



Joint Budget Committee

H.B. 24-1448
School Finance Formula
Sustainability Plan

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February 19, 2026

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Overview

H.B. 24-1448 (New Public School Finance Formula) requires the Joint Budget Committee to monitor the fiscal impact of new formula during the phase-in period and develop a sustainability plan that makes finding and recommendations on how to fully fund total program determinations calculated pursuant to the new formula.

Section 22-54-103.3 (4) states:

“For the 2024-25 budget year through the 2029-30 budget year, the joint budget committee shall monitor the fiscal impact of the district total program determinations pursuant to this section and the fiscal impact of the transition to the total program formula pursuant to section 22-54-103.5. At a minimum, the joint budget committee shall consider immediate and forecasted economic conditions, the impact or trend of the statewide total local share of total program funding, the impact or trend of the state education fund, and any other data-driven considerations necessary to ensure the sustainable transition to and implementation of a new total program formula. The joint budget committee and the general assembly may take action necessary to ensure the sustainable transition to and implementation of a new total program formula. On or after January 1, 2025, when the department of education makes mid-year adjustments, the joint budget committee shall develop a sustainability plan that makes findings and recommendations regarding how the general assembly can fully fund total program determinations pursuant to sections 22-54-103.3 and 22-54-103.5. On or after January 1, 2026, and on or after January 1 each year thereafter, when the department of education makes mid-year adjustments, the joint budget committee shall review the sustainability plan and update it as necessary.”

Findings and Recommendations

Staff examined five scenarios including different cost reduction components in order to grasp the magnitude of General Fund increases required under each while keeping the balance of the State Education Fund (SEF) at or above \$100.0 million. The table below summarizes the average annual General Fund increase and lowest SEF ending balance under each scenario. All scenarios assume a \$50.0 million General Fund increase for FY 2026-27, as requested by the Governor and recommended by staff.

Scenario Summary Comparison

| Scenario | Description | Avg GF Increase (\$ millions) | Avg GF Increase (%) | Lowest Ending SEF Balance |
|----------|---|-------------------------------|---------------------|---------------------------|
| 1 | Current law | \$171.4 | 3.1% | \$100.0 |
| 2 | 6-year timeline, take SOT, 2-year averaging starting FY28 | \$158.3 | 2.9% | \$348.9 |
| 3 | 6-year timeline, take SOT, continue 3-year averaging | \$158.3 | 2.9% | \$286.2 |
| 4 | Current law timeline, no extra SOT, 1-year pause FY28 | \$144.5 | 2.7% | \$100.0 |
| 5 | Current law timeline, no extra SOT, 2-year averaging FY28 | \$157.5 | 2.9% | \$100.0 |

Staff finds that:

- Implementing the school finance formula pursuant to current law (Scenario 1) requires the largest average General Fund increase (3.1 percent) while running the SEF balance down to \$100.0.
- The two scenarios that include a policy change to count all specific ownership tax (SOT) toward local share (Scenarios 2 and 3) require General Fund increases below 3.0 percent while leaving a comfortable balance in the SEF. Based on these projections, staff believes the Governor’s proposed timeline and SOT changes in R1/BA1 could possibly be implemented without a switch to two-year averaging in FY 2027-28. See the accompanying Department of Education – School Finance figure setting document for a detailed description of the Governor’s proposal.
- Scenarios 4 and 5 demonstrate how either a 1-year implementation pause or switching to 2-year averaging in FY 2027-28 while otherwise adhering to current law would be more affordable than Scenario 1. These scenarios do not include policy changes to increase the SOT counted toward local share.

All five scenarios include General Fund increases that are less than historical averages. However, the State’s overall budget situation has significantly deteriorated since H.B. 24-1448 (New Public School Finance Formula) and H.B. 25-1320 (School Finance Act) were passed. Modeling by the Joint Budget Committee Staff Director shows that **under current budget and economic expectations, and incorporating the current law scenario for school finance, the State’s General Fund reserve will be negative by FY 2029-30.** A recession scenario would accelerate the depletion of the reserve. A memo with those findings is scheduled to be released after the time of this presentation.

