational experience, environment, and other factors is determined by a school district to be likely to leave school before graduation from grade twelve or completion of an equivalent program of studies.

(3) "School dropout" means any pupil who leaves school, for any reason except death, before graduation from grade twelve or completion of an equivalent program of studies without transferring to another school.

(4) "State board" means the state board of education.

(5) "School district" means a school district organized and existing pursuant to law, but shall not include a junior college district.

(6) "Board of cooperative services" means a board of cooperative services organized and existing pursuant to article 34 of this chapter.

(7) "Advisory council" means the state advisory council on dropout prevention.

(8) "Pupil retention program" means the program devised by a

Testimony to the committee indicated that characteristics of potential dropouts can be determined in the early grades of elementary school. The primary thrust of this bill is directed toward assisting the potential dropout at an early stage to prevent his eventual dropping out. To accomplish this objective, pupil retention programs would be required to be established by certain school districts.

school district or board of cooperative services in accordance with the requirements of this article.

123-44-3. Programs for potential dropouts and actual dropouts.

(1) (a) On or before July 1, 1972, and April 15 of each year thereafter, any school district or board of cooperative services may submit an application to the state board for approval of a pupil retention program for state funding. Such application shall contain a detailed description of the program proposed and shall include all of the following:

(b) A description of the method or methods to be employed to identify potential dropouts.

(c) Evidence that the pupil retention program is designed to affect those characteristics of the potential dropouts which appear to cause them to drop out.

(d) A description of the evaluative techniques and objective measures to be used to determine the impact of the pupil retention program, including, where appropriate, an evaluation of any prior dropout or pupil retention programs in which the school district or board of cooperative services has engaged.

(e) Evidence, including provisions for the training of teachers,

School districts or BOCS may submit pupil retention programs to the State Board, with a request for state funding. Programs would be required to contain:

(1) Methods of identification of school dropouts;

(2) Evidence that the program would affect the causes of dropping out;

(3) Evaluative techniques of program impact;

(4) Evidence of a continuing impact through provisions such as teacher training.

that the pupil retention program will provide a continuing impact on the school district or board of cooperative services.

(2) The pupil retention program may also include a component designed for school dropouts, including the method by which such component will be carried out and evaluated and evidence that it will provide a continuing impact on the school district or board of cooperative services. The component for school dropouts may include means of providing educational opportunities other than the regular school program. The state board shall allocate no more than fifteen percent of the total state appropriation for pupil retention programs to components for school dropouts under this subsection (2). Such allocations of funds shall be limited to activities that assist in understanding the factors that cause pupils to drop out and the methods of establishing more effective dropout prevention programs.

(3) The application for state funding of a pupil retention program shall include any other items required by the state board upon recommendation of the advisory council.

123-44-4. Pupil retention programs required - when. (1) On or before April 15, 1973, and annually thereafter, any school district with a projected dropout rate equal to or greater than the average

Pupil retention programs may include a component designed for actual dropouts with not more than 15 percent of the state appropriation to be allocated to such components. State allocations, however, would be limited to activities which would assist in understanding the factors which cause dropouts and methods of establishing more effective prevention programs.

Pupil retention programs would be required of school districts which have a dropout rate equal to or exceeding the state average

rate for the state as compiled by the department of education, or having a total number of school dropouts exceeding one hundred for the previous academic year, shall formulate a pupil retention program and shall submit it to the advisory council for comment and recommendation.

(2) Each school district which is required by subsection (1) of this section to submit a pupil retention program shall designate a dropout coordinator no later than July 1, 1972. The dropout coordinator shall be responsible for the submission of a pupil retention program to the advisory council, for the planning and coordination of the program, for providing the school district with expertise in the field of dropout prevention and in meeting the needs of school dropouts and potential dropouts, and for involving teachers, parents, and others in the pupil retention program.

123-44-5. Long-term pupil retention programs. Any application for approval of a pupil retention program may contain plans for increasing the pupil retention rate and for meeting the needs of school dropouts over a period of several years, but the state board shall not commit state funding for more than one year at a time.

123-44-6. State advisory council on dropout prevention. (1)

or which have had over 100 dropouts the previous year.

