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SENATE BILL 07-215

BY SENATOR(S) Windels, Groff, Hagedorn, Keller, Romer, Shaffer, Bacon, Morse, Spence, Tapia, Tochtrop, Veiga, and Williams;
also REPRESENTATIVE(S) Carroll T.

CONCERNING ON-LINE EDUCATION PROGRAMS, AND MAKING AN
APPROPRIATION THEREFOR.

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

SECTION 1. Title 22, Colorado Revised Statutes, is amended BY
THE ADDITION OF A NEW ARTICLE to read:

ARTICLE 30.7
On-line Education Programs

22-30.7-101. Legislative declaration. (1) THE GENERAL ASSEMBLY
HEREBY FINDS AND DECLARES THAT:

(a) ON-LINE EDUCATION REPRESENTS A TWENTY-FIRST CENTURY
APPROACH TO TEACHING AND LEARNING THAT IS APPROPRIATE FOR TODAY'S
STUDENTS;

(b) TECHNOLOGICAL ADVANCES, PARTICULARLY IN THE

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

DEVELOPMENT AND DISSEMINATION OF RESOURCES THROUGH THE INTERNET, CAN PROVIDE ALTERNATIVES FOR THE PROVISION OF EDUCATIONAL SERVICES THAT CAN BE CUSTOMIZED TO SERVE THE DIVERSE NEEDS OF TODAY'S STUDENT POPULATION;

(c) TECHNOLOGY AND ON-LINE EDUCATION, INCLUDING BOTH FULL-TIME AND SUPPLEMENTAL PROGRAMS, ARE IMPORTANT TOOLS TO ENHANCE EDUCATIONAL OPPORTUNITIES AND IMPROVE EDUCATIONAL OUTCOMES;

(d) THE GROWTH OF ON-LINE EDUCATION IS CHALLENGING EXISTING EDUCATIONAL POLICY, ADMINISTRATION, AND OVERSIGHT;

(e) ON-LINE PROGRAMS MUST BE ACCOUNTABLE TO STUDENTS AND PARENTS AND TO THE INSTITUTIONS THAT ACCREDIT ON-LINE PROGRAMS;

(f) THE STATE HAS A ROLE IN ENSURING QUALITY OVERSIGHT OF ON-LINE PROGRAMS, BUT THE STATE SHOULD NOT REPLACE A SCHOOL DISTRICT OR AN AUTHORIZING ENTITY IN DIRECTLY ADMINISTERING ON-LINE PROGRAMS;

(g) LOCAL CONTROL OF SCHOOLS IS A FUNDAMENTAL COLORADO VALUE;

(h) IT IS THE ROLE OF FAMILIES AND STUDENTS TO CHOOSE THEIR SCHOOLS AND MODELS OF EDUCATION; AND

(i) A STUDENT'S ACCESS TO EDUCATIONAL OPPORTUNITIES SHOULD NOT BE LIMITED BY WHERE THE STUDENT LIVES OR BY THE FINANCIAL, SOCIAL, OR OTHER RESOURCES THAT ARE AVAILABLE OR UNAVAILABLE TO THE STUDENT.

(2) THE GENERAL ASSEMBLY FURTHER FINDS THAT:

(a) IN RESPONSE TO A REPORT OF THE STATE AUDITOR RELEASED DECEMBER 11, 2006, CONCERNING A PERFORMANCE AUDIT OF ON-LINE EDUCATION IN COLORADO, THE DONELL-KAY FOUNDATION CREATED THE TRUJILLO COMMISSION CONSISTING OF A SMALL GROUP OF ON-LINE EDUCATION STAKEHOLDERS AND PROFESSIONALS;

(b) THE TRUJILLO COMMISSION HELD PUBLIC MEETINGS AND

SOLICITED INPUT FROM ON-LINE EDUCATION PROFESSIONALS AND PARTICIPANTS THROUGHOUT THE STATE CONCERNING RECOMMENDATIONS FOR THE OVERSIGHT AND OPERATION OF ON-LINE EDUCATION IN COLORADO, AND, BASED ON THE INFORMATION AND IDEAS COLLECTED, PRODUCED A FINAL REPORT RELEASED FEBRUARY 15, 2007;

(3) THE GENERAL ASSEMBLY FINDS, THEREFORE, THAT THE STATE SHOULD:

(a) AVAIL ITSELF OF ENHANCED TECHNOLOGICAL SERVICES, WHICH ARE AVAILABLE AS A RESULT OF TECHNOLOGICAL ADVANCES, TO SERVE THE EDUCATIONAL NEEDS OF THE CITIZENS OF THE STATE MORE APPROPRIATELY; AND

(b) TAKE IMMEDIATE ACTION TO ENSURE QUALITY AND ACCOUNTABILITY IN THE ON-LINE EDUCATIONAL PROGRAMS OFFERED WITHIN THE STATE.

22-30.7-102. Definitions. AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "ADVISORY BOARD" MEANS THE ON-LINE LEARNING ADVISORY BOARD CREATED IN THE DEPARTMENT OF EDUCATION PURSUANT TO SECTION 22-30.7-104.

(2) "AUTHORIZER" MEANS AN ENTITY THAT AUTHORIZES AN ON-LINE PROGRAM. "AUTHORIZER" SHALL INCLUDE A SCHOOL DISTRICT, ANY GROUP OF TWO OR MORE SCHOOL DISTRICTS, A BOARD OF COOPERATIVE SERVICES CREATED PURSUANT TO SECTION 22-5-104, OR THE STATE CHARTER SCHOOL INSTITUTE ESTABLISHED PURSUANT TO SECTION 22-30.5-503.

(3) "DEPARTMENT" MEANS THE DEPARTMENT OF EDUCATION CREATED AND EXISTING PURSUANT TO SECTION 24-1-115, C.R.S.

(4) "LEARNING CENTER" MEANS A FACILITY IN WHICH A CONSISTENT GROUP OF STUDENTS MEETS MORE OFTEN THAN ONCE PER WEEK UNDER THE SUPERVISION OF A TEACHER OR MENTOR FOR A SIGNIFICANT PORTION OF A SCHOOL DAY FOR THE PURPOSE OF PARTICIPATING IN AN ON-LINE PROGRAM. A GROUP OF PARENTS AND STUDENTS MEETING REPEATEDLY, OCCASIONALLY, AND INFORMALLY, EVEN IF FACILITATED BY A SCHOOL,

SHALL NOT CONSTITUTE A "LEARNING CENTER", AND A PRIVATE HOME SHALL NOT BE CONSIDERED A "LEARNING CENTER" UNDER ANY CIRCUMSTANCES.

(5) "MENTOR" MEANS AN INDIVIDUAL WHO IS RESPONSIBLE FOR PROVIDING SUPERVISION AT A LEARNING CENTER. A "MENTOR" SHALL NOT BE REQUIRED TO BE A LICENSED TEACHER BUT SHALL, AT A MINIMUM, SATISFY THE REQUIREMENTS SPECIFIED FOR A PARAPROFESSIONAL AS SUCH REQUIREMENTS ARE DESCRIBED IN THE FEDERAL "NO CHILD LEFT BEHIND ACT OF 2001", 20 U.S.C. SEC. 6301 ET SEQ.

(6) "MULTI-DISTRICT PROGRAM" MEANS AN ON-LINE PROGRAM THAT SERVES A STUDENT POPULATION DRAWN FROM TWO OR MORE SCHOOL DISTRICTS.

(7) "ON-LINE DIVISION" MEANS THE DIVISION OF ON-LINE LEARNING CREATED IN THE DEPARTMENT OF EDUCATION PURSUANT TO SECTION 22-30.7-103.

(8) "ON-LINE LEARNING EXPERT" MEANS A PERSON WITH SPECIAL KNOWLEDGE OF AND EXPERIENCE IN THE TEACHING OR ADMINISTRATION OF MULTI-DISTRICT PROGRAMS, SINGLE-DISTRICT PROGRAMS, OR SUPPLEMENTAL PROGRAMS FOR STUDENTS IN KINDERGARTEN THROUGH TWELFTH GRADE.

(9) "ON-LINE PROGRAM" MEANS A FULL-TIME ON-LINE EDUCATION PROGRAM OR SCHOOL AUTHORIZED PURSUANT TO THIS ARTICLE THAT DELIVERS A SEQUENTIAL PROGRAM OF SYNCHRONOUS OR ASYNCHRONOUS INSTRUCTION FROM A TEACHER TO A STUDENT PRIMARILY THROUGH THE USE OF TECHNOLOGY VIA THE INTERNET IN A VIRTUAL OR REMOTE SETTING. "ON-LINE PROGRAM" DOES NOT INCLUDE A SUPPLEMENTAL PROGRAM.

(10) "ON-LINE PUPIL ENROLLMENT" SHALL HAVE THE SAME MEANING AS PROVIDED IN SECTION 22-54-103 (8.5).

(11) "PARENT" MEANS A BIOLOGICAL PARENT, ADOPTIVE PARENT, OR LEGAL GUARDIAN.

(12) "PUPIL ENROLLMENT" SHALL HAVE THE SAME MEANING AS PROVIDED IN SECTION 22-54-103 (10).

(13) "SINGLE-DISTRICT PROGRAM" MEANS AN ON-LINE PROGRAM THAT SERVES ONLY STUDENTS WHO RESIDE WITHIN A SINGLE SCHOOL DISTRICT OR, IN THE CASE OF A PROGRAM AUTHORIZED BY ONE OR MORE DISTRICTS OR A BOARD OF COOPERATIVE SERVICES, AN ON-LINE PROGRAM THAT SERVES ONLY STUDENTS WHO RESIDE WITHIN THE AUTHORIZING DISTRICTS OR WITHIN THE MEMBER DISTRICTS OF THE AUTHORIZING BOARD OF COOPERATIVE SERVICES.

(14) "STANDARD MOU FORM" MEANS THE STANDARD MEMORANDUM OF UNDERSTANDING FORM ADOPTED BY THE STATE BOARD PURSUANT TO SECTION 22-30.7-111 (5).

(15) "STATE BOARD" MEANS THE STATE BOARD OF EDUCATION CREATED AND EXISTING PURSUANT TO SECTION 1 OF ARTICLE IX OF THE STATE CONSTITUTION.

(16) "SUPPLEMENTAL PROGRAM" MEANS A PROGRAM THAT OFFERS ONE OR MORE ON-LINE COURSES TO STUDENTS TO AUGMENT AN EDUCATIONAL PROGRAM PROVIDED BY A SCHOOL DISTRICT, CHARTER SCHOOL, OR BOARD OF COOPERATIVE SERVICES.

22-30.7-103. Division of on-line learning - created - duties.

(1) **Creation.** (a) THERE IS HEREBY CREATED WITHIN THE DEPARTMENT THE DIVISION OF ON-LINE LEARNING. THE HEAD OF THE DIVISION SHALL BE THE DIRECTOR OF ON-LINE LEARNING AND SHALL BE APPOINTED BY THE COMMISSIONER OF EDUCATION IN ACCORDANCE WITH SECTION 13 OF ARTICLE XII OF THE STATE CONSTITUTION.

(b) THE DIVISION OF ON-LINE LEARNING AND THE OFFICE OF THE DIRECTOR SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT, THE COMMISSIONER OF EDUCATION, AND THE STATE BOARD OF EDUCATION AS IF THE SAME WERE TRANSFERRED TO THE DEPARTMENT BY A **TYPE 2** TRANSFER, AS SUCH TRANSFER IS DEFINED IN THE "ADMINISTRATIVE ORGANIZATION ACT OF 1968", ARTICLE 1 OF TITLE 24, C.R.S.

