RESOLUTION 2014-37 SUPPORT OF LITIGATION REGARDING THE INTERPRETATION OF AMENDMENT 23 AND THE NEGATIVE FACTOR

WHEREAS, the Colorado School Finance Act, ("the Act") passed in 1994, and was designed to ensure that every student in Colorado has educational opportunities regardless of where the student lives, Colorado's Act has included both a base amount of per pupil funding and an additional amount based on "factors" to account for unique local conditions and help equalize total per pupil funding across school districts; and

WHEREAS, the factors funded through Colorado's school finance formula address significant variables, including district size, personnel costs, cost of living, and number of at-risk students in a district; and

WHEREAS, in 2000, when Colorado voters passed Amendment 23, the constitutional provision was intended to help Colorado catch up to 1988 funding levels and then to maintain funding at that level, by requiring state K-12 funding to increase by inflation plus 1% from 2001 through 2011 and thereafter by inflation; and

WHEREAS, Amendment 23 earmarked .33 percent of Colorado's income tax for deposit into the "State Education Fund," but also required the legislature to increase its general fund spending on K-12 by at least five percent each fiscal year before it could dip into the State Education Fund to meet the amendment's inflation requirement; and

WHEREAS despite that protection, the legislature used the State Education Fund to balance the budget when state revenues dropped in the early part of the last decade; and

WHEREAS, in 2009, the legislature reinterpreted Amendment 23 to apply only to base per pupil funding, but not to the factors (variables) such as size, cost of living and number of at-risk students in a district through the establishment of a new negative factor deemed "budget stabilization" to make across-the-board cuts to education spending; and

WHEREAS, in enacting the budget stabilization factor, and then the negative factor, the legislature clearly acted in contravention of the clear intent of the voters of Colorado; and

WHEREAS, with the negative factor as a constant, all districts suffer since, to date, the negative factor has reduced school finance spending by more than \$1 billion or 15.49% below Amendment 23's requirements; and

WHEREAS, without the negative factor, the Act would have provided District 11 with an additional 12.94% (\$28,595,325) in the 2011-12 school year, an additional 16.09% (\$37,322501) in the 2012-13 school year, and an additional 15.49% (\$36,268,184) in the 2013-2014 school year; and

WHEREAS, for the 2014 legislative session, the District 11 Board of Education called upon the Colorado General Assembly to honor the intent and language of Amendment 23 by making its highest priority to immediately eliminate the negative factor in K-12 public education funding and restore funds lost due to its use to date; and

WHEREAS, state revenues are increasing and the legislature has failed to adopt any long term plan to address the negative factor; and

WHEREAS, even as they continue to reduce funding, the legislature has passed multiple significant reform efforts, including but not limited to the Preschool to Postsecondary Education Alignment Act (CAP4K) (Senate Bill 08-212), the Education Accountability Act of 2009 (Senate Bill 09-163), the Educator Effectiveness Law (Senate Bill 10-191) and the Colorado READ Act (House Bill 12-1238); and

WHEREAS, these laws impose additional obligations on school districts while reduced state funding negatively impacts local school districts' ability to implement existing education reforms;

NOW, THEREFORE, BE IT RESOLVED that the District 11 Board of Education agrees to participate as a Plaintiff in the litigation against the State of Colorado to require the State to comply with the clear terms of Amendment 23 and the clear voter intent of Amendment 23, and eliminate the negative factor, replenish the funding lost through the negative factor, and fully comply with Amendment 23, as dated this 14th day of May, 2014.

Dr. Nicholas M. Gledich

Superintendent

ATTEST:

nn Long, President

Elaine Naleski, Vice President

Nora Brown, Treasurer

Secretary to the Board of Education

Bob-Null, Director

Janet/Tanner, Director