School district dropout coordinators would be responsible for pupil retention programs, providing expertise on this subject, and involving parents, teachers, and others in the program.

Pupil retention programs may involve planning for several years in advance. Bill would not limit such planning.

There is created a state advisory council on dropout prevention to consist of not more than fifteen members, who shall be appointed by the state board.

(2) Members of the advisory council shall be appointed, as far as may be practicable, on the basis of their knowledge of, or experience in, problems of school dropouts and potential dropouts. The members of the advisory council shall receive no compensation for their services on the council but shall be reimbursed for their actual and necessary expenses incurred in the performance of their duties on the council.

(3) The state board shall designate an employee of the department of education to serve as executive secretary of the advisory council and shall furnish all clerical assistance necessary for the performance of the powers and duties of the advisory council.

(4) (a) The advisory council shall:

(b) Offer advice to the state board and the commissioner of education regarding rules and regulations for pupil retention programs.

(c) Review all pupil retention programs and make recommendations to the submitting districts and boards of cooperative services, to the

A 15 member advisory council would be appointed to assist the State Board. Duties of council in (4) include: advice concerning rules and regulations; review pupil retention programs from local districts; provide information concerning pupil retention programs; submit recommendations to the General Assembly.

state board, and to the commissioner of education concerning the adequacy of the proposed pupil retention programs and their suitability for funding.

(d) Provide information to school districts, the general assembly, and the public concerning pupil retention programs.

(e) Make recommendations to the general assembly concerning legislation needed to increase the pupil retention rate of the school districts and to meet the needs of school dropouts and potential dropouts.

123-44-7. Approval of applications. (1) Upon recommendation of the advisory council, the state board may approve applications for pupil retention programs submitted by school districts or boards of cooperative services and, subject to available appropriations, shall make grants to school districts or boards of cooperative services to assist in funding approved pupil retention programs. With due regard for the quality of the pupil retention program, priority shall be granted to the applications of those school districts or combinations of districts with a projected dropout rate equal to or greater than the average rate for the state as compiled by the department of education, or having a total number of student dropouts exceeding one

State Board approves program applications and makes grants to assist with program funding.

hundred for the previous school year.

(2) The advisory council, under the direction of the state board, shall formulate and publish guidelines to assist school districts and boards of cooperative services in preparing pupil retention programs. The guidelines shall focus attention on early identification of potential dropouts and improved identification of those causes for dropping out of school which may be subject to amelioration by a pupil retention program. The guidelines shall reflect the results of research studies and experience gained in other dropout programs and the potential assistance to be derived from community resources outside the school system. The guidelines shall direct the attention of school districts and boards of cooperative services to an examination of existing conditions in their schools which may encourage pupils to drop out and shall also provide a checklist of the kinds of changes a district should consider in attempting to improve its pupil retention rate.

123-44-8. Advice and assistance. The department of education shall compile a comprehensive list of all sources of grants available for use in reducing the number of school dropouts in the elementary and secondary schools of the state and, upon request, shall provide

Guidelines would assist local districts and BOCs with the development of pupil retention programs.

Self explanatory.

information and assistance to school districts desiring to conduct a pupil retention program.

123-44-9. Financing pupil retention programs. The general assembly shall annually make a separate appropriation to the department of education to cover the costs of funding approved pupil retention programs subject to the provisions of section 123-44-3 (2).

123-44-10. Counseling study. Because of the potentially close relationship to the dropout problem, the department of education shall conduct, with the assistance of the teacher education institutions in this state, the school districts, and appropriate professional personnel, a careful review of the guidance and counseling programs existing in the elementary and secondary schools of this state. The scope of the review shall include an analysis of the pre-service and in-service teacher education programs related to guidance and counseling which are available to or required of candidates for various teacher certificates or degrees. The report, together with the findings and recommendations of the department, shall be submitted to the general assembly no later than January 1, 1973.

SECTION 2. Appropriation. In addition to any other appropriation, there is hereby appropriated, out of any moneys in the

Self explanatory.

Study, to be completed by next January, would review existing guidance and counseling programs, including the adequacy of pre- and in-service teacher training in guidance and counseling.