(2) **Purposes.** THE PURPOSES OF THE ON-LINE DIVISION ARE:

(a) TO SUPPORT ON-LINE PROGRAMS, STUDENTS, PARENTS, AUTHORIZERS, AND OTHER ENTITIES RELATED TO ON-LINE LEARNING BY

PROVIDING INFORMATION AND ACCESS TO AVAILABLE DATA; AND

(b) TO FACILITATE THE CERTIFICATION OF MULTI-DISTRICT PROGRAMS IN ACCORDANCE WITH RULES PROMULGATED BY THE STATE BOARD PURSUANT TO SECTION 22-30.7-106.

(3) **Duties.** THE ON-LINE DIVISION SHALL HAVE THE FOLLOWING DUTIES:

(a) TO CONSULT WITH THE STATE BOARD IN ITS CREATION OF QUALITY STANDARDS PURSUANT TO SECTION 22-30.7-105 FOR USE BY AUTHORIZERS IN PREPARING AND SUBMITTING ANNUAL REPORTS TO THE ON-LINE DIVISION PURSUANT TO SECTION 22-30.7-109;

(b) TO EVALUATE APPLICATIONS FOR CERTIFICATION OF MULTI-DISTRICT PROGRAMS USING CRITERIA ADOPTED BY RULES PROMULGATED BY THE STATE BOARD PURSUANT TO SECTION 22-30.7-106 AND TO RECOMMEND THAT THE STATE BOARD GRANT OR DENY CERTIFICATION BASED UPON THE CRITERIA;

(c) TO ESTABLISH A REVIEW PROCESS AND TIMELINE WHEREBY THE ON-LINE DIVISION SHALL REVIEW A MULTI-DISTRICT PROGRAM TWO YEARS AFTER ITS INITIAL CERTIFICATION PURSUANT TO SECTION 22-30.7-106, WHICH REVIEW PROCESS SHALL INCLUDE INPUT FROM STAKEHOLDERS, INCLUDING BUT NOT LIMITED TO INPUT FROM STUDENTS, PARENTS, AND SCHOOL DISTRICTS IN WHICH A LEARNING CENTER OF THE MULTI-DISTRICT PROGRAM IS LOCATED;

(d) TO RECOMMEND TO THE STATE BOARD ON OR BEFORE SEPTEMBER 1, 2007, A PROCESS, TIMELINE, AND STANDARD MOU FORM FOR USE BY MULTI-DISTRICT PROGRAMS AND SCHOOL DISTRICTS IN CRAFTING MEMORANDA OF UNDERSTANDING PURSUANT TO SECTION 22-30.7-111 REGARDING THE PLACEMENT OF LEARNING CENTERS WITHIN THE BOUNDARIES OF A SCHOOL DISTRICT. AT A MINIMUM, THE STANDARD MOU FORM SHALL INCLUDE THE INFORMATION SPECIFIED IN SECTION 22-30.7-111 (1) (b).

(e) TO ESTABLISH ANNUAL REPORTING REQUIREMENTS FOR ON-LINE PROGRAMS PURSUANT TO THE PROVISIONS OF SECTION 22-30.7-109;

(f) TO EVALUATE REPORTS SUBMITTED BY ON-LINE PROGRAMS PURSUANT TO SECTION 22-30.7-109, AS SUCH EVALUATION IS DESCRIBED IN SECTION 22-30.7-110;

(g) TO PUBLISH ANNUAL REPORTS CONCERNING ON-LINE PROGRAMS AND SUPPLEMENTAL PROGRAMS AND OTHER INFORMATION ABOUT ON-LINE LEARNING IN A CLEARLY IDENTIFIABLE SECTION ON THE DEPARTMENT'S WEBSITE;

(h) TO COMPILE THE REPORTS SUBMITTED BY AUTHORIZERS AND SCHOOL DISTRICTS PURSUANT TO SECTION 22-30.7-109 AND PREPARE A SUMMARY REPORT TO BE SUBMITTED ON OR BEFORE FEBRUARY 1, 2009, AND ON OR BEFORE FEBRUARY 1 EACH YEAR THEREAFTER, TO THE STATE BOARD AND THE EDUCATION COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR COMMITTEES;

(i) TO ESTABLISH A PROCESS AND TIMELINE FOR DOCUMENTING AND TRACKING COMPLAINTS CONCERNING ON-LINE PROGRAMS;

(j) TO COLLECT RESOURCES TO SUPPORT THE IMPLEMENTATION OF QUALITY ON-LINE PROGRAMS AND MAKE THE RESOURCES AVAILABLE TO ON-LINE PROGRAMS UPON REQUEST; AND

(k) TO USE THE FINAL REPORT OF THE TRUJILLO COMMISSION ON ONLINE EDUCATION, WHICH REPORT WAS RELEASED FEBRUARY 15, 2007, AS A BASIS FOR THE RECOMMENDATIONS, CRITERIA, STANDARDS, REPORTING REQUIREMENTS, AND RULES REQUIRED PURSUANT TO THIS SUBSECTION (3).

22-30.7-104. On-line learning advisory board - created - reports - repeal. (1) THERE IS HEREBY CREATED IN THE DEPARTMENT THE ON-LINE LEARNING ADVISORY BOARD, WHICH SHALL CONSIST OF ELEVEN MEMBERS APPOINTED BY THE GOVERNOR AS FOLLOWS:

(a) ONE MEMBER WHO IS A PARENT OF A STUDENT WHO HAS BEEN ENROLLED IN A MULTI-DISTRICT PROGRAM FOR TWO OR MORE YEARS;

(b) ONE MEMBER WHO IS A BUSINESS PERSON AND WHO HAS NO PERSONAL OR PROFESSIONAL AFFILIATIONS WITH AN ON-LINE PROGRAM;

(c) ONE MEMBER WHO IS A BOARD MEMBER OF AN AUTHORIZER;

(d) ONE MEMBER WHO IS A SUPERINTENDENT OR SENIOR ADMINISTRATOR OF AN AUTHORIZER;

(e) ONE MEMBER WHO IS A DISTRICT DIRECTOR IN A SCHOOL DISTRICT THAT IS NOT AN AUTHORIZER;

(f) ONE MEMBER WHO IS A SUPERINTENDENT OR SENIOR ADMINISTRATOR OF A SCHOOL DISTRICT THAT IS NOT AN AUTHORIZER AND WHO HAS EXPERIENCE WORKING WITH SINGLE-DISTRICT PROGRAMS;

(g) THREE MEMBERS WHO ARE ON-LINE LEARNING EXPERTS, ONE OF WHOM HAS EXPERIENCE WITH SINGLE-DISTRICT PROGRAMS, ONE OF WHOM HAS EXPERIENCE WITH MULTI-DISTRICT PROGRAMS, AND ONE OF WHOM HAS EXPERIENCE WITH LEARNING CENTERS;

(h) ONE MEMBER WHO IS AN ON-LINE LEARNING EXPERT WHO HAS EXPERIENCE WITH SUPPLEMENTAL PROGRAMS; AND

(i) ONE MEMBER WHO IS A TEACHER WHO HAS EXPERIENCE WORKING WITH AT-RISK AND SPECIAL NEEDS STUDENTS.

(2) THE GOVERNOR SHALL CONSIDER ETHNICITY, GENDER, AND GEOGRAPHIC REPRESENTATION IN APPOINTING THE MEMBERS OF THE ADVISORY BOARD.

(3) ON OR BEFORE FEBRUARY 1, 2008, AND ON OR BEFORE FEBRUARY 1 EACH YEAR THEREAFTER, THE ADVISORY BOARD SHALL REPORT TO THE STATE BOARD AND MAKE THE REPORT PUBLICLY AVAILABLE THROUGH THE DEPARTMENT'S WEBSITE. THE REPORT SHALL INCLUDE:

(a) A SUMMARY OF THE OPERATIONS AND ACTIVITIES OF MULTI-DISTRICT PROGRAMS AND SINGLE-DISTRICT PROGRAMS IN THE STATE;

(b) A SUMMARY OF THE OPERATIONS AND ACTIVITIES OF SUPPLEMENTAL PROGRAMS IN THE STATE; AND

(c) RECOMMENDATIONS OF THE ADVISORY BOARD REGARDING THE APPROPRIATENESS OF EXISTING POLICIES AND STATUTORY REQUIREMENTS CONCERNING ON-LINE PROGRAMS.

(4) THE ADVISORY BOARD SHALL MAKE RECOMMENDATIONS TO THE ON-LINE DIVISION AND TO ON-LINE PROGRAMS CONCERNING THE FOLLOWING ISSUES:

(a) A STANDARDIZED PROCESS FOR DOCUMENTING THE NUMBER OF STUDENTS ENROLLED IN AN ON-LINE PROGRAM ON OCTOBER 1 OF EACH BUDGET YEAR;

(b) A METHOD FOR SUMMARIZING THE DEMOGRAPHICS OF THE STUDENT POPULATION OF EACH ON-LINE PROGRAM; AND

(c) MEASURES BY WHICH AN ON-LINE PROGRAM MAY DETERMINE THE LONGITUDINAL ACADEMIC GROWTH OF STUDENTS PARTICIPATING IN THE ON-LINE PROGRAM.

(5) THE ADVISORY BOARD SHALL MEET AT LEAST ONCE EVERY THREE MONTHS TO MONITOR THE PROGRESS OF THE ON-LINE DIVISION AND REVIEW THE APPROPRIATENESS OF EXISTING POLICIES AND STATUTORY REQUIREMENTS CONCERNING ON-LINE PROGRAMS. THE ADVISORY BOARD MAY ADVISE THE STATE BOARD AT ANY TIME REGARDING ISSUES THAT THE ADVISORY BOARD BELIEVES REQUIRE THE TIMELY ATTENTION OF THE STATE BOARD.

(6) ON OR BEFORE FEBRUARY 1, 2008, THE ADVISORY BOARD SHALL MAKE RECOMMENDATIONS TO THE STATE BOARD REGARDING ANY PROVISIONS OF THIS ARTICLE THAT SHOULD NOT BE WAIVED BY THE STATE BOARD PURSUANT TO SECTION 22-2-117 OR SECTION 22-30.5-104 (6) (b).

(7) (a) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2009.

(b) PRIOR TO SAID REPEAL, THE ADVISORY BOARD APPOINTED PURSUANT TO THIS SECTION SHALL BE REVIEWED AS PROVIDED IN SECTION 2-3-1203, C.R.S.

22-30.7-105. Program criteria - guidelines - quality standards - records - rules. (1) (a) A SCHOOL DISTRICT, A GROUP OF TWO OR MORE SCHOOL DISTRICTS, A BOARD OF COOPERATIVE SERVICES CREATED PURSUANT TO SECTION 22-5-104, AND THE STATE CHARTER SCHOOL INSTITUTE ESTABLISHED PURSUANT TO SECTION 22-30.5-503 ARE HEREBY AUTHORIZED TO CREATE OR OVERSEE SINGLE-DISTRICT PROGRAMS.