In staff’s opinion, the General Assembly should assume that implementing the new school finance formula pursuant to current law will not be sustainable unless the outlook for the rest of the budget improves significantly. Staff recommends the General Assembly pass legislation to implement one or more cost reduction components during the 2026 legislative session. The need for school finance formula savings does not become crucial until FY 2027-28. However, making changes sooner rather than later will allow school districts more time to adjust their budgets.

Discussion

The General Assembly has historically increased the General Fund contribution for the State Share of Districts’ Total Program Fund each year, doing so in 10 of the last 13 years. The General Fund contribution grew by an average of 4.2 percent from FY 2012-13 to FY 2022-23 before being held constant for two years due to the historically high balance in the State Education Fund and large increases in local share. It was then increased by \$150.0 million for FY 2025-26 and is requested/recommended to increase by \$50.0 million for FY 2026-27.

The General Fund appropriation will have to grow significantly in future years under any of these scenarios for the State Education Fund to remain solvent. The scenarios examined in this document target a \$100.0 million ending SEF balance in FY 2029-30, which is the absolute lowest balance staff would recommend. Deposits into the SEF (including the Kids Matter Account) are expected to average \$1.3 billion in FY 2025-26 through FY 2027-28, while expenditures/transfers out of the SEF are estimated at \$1.6 billion annually for that period. Therefore, a \$100 million ending balance equates to about 7.7 percent of deposits or 6.4 percent of expenditures.

There is no conclusive threshold for defining a “sustainable transition to and implementation of” the new school finance formula. Absent other budgetary pressures, staff would suggest that General Fund increases up to 4.0

percent could be sustainable. The Governor’s R1/BA1 proposal identifies General Fund placeholders averaging \$158.3, or just under 3.0 percent for FY 2027-28 through FY 2029-30. While the General Assembly has the ability to prioritize implementation of the new school finance formula by cutting or limiting expenditures in other areas of the budget, the Joint Budget Committee is already considering extremely difficult and complicated budget balancing options to correct the structural budget deficit.

Scenarios

The following scenarios were prepared in partnership with Legislative Council Staff (LCS) using data from their December 2025 economic and revenue forecast. All five scenarios incorporate a requested/recommended General Fund increase of \$50.0 million for FY 2026-27 and use the following assumptions:

- Expenditures for categorical programs are based on LCS inflation forecasts and include an extra \$7.7 million in FY 2026-27 and \$5.0 million in later years as a rough placeholder for expenditures above the annual Amendment 23 increase. Those expenditures are likely to occur absent a statutory change to required inflationary increases specific to special education or offsetting reductions to other categorical programs. See the accompanying figure setting document for additional details on categorical program costs.
- “Other spending” from the SEF is based on current law expenditures, transfers into program cash funds, and staff recommendation for FY 2026-27. See *Appendix A* for a detailed list.
- Deposits include a recommended \$31.0 million transfer *in* related to payback from the Healthy School Meals for All (HSMA) program for previous SEF expenditures. Expenditures include H.B. 25-1274 transfers *out* of the SEF to the HSMA Cash Fund pursuant to current law. These items net to a negative \$4.4 million over the forecast period.

The scenarios attempt to demonstrate different combinations of cost-savings measures for implementation of the new school finance formula that are currently proposed or have been considered. The cost/savings of each component is as follows:

- A switch from 3-year to 2-year averaging starting in FY 2027-28 saves around \$49.0 million per year.
- A 1-year implementation pause in FY 2027-28 saves around \$77.0 million per year. Additional savings could be realized by pushing out scheduled changes related to hold harmless provisions.
- The cost of speeding up implementation by 5 percent per year is about \$26.4 million annually.
- Proposed changes to how SOT is counted toward local share results in state share savings of \$97.0 million in FY 2027-28, \$195.3 million in FY 2028-29, and \$196.4 million in FY 2029-30 under LCS projections.