Suggested appropriation is based on successful programs of federal Title I of Ele-

state treasury not otherwise appropriated, for the fiscal year beginning July 1, 1972, to the department of education, the sum of one million one hundred thirty thousand dollars (\$1,130,000), or so much thereof as may be necessary, for the purpose of implementing this act, of which not more than fifty thousand dollars (\$50,000) may be used for the administrative expenses of the department of education.

SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

mentary and Secondary Education Act which had allocated an average of \$126 per pupil for compensatory education programs. This amount was multiplied by the 9,000 dropouts in 1970-71. Not more than \$50,000 is to be allocated for purposes of administration.

BILL C

A BILL FOR AN ACT

CONCERNING THE PROVISION OF SCHOOL SITES, BUILDINGS, AND STRUCTURES.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 123-30-10 (3), Colorado Revised Statutes 1963 (1965 Supp.), is amended to read:

123-30-10. Board of education - specific powers. (3) To purchase or lease real property for school sites, BUILDINGS, OR STRUCTURES, or for any school purpose authorized by law; to determine the location of each school site, building, or structure; and to construct, erect, repair, alter, and remodel buildings and structures.

SECTION 2. Article 30 of chapter 123, Colorado Revised Statutes 1963, as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

123-30-27. Leases for periods exceeding one year. (1) Whenever the term of a rental or leasehold agreement under which a school district becomes entitled to the use of real property for a school site, building, or structure is greater than one year, the obligation

Specifically grants to school directors the power to lease buildings.

Rental or lease agreement greater than one year constitutes an indebtedness for the district.

to make rental payments under the agreement shall constitute an indebtedness of the district. Under any such agreement title shall be considered to have passed to the school district at the time of execution of the agreement for purposes of determining liability for or exemption from property taxation.

(2) No board of education shall enter into a rental or leasehold agreement of the type which constitutes an indebtedness unless it shall be first approved by a majority of the registered qualified electors of the district voting at an election held pursuant to this section. The board of education may submit to the registered qualified electors of the district the question of entering into such a rental or leasehold agreement at any general election, regular biennial school election, or special election called for the purpose. The secretary of the board of education shall give notice of an election to be held pursuant to this section in the same manner and for the same length of time as is required by law for notices of election of school directors, which notices shall also contain a statement of the term of the proposed rental or leasehold agreement, the amount of rental payments for which the district would be obligated, the purpose of the agreement, and the day, the place or

Question of leasing or renting a school site or facility must be submitted to the voters for approval in accordance with other school election procedures.

places of the election, and that the polls and ballot boxes shall be kept open from seven a.m. to seven p.m.

(3) The manner and place of conducting elections held pursuant to this section, and all other election procedures relating thereto, shall be as provided by law for the approval of contracting a bonded indebtedness of the district.

(4) The amount of any indebtedness incurred by a school district by means of rental or leasehold agreements having terms of more than one year shall not be subject to the limitation imposed by law on the amount of bonded indebtedness which may be incurred by a school district.

Exempts such lease agreement indebtedness from bonded indebtedness limitations.

(5) The question or questions of entering into a rental or leasehold agreement of the type which constitutes an indebtedness of the district may be submitted or resubmitted after the same or any other such question or questions have previously been rejected at an election held pursuant to this section; but no such question shall be submitted or resubmitted at any election held less than one hundred twenty days after a previous submission of such question, and the board of education of any school district shall not submit any question or questions of entering into such an agreement at more than

two elections within any twelve-month period.

SECTION 3. 123-33-3 (3), Colorado Revised Statutes 1963 (1965 Supp.), is amended to read:

123-33-3. Funds. (3) (a) Bond redemption fund: The revenues from a tax levy for the purpose of satisfying bonded indebtedness obligations, both principal and interest, shall be recorded in the bond redemption fund. The bond redemption fund may include more than one subsidiary account for which a separate tax levy is made to satisfy the obligations of bonded indebtedness, including a separate tax levy to satisfy the obligations of bonded indebtedness incurred by a former school district. The revenues from each separate tax levy shall be held in trust for the purpose of satisfying the obligations of the bonded indebtedness for which the tax levy was made; **provided;** EXCEPT that revenues, if any, remaining to the credit of a separate subsidiary account after satisfaction of all such obligations of that subsidiary account, may be transferred to another subsidiary account in the same fund.