(b) A SCHOOL DISTRICT, A GROUP OF TWO OR MORE SCHOOL DISTRICTS, A BOARD OF COOPERATIVE SERVICES CREATED PURSUANT TO SECTION 22-5-104, AND THE STATE CHARTER SCHOOL INSTITUTE ESTABLISHED PURSUANT TO SECTION 22-30.5-503 ARE HEREBY AUTHORIZED TO CREATE OR OVERSEE MULTI-DISTRICT PROGRAMS, SUBJECT TO THE REQUIREMENT THAT THE AUTHORIZER APPLY TO THE ON-LINE DIVISION FOR CERTIFICATION OF THE MULTI-DISTRICT PROGRAM AS DESCRIBED IN SECTION 22-30.7-106.

(c) NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO PROHIBIT AN ON-LINE PROGRAM FROM PROVIDING SUPPLEMENTAL ON-LINE COURSES.

(2) THE FOLLOWING GUIDELINES SHALL APPLY TO EACH ON-LINE PROGRAM THAT IS CREATED OR OVERSEEN PURSUANT TO THE PROVISIONS OF THIS ARTICLE:

(a) A STUDENT WHO IS PARTICIPATING IN AN ON-LINE PROGRAM SHALL BE SUBJECT TO COMPULSORY SCHOOL ATTENDANCE AS PROVIDED IN ARTICLE 33 OF THIS TITLE AND SHALL BE DEEMED TO COMPLY WITH THE COMPULSORY ATTENDANCE REQUIREMENTS THROUGH PARTICIPATION IN THE ON-LINE PROGRAM.

(b) EACH STUDENT PARTICIPATING IN AN ON-LINE PROGRAM SHALL BE SUBJECT TO THE STATEWIDE ASSESSMENTS ADMINISTERED PURSUANT TO SECTION 22-7-409.

(c) THE PROVISIONS OF ARTICLE 36 OF THIS TITLE CONCERNING SCHOOLS OF CHOICE SHALL APPLY TO AN ON-LINE PROGRAM IMPLEMENTED PURSUANT TO THIS ARTICLE.

(3) (a) AN ON-LINE PROGRAM THAT IS ADMINISTERED PURSUANT TO THE PROVISIONS OF THIS ARTICLE SHALL SATISFY THE QUALITY STANDARDS ESTABLISHED BY RULES PROMULGATED BY THE STATE BOARD PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (3).

(b) ON OR BEFORE JANUARY 1, 2008, THE STATE BOARD, IN CONSULTATION WITH THE ON-LINE DIVISION AND THE ADVISORY BOARD, SHALL PROMULGATE RULES ESTABLISHING QUALITY STANDARDS FOR ON-LINE PROGRAMS ADMINISTERED PURSUANT TO THE PROVISIONS OF THIS ARTICLE. THE RULES SHALL INCLUDE, BUT NEED NOT BE LIMITED TO, THE

ESTABLISHMENT OF QUALITY STANDARDS IN THE FOLLOWING AREAS:

(I) AN ON-LINE PROGRAM'S GOVERNANCE, VISION, AND ORGANIZATION;

(II) STANDARDS-BASED CURRICULA AND DATA-DRIVEN INSTRUCTIONAL PRACTICES;

(III) TECHNOLOGICAL CAPACITY AND SUPPORT;

(IV) INTERNET SAFETY;

(V) SOUND FINANCIAL AND ACCOUNTING PRACTICES AND RESOURCES;

(VI) STUDENT ACADEMIC PERFORMANCE AND IMPROVEMENT;

(VII) MONITORING AND ASSESSMENT OF STUDENT ACADEMIC PERFORMANCE AND IMPROVEMENT;

(VIII) COURSE COMPLETION MEASUREMENTS;

(IX) ATTENDANCE TRACKING PROCEDURES;

(X) DATA ANALYSIS, MANAGEMENT, AND REPORTING;

(XI) GUIDANCE COUNSELING;

(XII) ENGAGEMENT OF PARENTS AND COMMUNITIES IN ON-LINE PROGRAMS;

(XIII) PROVISIONS FOR STUDENTS WITH SPECIAL NEEDS, INCLUDING GIFTED AND TALENTED STUDENTS AND ENGLISH LANGUAGE LEARNERS; AND

(XIV) PROGRAM EVALUATION AND IMPROVEMENT.

(c) ON OR BEFORE JULY 1, 2008, THE STATE BOARD SHALL EXAMINE THE FEASIBILITY OF INCORPORATING THE QUALITY STANDARDS ADOPTED PURSUANT TO THIS SUBSECTION (3) INTO THE PROVISIONS OF THE "EDUCATIONAL ACCREDITATION ACT OF 1998", ARTICLE 11 OF THIS TITLE.

(4) (a) THE RECORDS OF EACH STUDENT PARTICIPATING IN A MULTI-DISTRICT PROGRAM SHALL BE MAINTAINED ON A PERMANENT BASIS BY THE AUTHORIZER OF THE MULTI-DISTRICT PROGRAM; EXCEPT THAT, IF A CHARTER SCHOOL PROVIDES THE MULTI-DISTRICT PROGRAM, ONLY THE CHARTER SCHOOL AND NOT THE AUTHORIZER SHALL BE REQUIRED TO MAINTAIN THE RECORDS. THE RECORDS SHALL INCLUDE, BUT NEED NOT BE LIMITED TO:

(I) ATTENDANCE DATA;

(II) TEST, EVALUATION, AND STATEWIDE ASSESSMENT RESULTS;

(III) IMMUNIZATION RECORDS, AS REQUIRED BY SECTIONS 25-4-902 AND 25-4-903, C.R.S.; AND

(IV) SUCH OTHER RECORDS AS ARE REQUIRED UNDER LAW CONCERNING ENROLLED STUDENTS, INCLUDING BUT NOT LIMITED TO RECORDS REQUIRED BY STATE OR FEDERAL STATUTES CONCERNING THE EDUCATION OF STUDENTS WITH DISABILITIES.

(b) (I) IF A STUDENT ENROLLED IN A SCHOOL WITHIN A SCHOOL DISTRICT TRANSFERS TO AN ON-LINE PROGRAM, THE SCHOOL DISTRICT SHALL TRANSMIT TO THE ON-LINE PROGRAM ALL PERFORMANCE, ATTENDANCE, AND ASSESSMENT DATA CONCERNING THE STUDENT WITHIN THIRTY DAYS AFTER THE SCHOOL DISTRICT RECEIVES NOTICE FROM THE ON-LINE PROGRAM THAT THE STUDENT HAS ENROLLED IN THE ON-LINE PROGRAM.

(II) IF A STUDENT ENROLLED IN AN ON-LINE PROGRAM TRANSFERS TO A SCHOOL WITHIN A SCHOOL DISTRICT, THE ON-LINE PROGRAM SHALL TRANSMIT TO THE SCHOOL ALL PERFORMANCE, ATTENDANCE, AND ASSESSMENT DATA CONCERNING THE STUDENT WITHIN THIRTY DAYS AFTER THE ON-LINE PROGRAM RECEIVES NOTICE FROM THE SCHOOL DISTRICT THAT THE STUDENT HAS ENROLLED IN THE SCHOOL.

(5) EACH STUDENT PARTICIPATING IN AN ON-LINE PROGRAM SHALL BE A RESIDENT OF THIS STATE AND SHALL DEMONSTRATE THAT HE OR SHE POSSESSES THE APPROPRIATE ELECTRONIC EQUIPMENT AND RESOURCES TO PARTICIPATE IN THE PROGRAM; EXCEPT THAT AN ON-LINE PROGRAM MAY PROVIDE SUCH EQUIPMENT AND RESOURCES TO A STUDENT TO ENABLE THE STUDENT TO PARTICIPATE IN THE ON-LINE PROGRAM.

22-30.7-106. Certification of multi-district programs - criteria - rules. (1) IF A SCHOOL DISTRICT, A GROUP OF TWO OR MORE SCHOOL DISTRICTS, A BOARD OF COOPERATIVE SERVICES CREATED PURSUANT TO SECTION 22-5-104, OR THE STATE CHARTER SCHOOL INSTITUTE ESTABLISHED PURSUANT TO SECTION 22-30.5-503 CHOOSES TO AUTHORIZE A MULTI-DISTRICT PROGRAM, THE SCHOOL DISTRICT, GROUP OF TWO OR MORE SCHOOL DISTRICTS, BOARD OF COOPERATIVE SERVICES, OR STATE CHARTER SCHOOL INSTITUTE SHALL, PRIOR TO AUTHORIZING THE MULTI-DISTRICT PROGRAM, APPLY TO THE ON-LINE DIVISION FOR CERTIFICATION OF THE MULTI-DISTRICT PROGRAM.

(2) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (1) OF THIS SECTION, THE STATE BOARD MAY, IN ITS DISCRETION, WAIVE THE REQUIREMENT THAT AN AUTHORIZER THAT CHOOSES TO AUTHORIZE A MULTI-DISTRICT PROGRAM APPLY TO THE ON-LINE DIVISION FOR CERTIFICATION OF THE PROGRAM IF THE MULTI-DISTRICT PROGRAM THAT THE AUTHORIZER SEEKS TO AUTHORIZE HAS TEN OR FEWER STUDENTS FROM OUTSIDE THE SCHOOL DISTRICT ENROLLED IN THE PROGRAM.

(3) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (1) OF THIS SECTION, AN AUTHORIZER OF A SINGLE-DISTRICT PROGRAM THAT BECOMES A MULTI-DISTRICT PROGRAM SHALL NOT BE REQUIRED TO APPLY TO THE ON-LINE DIVISION FOR CERTIFICATION OF THE MULTI-DISTRICT PROGRAM IN THE EVENT THAT TEN OR FEWER STUDENTS FROM OUTSIDE THE SCHOOL DISTRICT IN WHICH THE SINGLE-DISTRICT PROGRAM IS OPERATING ENROLL IN THE PROGRAM.

(4) THE STATE BOARD SHALL PROMULGATE RULES SPECIFYING CRITERIA TO BE USED BY THE ON-LINE DIVISION IN CERTIFYING MULTI-DISTRICT PROGRAMS. THE CRITERIA SHALL INCLUDE, BUT NEED NOT BE LIMITED TO, THE FOLLOWING:

(a) WHETHER THE AUTHORIZER OF THE MULTI-DISTRICT PROGRAM POSSESSES ADEQUATE RESOURCES AND THE CAPACITY TO OVERSEE THE MULTI-DISTRICT PROGRAM, INCLUDING BUT NOT LIMITED TO OVERSIGHT OF THE FOLLOWING COMPONENTS OF THE MULTI-DISTRICT PROGRAM:

(I) CURRICULUM AND INSTRUCTION;

(II) USE OF SOFTWARE APPLICATIONS AND TECHNOLOGY;

(III) DATA GATHERING, ANALYSIS, AND REPORTING;

(IV) HUMAN RESOURCES MANAGEMENT;

(V) FINANCIAL MANAGEMENT, FACILITIES MANAGEMENT, AND RISK MANAGEMENT; AND

(VI) OTHER RELEVANT PUBLIC EDUCATION ADMINISTRATION FUNCTIONS;

(b) WHETHER THE PLAN FOR OPERATING AND MONITORING THE MULTI-DISTRICT PROGRAM AGREED TO BY THE AUTHORIZER OF THE MULTI-DISTRICT PROGRAM AND THE PRINCIPAL, DIRECTOR, OR OTHER CHIEF ADMINISTRATOR OF THE MULTI-DISTRICT PROGRAM ADEQUATELY ADDRESSES, AT A MINIMUM, CONSIDERATION OF THE FOLLOWING ELEMENTS:

(I) THE MULTI-DISTRICT PROGRAM'S VISION, MISSION, AND GOALS;