(b) THE REVENUES FROM A TAX LEVY FOR THE PURPOSE OF MAKING RENTAL PAYMENTS FOR WHICH THE DISTRICT IS OBLIGATED UNDER A RENTAL OR LEASEHOLD AGREEMENT HAVING A TERM OF MORE THAN ONE YEAR SHALL ALSO BE

Provides that revenues from a tax levy for a lease arrangement shall be recorded in the bond redemption fund.

RECORDED IN THE BOND REDEMPTION FUND. SUBSIDIARY ACCOUNTS MAY BE ESTABLISHED IF SEPARATE TAX LEVIES ARE MADE FOR DIFFERENT RENTAL OR LEASEHOLD AGREEMENTS, AND THE REVENUES IN SUBSIDIARY ACCOUNTS MAY BE HANDLED IN THE SAME MANNER AS REVENUES FROM A TAX LEVY TO SATISFY BONDED INDEBTEDNESS OBLIGATIONS.

SECTION 4. 123-38-19, Colorado Revised Statutes 1963 (1969 Supp.), is amended BY THE ADDITION OF A NEW SUBSECTION to read:

123-38-19. Limitation on general fund budget. (3) For purposes of this section, expenditures for "debt service" include rental payments for which a district is obligated under a rental or leasehold agreement having a term of more than one year which constitutes an indebtedness of the district under section 123-30-27. Expenditures for rental payments under an agreement having a term of one year or less which does not constitute an indebtedness of the district shall be subject to the limitation contained in this section.

SECTION 5. 106-2-9 (3), Colorado Revised Statutes 1963, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

106-2-9. Regional planning commission approval, required when - recording. (3) (c) (i) The general assembly finds that education is a matter of statewide concern; that the adequacy of educational

Includes expenditures for lease agreements of more than one year under "debt service".

Self explanatory.

facilities is related to the quality of education and is similarly a matter of statewide concern; that school districts must be given a voice in decisions which directly affect the provision of adequate educational facilities; and that the procedures set forth in this paragraph (c) will assure that school districts are given the opportunity to assist in making such decisions.

(ii) In addition to any other requirements, no plan or plat of a subdivision which includes twenty or more residential sites, tracts, or lots shall be filed or recorded unless it has been first reviewed by the board of education of the school district in which the subdivision is located. The board of education shall determine whether the subdivider has made adequate provision for whatever school sites, buildings, or structures may be necessitated by the subdivision and shall transmit its recommendations to the planning commission. Before a planning commission may approve a plan or plat of such a subdivision for filing or recording, it shall consider the recommendations of the board of education. If the board of education has found the provisions for school sites, buildings, or structures inadequate, or if it has recommended that the subdivider be required to modify the plat or plan so that adequate provision will be made for

Requires a local board of education to review plans for any subdivision which includes twenty or more residential sites. Board's review to determine whether adequate provision has been made for school facilities.

Requires a planning commission to consider the board of education's recommendations before approving any subdivision plan. Requires a two-thirds vote of commission to approve plans contrary to recommendation of board of education.

school sites, buildings, or structures, a two-thirds vote of the planning commission shall be required to approve the plat or plan of the subdivision unless the subdivider agrees to the modifications recommended by the board of education.

SECTION 6. 139-59-13, Colorado Revised Statutes 1963, is amended to read:

139-59-13. Scope of control. (1) Whenever a planning commission shall have adopted a major street plan of the territory within its subdivision control or part thereof, as provided in section 139-59-8, and shall have filed a certified copy of such plan in the office of the county recorder of the county in which such territory or part is located, then no plat of a subdivision of land within such territory or part shall be filed or recorded until it shall have been approved by such planning commission and such approval entered in writing on the plat by the president, chairman, or secretary of the commission.

(2) (a) THE GENERAL ASSIMBLY FINDS THAT EDUCATION IS A MATTER OF STATEWIDE CONCERN; THAT THE ADEQUACY OF EDUCATIONAL FACILITIES IS RELATED TO THE QUALITY OF EDUCATION AND IS SIMILARLY A MATTER OF STATEWIDE CONCERN; THAT SCHOOL DISTRICTS MUST BE GIVEN A VOICE IN DECISIONS WHICH DIRECTLY AFFECT THE PROVISION OF ADEQUATE EDUCATIONAL

Self explanatory.

FACILITIES; AND THAT THE PROCEDURES SET FORTH IN THIS SUBSECTION (2) WILL ASSURE THAT SCHOOL DISTRICTS ARE GIVEN THE OPPORTUNITY TO ASSIST IN MAKING SUCH DECISIONS.

(b) IN ADDITION TO ANY OTHER REQUIREMENTS, NO PLAN OR PLAT OF A SUBDIVISION WHICH INCLUDES TWENTY OR MORE RESIDENTIAL SITES, TRACTS, OR LOTS SHALL BE FILED OR RECORDED UNLESS IT HAS BEEN FIRST REVIEWED BY THE BOARD OF EDUCATION OF THE SCHOOL DISTRICT IN WHICH THE SUBDIVISION IS LOCATED. THE BOARD OF EDUCATION SHALL DETERMINE WHETHER THE SUBDIVIDER HAS MADE ADEQUATE PROVISION FOR WHATEVER SCHOOL SITES, BUILDINGS, OR STRUCTURES MAY BE NECESSITATED BY THE SUBDIVISION AND SHALL TRANSMIT ITS RECOMMENDATIONS TO THE PLANNING COMMISSION. BEFORE A PLANNING COMMISSION MAY APPROVE A PLAN OR PLAT OF SUCH A SUBDIVISION FOR FILING OR RECORDING, IT SHALL CONSIDER THE RECOMMENDATIONS OF THE BOARD OF EDUCATION. IF THE BOARD OF EDUCATION HAS FOUND THE PROVISIONS FOR SCHOOL SITES, BUILDINGS, OR STRUCTURES INADEQUATE, OR IF IT HAS RECOMMENDED THAT THE SUBDIVIDER BE REQUIRED TO MODIFY THE PLAT OR PLAN SO THAT ADEQUATE PROVISION WILL BE MADE FOR SCHOOL SITES, BUILDINGS, OR STRUCTURES, A TWO-THIRDS VOTE OF THE PLANNING COMMISSION SHALL BE REQUIRED TO APPROVE THE PLAT OR PLAN OF THE SUBDIVISION UNLESS THE SUBDIVIDER AGREES TO THE MODIFICATIONS

Forbids filing or recording of a plan or plat for a subdivision unless it has first been reviewed by the board of education.

RECOMMENDED BY THE BOARD OF EDUCATION.

SECTION 7. Effective date. This act shall take effect July 1, 1972.

SECTION 8. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

BILL D

A BILL FOR AN ACT

CONCERNING AN EXEMPTION FROM COLORADO INCOME TAX FOR SCHOOL BONDS.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 123-11-15, Colorado Revised Statutes 1963, as amended by section 4 of chapter 292, Session Laws of Colorado 1971, is amended to read:

123-11-15. Board may issue bonds - exemption from Colorado income tax. When approved at an election held pursuant to section 123-11-3, the board of education, from time to time, as the proceeds thereof shall be needed for the purposes specified in the notice of said bond election, shall issue bonds of the district in denominations of one thousand dollars or any multiple of one thousand dollars, in its discretion, bearing interest at a rate or rates such that the net effective interest rate of the bond issue does not exceed the maximum net effective interest rate specified in the notice of said bond

Amendment is on the following page.

election, payable at such time or times determined in the discretion of the board, which bonds shall mature serially, commencing not later than five years and extending not more than twenty-five years from the date thereof; principal and interest thereon shall be payable at such place or places as shall be determined by said board and designated in said bonds. Said bonds shall be made callable for redemption commencing no later than eleven years from their date in such manner, with or without premium, as may be determined by the board. INTEREST ON BONDS ISSUED AFTER JULY 1, 1972, PURSUANT TO THIS ARTICLE SHALL BE EXEMPT FROM COLORADO INCOME TAX.

SECTION 2. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

This addition would assist school districts in the sale of their bonds by making of these bonds more attractive to potential buyers. Bonds presumably could be sold at lower rate of interest if the interest is exempted from state income tax. Loss of state revenue would be minimal, probably less than \$15,000.