(II) THE MULTI-DISTRICT PROGRAM'S ORGANIZATIONAL STRUCTURE AND GOVERNANCE, INCLUDING GOVERNING BOARD AND SCHOOL POLICIES AND PROCEDURES;

(III) EQUITABLE ACCESS FOR ALL STUDENTS;

(IV) GUIDANCE COUNSELING FOR ALL STUDENTS ENROLLED IN THE MULTI-DISTRICT PROGRAM;

(V) STUDENT ACADEMIC CREDIT POLICIES;

(VI) STUDENT ACHIEVEMENT AND ATTENDANCE POLICIES, INCLUDING BUT NOT LIMITED TO MONITORING GRADUATION AND DROPOUT RATES;

(VII) STUDENT RECORDS POLICIES AND PROCEDURES;

(VIII) STUDENT ADMISSION AND PLACEMENT POLICIES AND PROCEDURES;

(IX) STAFF DEVELOPMENT PLANS;

(X) STUDENT SERVICES, INCLUDING COUNSELING AND TUTORIAL SUPPORT;

(XI) STAFF, STUDENT, AND PARENT HANDBOOKS;

(XII) EMPLOYMENT AND CONTRACTOR POLICIES AND PROCEDURES;

(XIII) ANNUAL BUDGETING AND FINANCE PRACTICES;

(XIV) FACILITY PLANS, INCLUDING ANY CONTEMPLATED PHYSICAL SITES;

(XV) RISK MANAGEMENT;

(XVI) DATA DEVELOPMENT, ANALYSIS, AND REPORTING; AND

(XVII) POLICIES AND PROCEDURES FOR FACILITATING COMMUNICATION BETWEEN THE MULTI-DISTRICT PROGRAM, PARENTS, AND SCHOOL DISTRICTS IN WHICH STUDENTS WHO ARE ENROLLED IN THE MULTI-DISTRICT PROGRAM RESIDE; AND

(c) THE DEGREE TO WHICH THE MULTI-DISTRICT PROGRAM WILL SATISFY THE QUALITY STANDARDS FOR ON-LINE PROGRAMS DESCRIBED IN SECTION 22-30.7-105.

(5) ON OR BEFORE JANUARY 1, 2008, THE STATE BOARD SHALL PROMULGATE RULES ESTABLISHING PROCESSES AND TIMELINES BY WHICH A PROSPECTIVE AUTHORIZER MAY APPLY TO THE ON-LINE DIVISION FOR CERTIFICATION OF A MULTI-DISTRICT PROGRAM PURSUANT TO THIS SECTION.

(6) ON OR BEFORE JANUARY 1, 2008, THE STATE BOARD SHALL CREATE AN EXPEDITED PROCEDURE FOR THE APPROVAL OR DENIAL OF CERTIFICATION FOR MULTI-DISTRICT PROGRAMS THAT WERE OPERATING AS OF JANUARY 1, 2007.

(7) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE CONTRARY, AN AUTHORIZER OF A MULTI-DISTRICT PROGRAM THAT WAS OPERATING AS OF JANUARY 1, 2007, MAY CONTINUE TO OPERATE UNTIL AUGUST 1, 2008, WITHOUT RECEIVING CERTIFICATION OF THE PROGRAM BY THE ON-LINE DIVISION PURSUANT TO THIS SECTION.

(8) THE STATE BOARD SHALL NOT APPROVE THE CERTIFICATION OF A MULTI-DISTRICT PROGRAM UNTIL THE STATE BOARD HAS PROMULGATED RULES FOR SUCH CERTIFICATION PURSUANT TO THIS SECTION.

22-30.7-107. Funding - fund - repeal. (1) (a) FOR THE 2007-08 BUDGET YEAR, A SCHOOL DISTRICT, FOR PURPOSES OF DETERMINING TOTAL PROGRAM FUNDING UNDER THE "PUBLIC SCHOOL FINANCE ACT OF 1994", ARTICLE 54 OF THIS TITLE, MAY NOT COUNT A STUDENT IN THE SCHOOL DISTRICT'S ON-LINE PUPIL ENROLLMENT WHO ENROLLS IN OR TRANSFERS TO AN ON-LINE PROGRAM WITHIN THE SCHOOL DISTRICT, UNLESS:

(I) (A) THE STUDENT WAS INCLUDED IN A SCHOOL DISTRICT'S PUPIL ENROLLMENT OR ON-LINE PUPIL ENROLLMENT FOR THE PRECEDING SCHOOL YEAR; AND

(B) THE STUDENT SUBSTANTIALLY COMPLETED THE ASSIGNED COURSE WORK FOR THE CLASSES IN WHICH HE OR SHE WAS ENROLLED FOR AT LEAST ONE SEMESTER OF THE PRECEDING SCHOOL YEAR AND RECEIVED A SEMESTER GRADE FOR THE CLASSES; OR

(II) 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; OR

(III) THE STUDENT IS ENROLLING IN KINDERGARTEN OR FIRST GRADE IN AN ON-LINE PROGRAM.

(b) TO VERIFY THAT A STUDENT MEETS THE REQUIREMENTS SPECIFIED IN SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS SUBSECTION (1), AN ON-LINE PROGRAM SHALL REQUEST FROM THE SCHOOL DISTRICT IN WHICH THE STUDENT WAS ENROLLED CONFIRMATION OF THE STUDENT'S ENROLLMENT AND THE SEMESTER GRADES RECEIVED BY THE STUDENT FOR THE CLASSES IN WHICH THE STUDENT WAS ENROLLED. THE SCHOOL DISTRICT IN WHICH THE STUDENT WAS ENROLLED SHALL RESPOND TO THE ON-LINE PROGRAM'S VERIFICATION REQUEST WITHIN SIXTY DAYS AFTER RECEIPT OF THE REQUEST.

(c) THE STATE BOARD MAY PROMULGATE RULES ALLOWING EXEMPTIONS FROM THE REQUIREMENTS OF PARAGRAPH (a) OF THIS

SUBSECTION (1) FOR STUDENTS WHOSE PARENTS OR LEGAL GUARDIANS REMOVE THEM FROM SCHOOL FOR EXTRAORDINARY REASONS AND FOR STUDENTS WHO ARE HABITUALLY DISRUPTIVE OR ARE OTHERWISE AT RISK AND FOR STUDENTS WHO DID NOT RESIDE IN AND ATTEND A SCHOOL IN THE STATE DURING THE PRIOR SCHOOL YEAR. IN ADDITION, THE STATE BOARD MAY PROMULGATE SUCH OTHER RULES AS MAY BE NECESSARY FOR THE IMPLEMENTATION OF THIS SECTION.

(d) THIS SUBSECTION (1) IS REPEALED, EFFECTIVE JULY 1, 2008.

(2) FOR THE 2008-09 BUDGET YEAR, AND FOR EACH BUDGET YEAR THEREAFTER, FOR PURPOSES OF DETERMINING TOTAL PROGRAM FUNDING PURSUANT TO ARTICLE 54 OF THIS TITLE:

(a) (I) A SCHOOL DISTRICT THAT IS PROVIDING A SINGLE-DISTRICT PROGRAM, OR A SCHOOL DISTRICT IN WHICH A DISTRICT CHARTER SCHOOL IS PROVIDING A SINGLE-DISTRICT PROGRAM, SHALL INCLUDE EACH STUDENT WHO IS ENROLLED IN THE SINGLE-DISTRICT PROGRAM AS OF OCTOBER 1 OF THE APPLICABLE BUDGET YEAR IN THE SCHOOL DISTRICT'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND SHALL RECEIVE THE SCHOOL DISTRICT'S PER-PUPIL FUNDING FOR EACH STUDENT ENROLLED IN THE SINGLE-DISTRICT PROGRAM.

(II) AN INSTITUTE CHARTER SCHOOL THAT IS PROVIDING A SINGLE-DISTRICT PROGRAM SHALL INCLUDE EACH STUDENT WHO IS ENROLLED IN THE SINGLE-DISTRICT PROGRAM AS OF OCTOBER 1 OF THE APPLICABLE BUDGET YEAR IN THE INSTITUTE CHARTER SCHOOL'S PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND SHALL RECEIVE THE PER-PUPIL FUNDING OF THE INSTITUTE CHARTER SCHOOL'S ACCOUNTING DISTRICT FOR EACH STUDENT ENROLLED IN THE SINGLE-DISTRICT PROGRAM.

(b) (I) A SCHOOL DISTRICT THAT IS PROVIDING A MULTI-DISTRICT PROGRAM, OR A SCHOOL DISTRICT IN WHICH A DISTRICT CHARTER SCHOOL IS PROVIDING A MULTI-DISTRICT PROGRAM, SHALL INCLUDE EACH STUDENT WHO IS ENROLLED IN THE MULTI-DISTRICT PROGRAM AS OF OCTOBER 1 OF THE APPLICABLE BUDGET YEAR IN THE SCHOOL DISTRICT'S ON-LINE PUPIL ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND SHALL RECEIVE ON-LINE FUNDING, AS SPECIFIED IN SECTION 22-54-104 (4.5).

(II) AN INSTITUTE CHARTER SCHOOL THAT IS PROVIDING A

MULTI-DISTRICT PROGRAM SHALL INCLUDE EACH STUDENT WHO IS ENROLLED IN THE MULTI-DISTRICT PROGRAM AS OF OCTOBER 1 OF THE APPLICABLE BUDGET YEAR IN THE INSTITUTE CHARTER SCHOOL'S ON-LINE ENROLLMENT FOR THE APPLICABLE BUDGET YEAR AND SHALL RECEIVE ON-LINE FUNDING, AS SPECIFIED IN SECTION 22-54-104 (4.5).

(3) FOR THE 2008-09 BUDGET YEAR, AND FOR EACH BUDGET YEAR THEREAFTER, AN AUTHORIZER THAT IS PROVIDING AN ON-LINE PROGRAM MAY RECEIVE FUNDING FOR EACH STUDENT ENROLLED IN THE ON-LINE PROGRAM, REGARDLESS OF WHETHER THE STUDENT WAS INCLUDED IN THE PUPIL ENROLLMENT OR ON-LINE PUPIL ENROLLMENT OF A SCHOOL DISTRICT OR INSTITUTE CHARTER SCHOOL FOR THE PRECEDING SCHOOL YEAR.

(4) (a) THERE IS HEREBY ESTABLISHED IN THE DEPARTMENT THE ON-LINE EDUCATION CASH FUND, REFERRED TO IN THIS ARTICLE AS THE "CASH FUND". THE CASH FUND SHALL CONSIST OF MONEYS TRANSFERRED THERETO PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (4) AND ANY OTHER MONEYS THAT MAY BE MADE AVAILABLE BY THE GENERAL ASSEMBLY. THE MONEYS IN THE CASH FUND SHALL BE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY TO THE DEPARTMENT FOR THE PURPOSE OF CARRYING OUT THE PROVISIONS OF THIS ARTICLE. ANY MONEYS REMAINING IN THE CASH FUND AT THE END OF ANY FISCAL YEAR SHALL REMAIN IN THE CASH FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR TO ANY OTHER FUND.

(b) ON JULY 1, 2007, THE STATE TREASURER SHALL TRANSFER TO THE CASH FUND EIGHT HUNDRED THIRTY THOUSAND DOLLARS (\$830,000) OF THE MONEYS RECOVERED FROM OVERPAYMENTS TO SCHOOL DISTRICTS OR THE STATE CHARTER SCHOOL INSTITUTE PURSUANT TO SECTION 22-54-114 (4).