BILL E

A BILL FOR AN ACT

CONCERNING THE LEVY FOR THE CAPITAL RESERVE FUND OF SCHOOL DISTRICTS.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 123-3-2 (4), Colorado Revised Statutes 1963, (1965 Supp.), is amended to read:

123-3-2. Certification - tax revenues. (4) The levy for the capital reserve fund shall not exceed ~~two~~ FOUR mills in any year.

SECTION 2. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

The purpose of this bill is to double the levy of the school district capital reserve fund for purposes authorized for the fund in 123-33-3 (4) (1965 Supp.)).

BILL F

A BILL FOR AN ACT

CONCERNING THE ESTABLISHMENT OF A SCHOOL BOND GUARANTEE LOAN PROGRAM.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Article 4 of chapter 123, Colorado Revised Statutes 1963, as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

123-4-5. Bond guarantee loans. (1) The general assembly hereby finds that the school districts of this state are experiencing great need for improved school facilities; that although the issuance of school bonds can pave the way for improved facilities, such bonds must be marketable and their interest rate must be competitive in order to benefit the district; that if the risk assumed by school bond purchasers were diminished, interest rates would generally be reduced; and that the use of permanent school funds to guarantee payments of principal and interest, with appropriate safeguards for the public school fund, is consistent with the purpose for which the fund was

A school bond guarantee loan program would be established through use of the permanent school funds of the state board of land commissioners. Subsection (1) provides a statement of legislative findings which are self explanatory.

created.

(2) The state board of land commissioners is authorized to contract with school districts in this state for the guarantee of payments of principal and interest on the district's bonds as such payments become due. A guarantee contract authorized by this section shall provide that the state board of land commissioners, when the school district is unable to make principal and interest payments on its bonds as such payments become due, shall loan public school permanent funds to the district in an amount necessary to meet such payments. A separate guarantee contract shall be made for each issue of bonds, and the term of the contract shall be the period during which any bond in such issue is outstanding.

(3) (a) A guarantee contract made pursuant to this section shall provide for loans to the school district in the event that all of the following conditions exist:

(b) The school district is unable to make payments of principal and interest on its bonds as such payments become due from available revenues.

(c) A levy which meets the requirements of section 123-11-19 was made for the current fiscal year.

Procedures for contracts between school districts and the board of land commissioners are set forth. A guarantee contract would provide that funds would be loaned from the public school permanent funds to a school district unable to make payments on bonds.

Loans would be provided to a school district if three conditions were met:

(1) School district unable to make payments;

(2) Levy was made to pay principal and interest;

(3) State board of education found that the loan was necessary to provide classrooms and facilities.

(d) The state board of education has found that the loan is necessary to provide the school district with sufficient classrooms or to rectify important facility deficiencies, and that the loan will not significantly inhibit future desirable consolidation of school districts.

(4) The board of education of a school district desiring to enter into a guarantee contract authorized by this section shall include, in the resolution submitting the question of issuing bonds to the registered qualified electors of the district, a statement that the school district intends to contract with the state board of land commissioners for the guarantee of principal and interest payments to the holders of such bonds. The resolution shall set forth, and any resulting guarantee contract shall provide, that the district will repay any loan of public school permanent funds, with interest as provided in subsection (5) of this section, within the fiscal year next following the fiscal year in which the loan was made, out of any available funds of the district or out of the proceeds of a levy on the taxable property of the district at a rate sufficient to produce the amount required to repay the loan. No guarantee contract shall be executed pursuant to this section unless the registered qualified

In voting on the question of the bond issue, voters would be informed of the school board's intention of entering into a guarantee contract with the land commission. The question on the ballot and conditions of contract include provision that the loan would be repaid the following fiscal year.

electors of the school district have approved such provisions for the contract by their vote approving the issuance of bonds.

(5) Any guarantee contract authorized by this section shall include a provision requiring the payment of interest on loans made pursuant to the contract at the prevailing rate of interest being earned by investments of other public school permanent funds on the date the loan is made.

(6) In the event that any public school permanent funds are lost by reason of the failure of any school district to repay a loan made pursuant to this section, the general assembly shall restore such permanent funds by an appropriation in the amount of such loss from the general fund of the state.

SECTION 2. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Interest would be paid at prevailing rates on loans made by land commission.