(c) BEGINNING WITH THE 2007-08 FISCAL YEAR, AND FOR EACH FISCAL YEAR THEREAFTER, THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE MONEYS FROM THE CASH FUND TO THE DEPARTMENT TO BE USED BY THE ON-LINE DIVISION FOR THE PURPOSES OF THIS ARTICLE.

22-30.7-108. Extracurricular and interscholastic activities.

(1) A STUDENT WHO IS PARTICIPATING IN AN ON-LINE PROGRAM, OTHER THAN A STUDENT WHO IS PARTICIPATING IN THE ON-LINE PROGRAM AFTER HAVING BEEN EXPELLED FROM A PUBLIC SCHOOL, MAY PARTICIPATE ON AN

EQUAL BASIS IN ANY EXTRACURRICULAR OR INTERSCHOLASTIC ACTIVITY OFFERED BY A PUBLIC SCHOOL OR OFFERED BY A PRIVATE SCHOOL, AT THE PRIVATE SCHOOL'S DISCRETION, AS PROVIDED IN SECTION 22-32-116.5.

(2) AS USED IN THIS SECTION, "EXTRACURRICULAR OR INTERSCHOLASTIC ACTIVITY" SHALL HAVE THE SAME MEANING AS "ACTIVITY" AS SET FORTH IN SECTION 22-32-116.5 (10) (a).

22-30.7-109. On-line programs - reports - rules. (1) (a) ON AN ANNUAL DATE TO BE DETERMINED BY RULES PROMULGATED BY THE STATE BOARD PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (1), AN AUTHORIZER OF AN ON-LINE PROGRAM SHALL SUBMIT A REPORT TO THE ON-LINE DIVISION. THE REPORT SHALL INCLUDE, AT A MINIMUM:

(I) AN INDICATION OF THE DEGREE TO WHICH THE ON-LINE PROGRAM HAS SATISFIED THE QUALITY STANDARDS ESTABLISHED BY RULES PROMULGATED BY THE STATE BOARD PURSUANT TO SECTION 22-30.7-105;

(II) THE RATIO OF ADULTS TO STUDENTS AT THE ON-LINE PROGRAM;

(III) THE NUMBER OF ON-LINE TEACHERS EMPLOYED BY THE ON-LINE PROGRAM WHO SATISFY THE REQUIREMENTS SPECIFIED FOR A HIGHLY QUALIFIED TEACHER AS SUCH REQUIREMENTS ARE DESCRIBED IN THE FEDERAL "NO CHILD LEFT BEHIND ACT OF 2001", 20 U.S.C. SEC. 6301 ET SEQ.; AND

(IV) THE ANNUAL BUDGET OF THE ON-LINE PROGRAM, WHICH BUDGET SHALL ACCOUNT FOR ALL STATE FUNDING RECEIVED BY THE ON-LINE PROGRAM, IN ACCORDANCE WITH EXISTING BUDGETARY REPORTING REQUIREMENTS UNDER STATE LAW.

(b) FOR THE PURPOSES OF THIS SECTION, "ADULT", AS THE TERM IS USED IN SUBPARAGRAPH (II) OF PARAGRAPH (a) OF THIS SUBSECTION (1), SHALL NOT BE CONSTRUED TO MEAN ONLY A LICENSED TEACHER.

(c) IN PUBLISHING THE RATIO OF ADULTS TO STUDENTS AT AN ON-LINE PROGRAM PURSUANT TO SECTION 22-30.7-103 (3) (g), THE ON-LINE DIVISION SHALL INCLUDE LANGUAGE THAT CLARIFIES THAT THE RATIO OF ADULTS TO STUDENTS AT THE ON-LINE PROGRAM IS NOT A REPRESENTATION OF THE RATIO OF LICENSED TEACHERS TO STUDENTS AT THE ON-LINE

PROGRAM.

(d) ON OR BEFORE JANUARY 1, 2008, THE STATE BOARD SHALL PROMULGATE RULES ESTABLISHING A TIMELINE BY WHICH AN AUTHORIZER OF AN ON-LINE PROGRAM SHALL SUBMIT A REPORT TO THE ON-LINE DIVISION AS DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (1) AND DEFINING WHAT CONSTITUTES "A REASONABLE AMOUNT OF TIME" FOR PURPOSES OF THIS SECTION.

(2) (a) THE ON-LINE DIVISION SHALL REVIEW EACH REPORT SUBMITTED BY AN ON-LINE PROGRAM PURSUANT TO SUBSECTION (1) OF THIS SECTION.

(b) IF THE ON-LINE DIVISION DETERMINES THAT AN ON-LINE PROGRAM NEEDS TO TAKE CORRECTIVE ACTION FOR THE PURPOSE OF COMPLYING WITH ONE OR MORE OF THE QUALITY STANDARDS ESTABLISHED BY RULES PROMULGATED BY THE STATE BOARD PURSUANT TO SECTION 22-30.7-105, THE ON-LINE DIVISION SHALL PROVIDE NOTICE TO THE ON-LINE PROGRAM OF THE ON-LINE DIVISION'S DETERMINATION AND PROVIDE THE ON-LINE PROGRAM A REASONABLE AMOUNT OF TIME TO SUBMIT A PLAN FOR TAKING THE CORRECTIVE ACTION.

(c) IF THE ON-LINE DIVISION DETERMINES THAT AN ON-LINE PROGRAM THAT HAS RECEIVED NOTICE FROM THE ON-LINE DIVISION AS DESCRIBED IN PARAGRAPH (b) OF THIS SUBSECTION (2) HAS NOT SUBMITTED A PLAN FOR TAKING CORRECTIVE ACTION WITHIN A REASONABLE AMOUNT OF TIME, THE ON-LINE DIVISION SHALL NOTIFY THE STATE BOARD AND INCLUDE WITH THE NOTIFICATION RECOMMENDATIONS FOR ACTIONS THE STATE BOARD MAY TAKE TO ADDRESS THE SITUATION.

22-30.7-110. Reviews of multi-district programs. (1) USING THE REVIEW PROCESS AND TIMELINE ESTABLISHED BY THE ON-LINE DIVISION PURSUANT TO SECTION 22-30.7-103 (3) (c), THE ON-LINE DIVISION SHALL REVIEW EACH MULTI-DISTRICT PROGRAM TWO YEARS AFTER THE INITIAL CERTIFICATION OF THE PROGRAM AND EVERY THREE YEARS THEREAFTER. IN REVIEWING A MULTI-DISTRICT PROGRAM, THE ON-LINE DIVISION SHALL CONSIDER THE CRITERIA ESTABLISHED BY RULES PROMULGATED BY THE STATE BOARD PURSUANT TO SECTION 22-30.7-106 (4).

(2) (a) IF THE ON-LINE DIVISION DETERMINES THAT A CERTIFIED

MULTI-DISTRICT PROGRAM NO LONGER MEETS ONE OR MORE OF THE CRITERIA ESTABLISHED BY RULES PROMULGATED BY THE STATE BOARD PURSUANT TO SECTION 22-30.7-106(4), THE ON-LINE DIVISION SHALL NOTIFY THE MULTI-DISTRICT PROGRAM AND THE AUTHORIZER OF THE PROGRAM AND PROVIDE A REASONABLE AMOUNT OF TIME FOR THE AUTHORIZER TO SUBMIT A PLAN FOR TAKING CORRECTIVE ACTION TO SATISFY THE CRITERION OR CRITERIA AT ISSUE.

(b) IF THE ON-LINE DIVISION DETERMINES THAT AN AUTHORIZER THAT HAS RECEIVED NOTICE FROM THE ON-LINE DIVISION AS DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (2) HAS NOT SUBMITTED A PLAN FOR TAKING CORRECTIVE ACTION WITHIN A REASONABLE AMOUNT OF TIME, THE ON-LINE DIVISION SHALL NOTIFY THE STATE BOARD AND INCLUDE WITH SUCH NOTIFICATION RECOMMENDATIONS FOR ACTIONS THE STATE BOARD MAY TAKE TO ADDRESS THE SITUATION.

(3) ON OR BEFORE JANUARY 1, 2008, THE STATE BOARD SHALL PROMULGATE RULES TO DETERMINE WHAT CONSTITUTES "A REASONABLE AMOUNT OF TIME" FOR THE PURPOSES OF THIS SECTION.

22-30.7-111. Learning centers - memoranda of understanding - rules - appeal process. (1) (a) A MULTI-DISTRICT PROGRAM THAT INTENDS TO PROVIDE INSTRUCTION TO STUDENTS WITHIN ONE OR MORE LEARNING CENTERS SHALL, BEFORE PROVIDING SUCH INSTRUCTION, SEEK TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH EACH SCHOOL DISTRICT IN WHICH THE MULTI-DISTRICT PROGRAM INTENDS TO PROVIDE INSTRUCTION WITHIN A LEARNING CENTER.

(b) A MULTI-DISTRICT PROGRAM THAT INTENDS TO PROVIDE INSTRUCTION TO STUDENTS WITHIN A LEARNING CENTER SHALL NOTIFY THE SCHOOL DISTRICT IN WHICH THE PROPOSED LEARNING CENTER IS LOCATED OF THE MULTI-DISTRICT PROGRAM'S INTENTION IN WRITING AT LEAST NINETY DAYS BEFORE THE MULTI-DISTRICT PROGRAM INTENDS TO COMMENCE PROVIDING SUCH INSTRUCTION. THE NOTICE SHALL INCLUDE THE STANDARD MOU FORM THAT ADDRESSES, AT A MINIMUM, THE FOLLOWING INFORMATION AS IT APPLIES TO EACH LEARNING CENTER TO BE LOCATED WITHIN THE SCHOOL DISTRICT:

(I) A DESCRIPTION OF ANY CURRICULA THAT WILL BE OFFERED BY THE MULTI-DISTRICT PROGRAM AT THE LEARNING CENTER;

(II) THE PROPOSED LOCATION OF THE LEARNING CENTER;

(III) THE GRADE LEVELS TO BE SERVED AT THE LEARNING CENTER;

(IV) THE NUMBER OF STUDENTS PROJECTED TO ATTEND THE MULTI-DISTRICT PROGRAM AT THE LEARNING CENTER;

(V) ANY BUILDING PERMITS OR CERTIFICATIONS OF BUILDING SAFETY THAT MAY BE REQUIRED BY LAW;

(VI) A LIST OF ALL STAFF POSITIONS AT THE LEARNING CENTER, INCLUDING A DESCRIPTION OF DUTIES FOR EACH POSITION;

(VII) MEASURES TO ENSURE COMPLIANCE WITH STATE AND FEDERAL LAWS CONCERNING EDUCATOR LICENSING AND FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECKS;

(VIII) THE NAME OF AND CONTACT INFORMATION FOR THE MULTI-DISTRICT PROGRAM AND THE NAMES OF AND CONTACT INFORMATION FOR ALL LEARNING CENTER ADMINISTRATORS; AND

(IX) THE PLANS FOR ONE OR MORE PUBLIC MEETINGS TO BE HELD PRIOR TO THE OPENING OF A LEARNING CENTER.

(c) WITHIN FORTY-FIVE DAYS AFTER RECEIVING THE NOTICE AND STANDARD MOU FORM FROM A MULTI-DISTRICT PROGRAM PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (1), THE SCHOOL DISTRICT AND THE MULTI-DISTRICT PROGRAM SHALL MEET TO DISCUSS THE TERMS OF THE MEMORANDUM OF UNDERSTANDING, BASED ON THE STANDARD MOU FORM PROVIDED WITH THE NOTICE. THE SCHOOL DISTRICT AND THE MULTI-DISTRICT PROGRAM MAY MUTUALLY AGREE TO CHANGE THE INFORMATION IN THE STANDARD MOU FORM PROVIDED WITH THE NOTICE OR TO INCLUDE INFORMATION IN THE MEMORANDUM OF UNDERSTANDING IN ADDITION TO THAT INCLUDED IN THE STANDARD MOU FORM.