Any permanent school funds lost under this act would be restored by appropriation of the General Assembly.

BILL G

A BILL FOR AN ACT

CONCERNING ADVISORY ASSISTANCE BY THE DEPARTMENT OF EDUCATION IN THE
PLANNING AND CONSTRUCTION OF EDUCATIONAL FACILITIES, AND MAKING
AN APPROPRIATION THEREFOR.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Article 1 of chapter 123, Colorado Revised Statutes
1963, as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

123-1-15. Commissioner - facilities planning - duties. (1)

Subject to the supervision of the state board, it shall be the duty of
the commissioner:

(2) To advise and assist school districts by providing them with
information on the planning and construction of educational
facilities.

(3) To recommend to the state board of education standards for
the planning and construction of school facilities.

Many school districts do not have adequate staff or expertise available to assist with their planning for capital construction. This bill would give specific direction, with an appropriation, for the CDE to advise and assist local districts with facility planning including use of demographic data, projected enrollment, space use, and other factors as indicated.

School administrators and

(4) To review all plans for the construction of educational facilities by school districts. Such review shall be based upon data including demographic data, information on land use and development, projected school enrollment, facilities inventory, space utilization, and other data required by the commissioner.

(5) To ascertain that school district planning provides for the consideration of educational developments in such areas as curriculum changes, activity needs, and teaching methods.

SECTION 2. Appropriation. In addition to any other appropriation, there is hereby appropriated, out of any moneys in the state treasury not otherwise appropriated, for the fiscal year beginning July 1, 1972, to the department of education, the sum of fifty thousand dollars (\$50,000), or so much thereof as may be necessary, for the purpose of implementing this act.

SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

board members having no previous experience in the issuance of school bonds need advice from an independent source to avoid costly errors. Bond companies or others with vested interests in the bond issues are frequently the only source of advice available to school districts concerning bond issues.

Bill would permit employment of a specialist in the CDE who could provide independent counsel for districts requesting advice on the issuance of school bonds.

BILL H

A BILL FOR AN ACT

CONCERNING SIGNATURES ON PETITIONS FOR THE RECALL OF SCHOOL DIRECTORS.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 123-31-28 (1) (d) and (e) (i), Colorado Revised Statutes 1963 (1965 Supp.), are amended to read:

123-31-28. Recall of school directors. (1) (d) Any such recall petition may be circulated and signed in sections; ~~provided, that-~~ BUT each section shall contain a full and accurate copy of the title and text of the petition. The signatures need not all be on one sheet of paper, but each sheet shall contain an oath, subscribed to by the person circulating such sheet, that the signatures thereon are genuine. Each person signing the petition shall add to his signature the date of his signing and his place of residence, AND NO SIGNATURE SHALL BE COUNTED IF IT WAS SIGNED TO THE PETITION MORE THAN NINETY DAYS PRIOR TO THE DATE ON WHICH THE PETITION IS FILED WITH THE SECRETARY OF THE BOARD OF EDUCATION.

(e) (i) Any such petition shall be deemed sufficient if signed by the requisite number of registered electors of the district WITHIN THE PERIOD SPECIFIED BY PARAGRAPH (d) OF THIS SUBSECTION (1), unless a

Instances have been reported in which the recall election petitions, circulated over a long period of time, have been held as a threatened action against school board members. The additional language would provide that no signature to a recall petition shall be counted if signed more than 90 days prior to the date of filing the petition with the board of education. The 90-day limitation is suggested as providing sufficient time for the circulation of bona fide petitions for a recall election.

protest in writing under oath shall be filed in the county court of the county in which the headquarters of the district is located, by some registered elector of the district, within fifteen days after such petition was filed, setting forth specifically the grounds of such protest. Upon receipt of a protest, the clerk of the county court shall forthwith mail a copy of the protest to the person or persons named in the petition as representing the signers thereof and to the secretary of the board of education, giving notice of the time and place for hearing such protest. The hearing shall be held in the county court of the county in which the headquarters of the district is located. Such hearing shall be summary and not subject to delay, and shall be concluded within thirty days after the petition was filed. The result of the hearing shall be forthwith certified to the person or persons representing the signers of such petition and to the secretary of the board of education.

SECTION 2. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.