(d) WITHIN FORTY-FIVE DAYS AFTER RECEIVING THE NOTICE AND THE STANDARD MOU FORM PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (1), THE SCHOOL DISTRICT AND THE MULTI-DISTRICT PROGRAM SHALL HOLD AT LEAST ONE PUBLIC MEETING AT WHICH THEY SHALL RECEIVE PUBLIC INPUT CONCERNING LOCATION OF ONE OR MORE LEARNING CENTERS WITHIN

THE SCHOOL DISTRICT.

(e) NO LATER THAN FORTY-FIVE DAYS AFTER THE SCHOOL DISTRICT RECEIVES THE NOTICE AND STANDARD MOU FORM PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (1), THE SCHOOL DISTRICT SHALL NOTIFY THE MULTI-DISTRICT PROGRAM, THE ON-LINE DIVISION, AND THE STATE BOARD IN WRITING OF THE SCHOOL DISTRICT'S DECISION WHETHER TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE MULTI-DISTRICT PROGRAM FOR OPERATION OF A LEARNING CENTER WITHIN THE SCHOOL DISTRICT. IF THE SCHOOL DISTRICT DOES NOT PROVIDE NOTICE OF ITS DECISION WITHIN FORTY-FIVE DAYS, THE STANDARD MOU FORM PROVIDED BY THE MULTI-DISTRICT PROGRAM WITH THE NOTICE SHALL BECOME EFFECTIVE ON THE FORTY-SIXTH DAY FOLLOWING THE SCHOOL DISTRICT'S RECEIPT OF THE NOTICE AND STANDARD MOU FORM, AND THE MULTI-DISTRICT PROGRAM MAY PROCEED UNDER THE TERMS OF THE STANDARD MOU FORM AS PROVIDED TO THE SCHOOL DISTRICT.

(f) A SCHOOL DISTRICT MAY REFUSE TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH A MULTI-DISTRICT PROGRAM FOR THE OPERATION OF A LEARNING CENTER WITHIN THE SCHOOL DISTRICT ONLY IF:

(I) THE STANDARD MOU FORM PROVIDED BY THE MULTI-DISTRICT PROGRAM FAILS TO SATISFY THE REQUIREMENTS DESCRIBED IN PARAGRAPH (b) OF THIS SUBSECTION (1); OR

(II) THE SCHOOL DISTRICT REASONABLY DETERMINES THAT THE MULTI-DISTRICT PROGRAM IS CONTRARY TO THE BEST INTERESTS OF THE PUPILS, PARENTS, COMMUNITY, OR SCHOOL DISTRICT.

(g) IF A SCHOOL DISTRICT REFUSES TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH A MULTI-DISTRICT PROGRAM FOR OPERATION OF A LEARNING CENTER, THE MULTI-DISTRICT PROGRAM MAY APPEAL THE SCHOOL DISTRICT'S DECISION TO THE STATE BOARD PURSUANT TO THE PROVISIONS OF SUBSECTION (6) OF THIS SECTION.

(h) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE CONTRARY, A MULTI-DISTRICT PROGRAM THAT SEEKS TO OPERATE A LEARNING CENTER WITHIN A SCHOOL DISTRICT SHALL NOT BE REQUIRED TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE SCHOOL DISTRICT IF THE SCHOOL DISTRICT IS THE AUTHORIZER OF THE

MULTI-DISTRICT PROGRAM.

(i) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE CONTRARY, A SCHOOL DISTRICT AND A MULTI-DISTRICT PROGRAM MAY MUTUALLY AGREE IN WRITING TO DECLINE TO ENTER INTO A MEMORANDUM OF UNDERSTANDING.

(j) TO ENSURE THAT ALL STUDENTS HAVE A REASONABLE OPPORTUNITY TO BENEFIT FROM ON-LINE EDUCATION, A SCHOOL DISTRICT AND A MULTI-DISTRICT PROGRAM SHALL MAKE GOOD FAITH EFFORTS TO CRAFT AND ENTER INTO A MEMORANDUM OF UNDERSTANDING PURSUANT TO THE PROVISIONS OF THIS SECTION.

(2) A MEMORANDUM OF UNDERSTANDING ENTERED INTO BY A SCHOOL DISTRICT AND A MULTI-DISTRICT PROGRAM PURSUANT TO THE PROVISIONS OF THIS SECTION SHALL BE EFFECTIVE FOR THREE YEARS. A SCHOOL DISTRICT AND A MULTI-DISTRICT PROGRAM MAY ENTER INTO AN UNLIMITED NUMBER OF SUCCESSIVE MEMORANDA OF UNDERSTANDING.

(3) IF A SCHOOL DISTRICT AND A MULTI-DISTRICT PROGRAM ENTER INTO A MEMORANDUM OF UNDERSTANDING PURSUANT TO THE PROVISIONS OF THIS SECTION, THE MEMORANDUM OF UNDERSTANDING SHALL INCLUDE CONSIDERATION OF ALL LEARNING CENTERS THAT THE MULTI-DISTRICT PROGRAM PROPOSES, AT THE TIME THE MEMORANDUM OF UNDERSTANDING IS CRAFTED, TO OPERATE WITHIN THE SCHOOL DISTRICT, AND THE MEMORANDUM OF UNDERSTANDING SHALL SUPERSEDE ANY MEMORANDUM OF UNDERSTANDING PREVIOUSLY ENTERED INTO BY THE SCHOOL DISTRICT AND THE MULTI-DISTRICT PROGRAM.

(4) (a) IF A MULTI-DISTRICT PROGRAM IS OPERATING A LEARNING CENTER WITHIN A SCHOOL DISTRICT UNDER THE TERMS OF A MEMORANDUM OF UNDERSTANDING, AND THE MULTI-DISTRICT PROGRAM SEEKS TO OPERATE AN ADDITIONAL LEARNING CENTER WITHIN THE SCHOOL DISTRICT, WHICH ADDITIONAL LEARNING CENTER IS NOT CONTEMPLATED IN AN EXISTING MEMORANDUM OF UNDERSTANDING, THE MULTI-DISTRICT PROGRAM SHALL PROVIDE NOTICE TO THE SCHOOL DISTRICT OF THE MULTI-DISTRICT PROGRAM'S INTENTION TO OPERATE AN ADDITIONAL LEARNING CENTER. THE NOTICE SHALL INCLUDE THE STANDARD MOU FORM.

(b) UPON RECEIVING NOTICE FROM A MULTI-DISTRICT PROGRAM AS

DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (4), THE SCHOOL DISTRICT SHALL DECIDE WHETHER TO SEEK TO CRAFT A NEW MEMORANDUM OF UNDERSTANDING WITH THE MULTI-DISTRICT PROGRAM, AND THE SCHOOL DISTRICT SHALL NOTIFY THE MULTI-DISTRICT PROGRAM OF THE SCHOOL DISTRICT'S DECISION WITHIN THIRTY DAYS AFTER RECEIVING THE NOTICE DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (4).

(c) (I) IF THE MULTI-DISTRICT PROGRAM RECEIVES NOTICE WITHIN THIRTY DAYS THAT THE SCHOOL DISTRICT HAS DECIDED TO SEEK TO CRAFT A NEW MEMORANDUM OF UNDERSTANDING, THE MULTI-DISTRICT PROGRAM AND THE SCHOOL DISTRICT SHALL SEEK TO CRAFT A NEW MEMORANDUM OF UNDERSTANDING PURSUANT TO THE PROVISIONS OF THIS SECTION.

(II) IF THE MULTI-DISTRICT PROGRAM DOES NOT RECEIVE NOTICE WITHIN THIRTY DAYS AFTER THE SCHOOL DISTRICT'S DECISION, OR THE MULTI-DISTRICT PROGRAM RECEIVES NOTICE THAT THE SCHOOL DISTRICT HAS DECIDED NOT TO SEEK TO CRAFT A NEW MEMORANDUM OF UNDERSTANDING, THE MULTI-DISTRICT PROGRAM MAY BEGIN TO OPERATE THE ADDITIONAL LEARNING CENTER.

(5) ON OR BEFORE OCTOBER 1, 2007, THE STATE BOARD SHALL APPROVE THE STANDARD MOU FORM, WHICH SHALL, AT A MINIMUM, INCLUDE THE INFORMATION SPECIFIED IN PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION. THE STANDARD MOU FORM APPROVED BY THE STATE BOARD SHALL BE BASED ON THE STANDARD MOU FORM RECOMMENDED BY THE ON-LINE DIVISION PURSUANT TO SECTION 22-30.7-103 (3) (d).

(6) (a) ON OR BEFORE JANUARY 1, 2008, THE STATE BOARD SHALL PROMULGATE RULES ESTABLISHING PROCEDURES AND TIMELINES BY WHICH A MULTI-DISTRICT PROGRAM MAY APPEAL TO THE STATE BOARD A DECISION BY A SCHOOL DISTRICT TO REFUSE TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE MULTI-DISTRICT PROGRAM FOR THE OPERATION OF A LEARNING CENTER WITHIN THE SCHOOL DISTRICT.

(b) IF THE STATE BOARD DETERMINES THAT A SCHOOL BOARD'S DECISION TO REFUSE TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WAS CONTRARY TO THE BEST INTERESTS OF THE PUPILS, PARENTS, COMMUNITY, OR SCHOOL DISTRICT, THE STATE BOARD SHALL ISSUE AN ORDER DIRECTING THE SCHOOL DISTRICT TO ENTER INTO A FINAL MEMORANDUM OF UNDERSTANDING WITH THE MULTI-DISTRICT PROGRAM

REGARDING THE PLACEMENT OF ONE OR MORE LEARNING CENTERS WITHIN THE SCHOOL DISTRICT AND TO USE THE STANDARD MOU FORM PROVIDED WITH THE NOTICE PURSUANT TO PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION AS THE BASIS FOR THE FINAL MEMORANDUM OF UNDERSTANDING.

(c) UPON RECEIVING NOTICE FROM A MULTI-DISTRICT PROGRAM THAT THE MULTI-DISTRICT PROGRAM IS APPEALING A DECISION BY A SCHOOL DISTRICT TO REFUSE TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE MULTI-DISTRICT PROGRAM, THE STATE BOARD SHALL RESOLVE THE DISPUTE WITHIN FORTY-FIVE DAYS BY EITHER AFFIRMING THE SCHOOL DISTRICT'S DECISION OR ISSUING AN ORDER DIRECTING THE SCHOOL DISTRICT TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE MULTI-DISTRICT PROGRAM, AS DESCRIBED IN PARAGRAPH (b) OF THIS SUBSECTION (6).

(7) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE CONTRARY, A MULTI-DISTRICT PROGRAM THAT OPERATES ONE OR MORE LEARNING CENTERS WITHIN A SCHOOL DISTRICT AS OF JANUARY 1, 2007, MAY CONTINUE TO OPERATE LEARNING CENTERS WITHIN THE SCHOOL DISTRICT UNTIL AUGUST 1, 2008, WITHOUT ENTERING INTO A MEMORANDUM OF UNDERSTANDING WITH THE SCHOOL DISTRICT. A MULTI-DISTRICT PROGRAM THAT OPERATES ONE OR MORE LEARNING CENTERS WITHIN A SCHOOL DISTRICT AS OF JANUARY 1, 2007, SHALL PROVIDE NOTIFICATION TO THE SCHOOL DISTRICT ON OR BEFORE SEPTEMBER 1, 2007, OF ANY LEARNING CENTERS BEING OPERATED BY THE MULTI-DISTRICT PROGRAM WITHIN THE SCHOOL DISTRICT. THE NOTICE SHALL INCLUDE THE INFORMATION DESCRIBED IN SUBPARAGRAPHS (I) THROUGH (VIII) OF PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION.

SECTION 2. Repeal. 22-33-104.6, Colorado Revised Statutes, is repealed.

SECTION 3. 2-3-1203 (3) (v), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

2-3-1203. Sunset review of advisory committees. (3) The following dates are the dates for which the statutory authorization for the designated advisory committees is scheduled for repeal:

(v) July 1, 2009:

(III) THE ON-LINE LEARNING ADVISORY BOARD, CREATED PURSUANT TO SECTION 22-30.7-104, C.R.S.

SECTION 4. 24-1-115, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

24-1-115. Department of education - creation. (10) THE DEPARTMENT OF EDUCATION SHALL INCLUDE THE DIVISION OF ON-LINE LEARNING ESTABLISHED IN SECTION 22-30.7-103, C.R.S., AND ITS POWERS, DUTIES, AND FUNCTIONS, AS IF THE DIVISION WERE TRANSFERRED BY A **TYPE 2** TRANSFER TO THE DEPARTMENT OF EDUCATION.

SECTION 5. 22-2-106 (1), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

22-2-106. State board - duties - repeal. (1) It is the duty of the state board:

(f.9) (I) TO PROMULGATE RULES ON OR BEFORE JULY 1, 2008, DEFINING THE PHRASE "COMPLETE EDUCATIONAL PROGRAM" FOR PURPOSES OF SECTION 22-32-109 (2).

(II) THIS PARAGRAPH (f.9) IS REPEALED, EFFECTIVE JULY 2, 2008.

SECTION 6. 22-30.5-103 (6), Colorado Revised Statutes, is amended to read:

22-30.5-103. Definitions. As used in this part 1, unless the context otherwise requires:

(6) "On-line pupil" means:

(a) FOR THE 2007-08 BUDGET YEAR, a child who receives educational services predominantly through an on-line program created pursuant to ~~section 22-33-104.6~~ ARTICLE 30.7 OF THIS TITLE.

(b) FOR THE 2008-09 BUDGET YEAR, AND FOR EACH BUDGET YEAR THEREAFTER, MEANS A CHILD WHO RECEIVES EDUCATIONAL SERVICES PREDOMINANTLY THROUGH A MULTI-DISTRICT PROGRAM, AS DEFINED IN SECTION 22-30.7-102 (6), CREATED PURSUANT TO ARTICLE 30.7 OF THIS

TITLE.

SECTION 7. 22-54-103 (8.5) and (10) (a) (II), Colorado Revised Statutes, are amended to read:

22-54-103. Definitions. As used in this article, unless the context otherwise requires:

(8.5) (a) "On-line pupil enrollment" means:

(I) FOR THE 2007-08 BUDGET YEAR, the number of pupils, on October 1 within the applicable budget year or the school day nearest said date, enrolled in, attending, and actively participating in, an on-line program created pursuant to ~~section 22-33-104.6 by the district or by a charter school chartered by the district~~ ARTICLE 30.7 OF THIS TITLE, minus any such pupils who were enrolled in any such on-line programs for the 2001-02 school year. In addition, "on-line pupil enrollment" means the number of pupils who meet the requirements specified in section ~~22-33-104.6 (4) (a)~~ 22-30.7-107 (1) and transfer to an on-line program after October 1 of a school year.

(II) FOR THE 2008-09 BUDGET YEAR, AND FOR BUDGET YEARS THEREAFTER, THE NUMBER OF PUPILS, ON OCTOBER 1 WITHIN THE APPLICABLE BUDGET YEAR OR THE SCHOOL DAY NEAREST SAID DATE, ENROLLED IN, ATTENDING, AND ACTIVELY PARTICIPATING IN, A MULTI-DISTRICT PROGRAM, AS DEFINED IN SECTION 22-30.7-102 (6), CREATED PURSUANT TO ARTICLE 30.7 OF THIS TITLE.

(b) For budget years beginning on or after July 1, 2004, a district's on-line pupil enrollment shall include the certified on-line pupil enrollment of each operating institute charter school for which the district is the accounting district. The department of education shall add the institute charter school's certified on-line pupil enrollment to the on-line pupil enrollment of the district prior to calculating the district's total program pursuant to section 22-54-104.

(10) (a) (II) "Pupil enrollment" shall include:

(A) FOR THE 2007-08 BUDGET YEAR, a pupil who was enrolled during the 2001-02 school year in an on-line program authorized pursuant

to section 22-33-104.6, AS IT EXISTED PRIOR TO JULY 1, 2007, and who is enrolled and participates in any such on-line program on October 1 within the applicable budget year or the school day nearest said date.

(B) FOR THE 2008-09 BUDGET YEAR, AND FOR BUDGET YEARS THEREAFTER, A PUPIL WHO IS ENROLLED IN, ATTENDING, AND ACTIVELY PARTICIPATING IN A SINGLE-DISTRICT ON-LINE PROGRAM OPERATED PURSUANT TO ARTICLE 30.7 OF THIS TITLE.

SECTION 8. 22-30.5-112.1 (1) (k), Colorado Revised Statutes, is amended to read:

22-30.5-112.1. Charter schools - exclusive jurisdiction districts - authorized on or after July 1, 2004 - financing. (1) As used in this section, unless the context otherwise requires:

(k) "On-line pupil enrollment" means:

(I) FOR THE 2007-08 BUDGET YEAR, the number of pupils, on October 1 within the applicable budget year or the school day nearest said date, enrolled in, attending, and actively participating in an on-line program created pursuant to ~~section 22-33-104.6~~ ARTICLE 30.7 OF THIS TITLE by the district charter school, which pupils meet the requirements specified in section ~~22-33-104.6(4)~~(a) 22-30.7-107 (1) (a) or are exempt pursuant to rules adopted by the state board pursuant to section ~~22-33-104.6(7)~~ 22-30.7-107 (1) (c).

(II) FOR THE 2008-09 BUDGET YEAR, AND FOR BUDGET YEARS THEREAFTER, THE NUMBER OF PUPILS, ON OCTOBER 1 WITHIN THE APPLICABLE BUDGET YEAR OR THE SCHOOL DAY NEAREST SAID DATE, ENROLLED IN, ATTENDING, AND ACTIVELY PARTICIPATING IN A MULTI-DISTRICT PROGRAM, AS DEFINED IN SECTION 22-30.7-102 (6), CREATED PURSUANT TO ARTICLE 30.7 OF THIS TITLE, BY THE DISTRICT CHARTER SCHOOL.

SECTION 9. 22-30.5-513 (1) (j), Colorado Revised Statutes, is amended to read:

22-30.5-513. Institute charter schools - funding - repeal. (1) As used in this section, unless the context otherwise requires:

(j) "On-line pupil enrollment" means:

(I) FOR THE 2007-08 BUDGET YEAR, the number of pupils, on October 1 within the applicable budget year or the school day nearest said date, enrolled in, attending, and actively participating in an on-line program created pursuant to ~~section 22-33-104.6~~ ARTICLE 30.7 OF THIS TITLE by the institute charter school, which pupils meet the requirements specified in section ~~22-33-104.6 (4) (a)~~ 22-30.7-107 (1) (a) or are exempt pursuant to rules adopted by the state board pursuant to section ~~22-33-104.6 (7)~~ 22-30.7-107 (1) (c).

(II) FOR THE 2008-09 BUDGET YEARS, AND FOR BUDGET YEARS THEREAFTER, THE NUMBER OF PUPILS, ON OCTOBER 1 WITHIN THE APPLICABLE BUDGET YEAR OR THE SCHOOL DAY NEAREST SAID DATE, ENROLLED IN, ATTENDING, AND ACTIVELY PARTICIPATING IN MULTI-DISTRICT PROGRAM, AS DEFINED IN SECTION 22-30.7-102 (6), CREATED PURSUANT TO SECTION ARTICLE 30.7 OF THIS TITLE BY THE INSTITUTE CHARTER SCHOOL.

SECTION 10. 22-2-114.1 (3) (a), Colorado Revised Statutes, is amended to read:

22-2-114.1. Dropout rates - collection of data on grades seven through twelve and development of plans. (3) (a) For the purposes of school district record keeping and counting pursuant to this section, a "dropout" means a person who is the subject of notification to a school or school district that such person has left or will leave school for any reason, or such person has been absent from class for six consecutive weeks or more in any one school year, except for reasons of expulsion, excused long-term illness, or death, before completion of a high school diploma or its equivalent and who does not transfer to another public or private school or enroll in an approved home study program or in an on-line program pursuant to ~~section 22-33-104.6~~ ARTICLE 30.7 OF THIS TITLE. Students who are in attendance in an educational program at the end of such school year shall not be reported as dropouts by the school district to the department.

SECTION 11. 22-20-109 (4) (a), (5) (a), and (6), Colorado Revised Statutes, are amended to read:

22-20-109. Tuition - repeal. (4) (a) When a child with a disability enrolls and attends a school in a district other than the child's district of

residence pursuant to the provisions of section 22-36-101, and the school does not provide the child an on-line program pursuant to ~~section 22-33-104.6~~ ARTICLE 30.7 OF THIS TITLE, the district of residence shall be responsible for paying the tuition charge for educating the child to the district of attendance. The district of attendance shall not charge the district of residence tuition for the excess costs incurred in educating a child with a disability unless the child meets the criteria for funding pursuant to section 22-20-114 (1) (c) (II). The district of attendance shall provide notice to the district of residence in accordance with state board rules adopted pursuant to paragraph (b) of this subsection (4) when a child with a disability applies to enroll in a school in the district of attendance. The amount of the tuition charge shall be determined pursuant to a contract entered into between the two districts pursuant to subsection (1) of this section. Under the circumstances described in this subsection (4), the provisions of section 22-20-108 (8) shall not apply.

(5) (a) When a child with a disability enrolls in and attends a district charter school pursuant to the provisions of part 1 of article 30.5 of this title or an institute charter school pursuant to part 5 of article 30.5 of this title, including a district or institute charter school that provides an on-line program pursuant to ~~section 22-33-104.6~~ ARTICLE 30.7 OF THIS TITLE, the district of residence shall be responsible for paying to the district or institute charter school the tuition charge for the excess costs incurred in educating the child. The district or institute charter school shall not charge the district of residence tuition for the excess costs incurred in educating a child with a disability unless the child meets the criteria for funding pursuant to section 22-20-114 (1) (c) (II). The tuition responsibility shall be reflected in a contract between the district or institute charter school and the district of residence in a form approved by the chartering district. The district or institute charter school shall provide notice to the district of residence in accordance with state board rules adopted pursuant to subsection (7) of this section when a child with a disability applies to enroll in the district or institute charter school. The amount of the tuition charge shall be determined pursuant to rules adopted by the state board pursuant to subsection (7) of this section. Under the circumstances described in this subsection (5), the provisions of section 22-20-108 (8) shall not apply.

(6) When a child with a disability enrolls in and attends an on-line program pursuant to ~~section 22-33-104.6~~ ARTICLE 30.7 OF THIS TITLE that is not provided by a district or institute charter school, the district of

residence shall be responsible for paying to the provider of the on-line program the tuition charge for the excess costs incurred in educating the child. The provider of the on-line program shall not charge the district of residence tuition for the excess costs incurred in educating a child with a disability who receives educational services from the provider of the on-line program unless the child meets the criteria for funding pursuant to section 22-20-114 (1) (c) (II). The tuition responsibility shall be reflected in a contract between the district of attendance and the district of residence in a form approved by the state board. The on-line provider shall provide notice to the district of residence in accordance with state board rules adopted pursuant to subsection (7) of this section when a child with a disability applies to enroll in the on-line program. The amount of the tuition charge shall be determined pursuant to rules adopted by the state board pursuant to subsection (7) of this section. Under the circumstances described in this subsection (6), the provisions of section 22-20-108 (8) shall not apply.

SECTION 12. 22-30.5-104 (8), Colorado Revised Statutes, is amended to read:

22-30.5-104. Charter school - requirements - authority. (8) A charter school shall be authorized to offer any educational program, including but not limited to an on-line program pursuant to ~~section 22-33-104.6~~ ARTICLE 30.7 OF THIS TITLE, that may be offered by a school district and that is research-based and has been proven to be effective, unless expressly prohibited by state law.

SECTION 13. 22-30.5-502 (9), Colorado Revised Statutes, is amended to read:

22-30.5-502. Definitions. As used in this part 5, unless the context otherwise requires:

(9) "On-line pupil" means:

(a) FOR THE 2007-08 BUDGET YEAR, a child who receives educational services predominantly through an on-line program created pursuant to ~~section 22-33-104.6~~ ARTICLE 30.7 OF THIS TITLE;

(b) FOR THE 2008-09 BUDGET YEAR, AND FOR EACH BUDGET YEAR

THEREAFTER, A CHILD WHO RECEIVES EDUCATIONAL SERVICES PREDOMINANTLY THROUGH A MULTI-DISTRICT PROGRAM, AS DEFINED IN SECTION 22-30.7-102 (6), CREATED PURSUANT TO ARTICLE 30.7 OF THIS TITLE.

SECTION 14. 22-30.5-507 (9), Colorado Revised Statutes, is amended to read:

22-30.5-507. Institute charter school - requirements - authority.

(9) An institute charter school is authorized to offer any educational program, including but not limited to an on-line program pursuant to ~~section 22-33-104.6~~ ARTICLE 30.7 OF THIS TITLE, that may be offered by a school district, unless expressly prohibited by its charter contract or by state law.

SECTION 15. 22-33-104 (1) (c), Colorado Revised Statutes, as it will become effective July 1, 2007, is amended to read:

22-33-104. Compulsory school attendance. (1)(c) A student who participates in an on-line program pursuant to the provisions of ~~section 22-33-104.6~~ ARTICLE 30.7 OF THIS TITLE shall be deemed to attend school in accordance with the requirements of this subsection (1).

SECTION 16. 22-33-105 (5) (a), Colorado Revised Statutes, is amended to read:

22-33-105. Suspension, expulsion, and denial of admission.

(5) (a) Whenever a petition filed in juvenile court alleges that a child at least twelve years of age but under eighteen years of age has committed an offense that would constitute unlawful sexual behavior, as defined in section 16-22-102 (9), C.R.S., or a crime of violence, as defined in section 18-1.3-406, C.R.S., if committed by an adult or whenever charges filed in district court allege that a child has committed such an offense, basic identification information concerning such child and the details of the alleged delinquent act or offense shall be provided immediately to the school district in which the child is enrolled in accordance with the provisions of section 19-1-304 (5), C.R.S. Upon receipt of such information, the board of education of the school district or its designee shall determine whether the student has exhibited behavior that is detrimental to the safety, welfare, and morals of the other students or of school personnel in the school and whether educating the student in the

school may disrupt the learning environment in the school, provide a negative example for other students, or create a dangerous and unsafe environment for students, teachers, and other school personnel. The determination may be made in executive session to the extent allowed by section 24-6-402 (4) (h), C.R.S. If the board of education or its designee, in accordance with the provisions of this subsection (5), makes a determination that the student should not be educated in the school, it may proceed with suspension or expulsion in accordance with subsection (2) of this section and section 22-33-106. Alternatively, the board of education or its designee may determine that it will wait until the conclusion of the juvenile proceedings to consider the expulsion matter, in which case it shall be the responsibility of the district to provide the student with an appropriate alternate education program, including but not limited to an on-line program authorized pursuant to ~~section 22-33-104.6~~ ARTICLE 30.7 OF THIS TITLE, or a home-based education program during the period pending the resolution of the juvenile proceedings. Information made available to the school district and not otherwise available to the public pursuant to the provisions of section 19-1-304, C.R.S., shall remain confidential.

SECTION 17. 22-30.5-112 (2) (a.5) (II.5), Colorado Revised Statutes, is amended to read:

22-30.5-112. Charter schools - financing - guidelines. (2) (a.5) As used in this subsection (2):

(II.5) "District per pupil on-line funding" means ~~the minimum per pupil~~ A SCHOOL DISTRICT'S ON-LINE funding, as ~~defined~~ SPECIFIED in section ~~22-54-104(3.5)~~ 22-54-104 (4.5), DIVIDED BY THE DISTRICT'S ON-LINE PUPIL ENROLLMENT for any budget year.

SECTION 18. 22-30.5-112.1 (1) (i), Colorado Revised Statutes, is amended to read:

22-30.5-112.1. Charter schools - exclusive jurisdiction districts - authorized on or after July 1, 2004 - financing. (1) As used in this section, unless the context otherwise requires:

(i) "District per pupil on-line funding" means ~~the minimum per pupil~~ A SCHOOL DISTRICT'S ON-LINE funding, as ~~defined~~ SPECIFIED in section

~~22-54-104(3.5)~~ 22-54-104 (4.5), DIVIDED BY THE DISTRICT'S ON-LINE PUPIL ENROLLMENT for any budget year.

SECTION 19. 22-30.5-112 (2) (a.7), Colorado Revised Statutes, is amended to read:

22-30.5-112. Charter schools - financing - guidelines.

(2) (a.7) For the 2000-01 budget year and budget years thereafter, each charter school shall annually allocate the minimum per pupil dollar amount specified in section 22-54-105 (2) (b), multiplied by the number of students enrolled in the charter school who are not ~~on-line pupils~~ STUDENTS ENROLLED IN AN ON-LINE PROGRAM, AS DEFINED IN SECTION 22-30.7-102 (9), to a fund created by the charter school for capital reserve purposes, as set forth in section 22-45-103 (1) (c) and (1) (e), or solely for the management of risk-related activities, as identified in section 24-10-115, C.R.S., and article 13 of title 29, C.R.S., or among such allowable funds. Said moneys shall be used for the purposes set forth in section 22-45-103 (1) (c) and (1) (e) and may not be expended by the charter school for any other purpose.

SECTION 20. 22-30.5-112.3 (1) (a.7) (II), Colorado Revised Statutes, is amended to read:

22-30.5-112.3. Charter schools - additional aid from district.

(1) (a.7) (II) As used in this paragraph (a.7), "pupils" means pupils, other than ~~on-line pupils~~ PUPILS ENROLLED IN AN ON-LINE PROGRAM, AS DEFINED IN SECTION 22-30.7-102 (9), WHO ARE enrolled in a charter school.

SECTION 21. 22-30.5-513 (1) (g), Colorado Revised Statutes, is amended to read:

22-30.5-513. Institute charter schools - funding - repeal. (1) As

used in this section, unless the context otherwise requires:

(g) "Accounting district's per pupil on-line funding" means ~~the minimum per pupil funding, as defined in section 22-54-104 (3.5)~~, ON-LINE FUNDING, AS SPECIFIED IN SECTION 22-54-104 (4.5), for any budget year.

SECTION 22. 22-30.5-514 (1) and (2), Colorado Revised Statutes, are amended to read:

22-30.5-514. Institute charter school - capital reserve, risk management, and instructional purposes. (1) For the 2004-05 budget year and budget years thereafter, each institute charter school shall annually allocate the minimum per pupil dollar amount specified in section 22-54-105 (2) (b), multiplied by the number of students enrolled in the institute charter school who are not ~~on-line pupils~~ STUDENTS ENROLLED IN AN ON-LINE PROGRAM, AS DEFINED IN SECTION 22-30.7-102 (9), to a fund created by the institute charter school for capital reserve purposes, as set forth in section 22-45-103 (1) (c) and (1) (e), or solely for the management of risk-related activities, as identified in section 24-10-115, C.R.S., and article 13 of title 29, C.R.S., or among such allowable funds. Said moneys shall be used for the purposes set forth in section 22-45-103 (1) (c) and (1) (e) and may not be expended by the institute charter school for any other purpose.

(2) For the 2004-05 budget year and budget years thereafter, each institute charter school shall annually allocate the minimum per pupil dollar amount specified in section 22-54-105 (1) (b), multiplied by the number of students enrolled in the institute charter school who are not ~~on-line pupils~~ STUDENTS ENROLLED IN AN ON-LINE PROGRAM, AS DEFINED IN SECTION 22-30.7-102 (9), to accounts created by the institute charter school for instructional supplies and materials, instructional capital outlays, or other instructional purposes, as set forth in section 22-45-103 (1) (a) (II), or among such accounts. Moneys may be transferred among the three accounts. The moneys in the accounts shall be used for the purposes set forth in section 22-45-103 (1) (a) (II) and may not be expended by the institute charter school for any other purpose. Any moneys in the accounts that are not projected to be expended during a budget year shall be budgeted for the purposes set forth in section 22-45-103 (1) (a) (II) in the next budget year. Nothing in this subsection (2) shall be construed to require that interest on moneys in the accounts be specifically allocated to the accounts.

SECTION 23. 22-30.5-515 (1) (b), Colorado Revised Statutes, is amended to read:

22-30.5-515. Institute charter school - additional aid. (1) (b) As used in this subsection (1), "pupils" means pupils other than ~~on-line~~ pupils ENROLLED IN AN ON-LINE PROGRAM, AS DEFINED IN SECTION 22-30.7-102 (9), WHO ARE enrolled in a qualified charter school.

SECTION 24. Appropriation. (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the on-line education cash fund created in section 22-30.7-107 (4) (a), Colorado Revised Statutes, not otherwise appropriated, to the department of education, for allocation to the division of on-line learning, for the fiscal year beginning July 1, 2007, the sum of four hundred eighteen thousand eight hundred sixty-one dollars (\$418,861) and 3.5 FTE, or so much thereof as may be necessary, for the implementation of this act.

(2) In addition to any other appropriation, there is hereby appropriated to the department of law, for the fiscal year beginning July 1, 2007, the sum of thirty thousand four hundred ninety-seven dollars (\$30,497), or so much thereof as may be necessary, for the provision of legal services to the department of education related to the implementation of this act. Said sum shall be from cash funds exempt received from the department of education out of the appropriation made in subsection (1) of this section.

SECTION 25. Effective date. This act shall take effect July 1, 2007.

SECTION 26. 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.

Joan Fitz-Gerald
PRESIDENT OF
THE SENATE

Andrew Romanoff
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Karen Goldman
SECRETARY OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED _____

Bill Ritter, Jr.
GOVERNOR OF THE STATE OF COLORADO