Scenario 1: Current Law (Long Bill Recommendation)

The staff figure setting recommendation for the Long Bill is based on current law implementation of the new school finance formula. Staff recommends a \$50.0 million General Fund increase for the state share, consistent with the Governor’s budget request. This scenario is the least affordable of the five examined in this document and is unlikely be sustained with the State’s current budget outlook.

Scenario 1: Current Law

| Item | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Total Program | \$9,998.1 | \$10,182.4 | \$10,383.3 | \$10,640.4 | \$10,919.1 |
| Funded Pupil Count | 841,862 | 827,582 | 818,965 | 813,379 | 808,906 |
| <i>% chg in Funded Pupil Count</i> | -1.4% | -1.7% | -1.0% | -0.7% | -0.5% |
| Avg per pupil revenue | \$11,876 | \$12,304 | \$12,679 | \$13,082 | \$13,499 |
| Local Share | \$4,633.3 | \$4,610.9 | \$4,656.1 | \$4,720.1 | \$4,994.5 |
| State Share | <u>\$5,364.8</u> | <u>\$5,571.5</u> | <u>\$5,727.2</u> | <u>\$5,920.3</u> | <u>\$5,924.6</u> |
| State Public School Fund | 70.7 | 168.2 | 95.3 | 94.0 | 94.1 |
| State Education Fund (SEF) | 905.4 | 964.6 | 993.2 | 978.9 | 877.8 |
| General Fund | 4,388.7 | 4,438.7 | 4,638.7 | 4,847.4 | 4,952.8 |
| <i>General Fund increase</i> | 150.0 | 50.0 | 200.0 | 208.7 | 105.3 |
| <i>General Fund % increase</i> | 3.5% | 1.1% | 4.5% | 4.5% | 2.2% |
| ----- | | | | | |
| SEF Beginning balance | \$1,058.8 | \$631.1 | \$436.6 | \$245.3 | \$102.6 |
| SEF Deposits | | | | | |
| Income taxes | \$1,018.8 | \$1,119.0 | \$1,185.9 | \$1,234.2 | \$1,284.6 |
| Kids Matter Account | 0.0 | 218.2 | 231.2 | 240.7 | 250.5 |
| Other transfers | 0.0 | 31.0 | 0.0 | 0.0 | 0.0 |
| Interest earnings | 35.9 | 29.7 | 23.6 | 20.3 | 20.2 |
| Total deposits | 1,054.7 | 1,397.9 | 1,440.7 | 1,495.3 | 1,555.3 |
| SEF expenditures | | | | | |
| State share of total program | \$905.4 | \$964.6 | \$993.2 | \$978.9 | \$877.8 |
| HB 25-1274 Transfers out | 0.0 | 11.4 | 7.8 | 8.0 | 8.2 |
| Categorical programs | 395.4 | 416.0 | 439.0 | 458.4 | 478.4 |
| Other expenditures | 181.5 | 200.5 | 192.0 | 192.7 | 193.5 |
| Total expenditures | \$1,482.4 | \$1,592.5 | \$1,631.9 | \$1,638.0 | \$1,557.9 |
| SEF Ending Balance | \$631.1 | \$436.6 | \$245.3 | \$102.6 | \$100.0 |

Scenario 2: Governor's R1/BA1 Request

Scenario 2 models the Governor's R1/BA1 proposal using LCS and JBC staff assumptions. This scenario incorporates the General Fund placeholders from R1/BA1 and results in a healthy ending fund balance. The proposal includes a policy change to count all school district SOT revenue toward local share, which significantly increases local share and decreases state share. The switch to a 6-year timeline increases costs by about \$26.4 million annually, while the switch to 2-year averaging reduces costs by an average of \$49.0 million annually. Staff's observation is that General Fund increases could be reduced in this scenario to allow a lower SEF balance.

Scenario 2: Governor's R1/BA1 Request

| Item | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Total Program | \$9,998.1 | \$10,182.4 | \$10,354.7 | \$10,618.2 | \$10,900.9 |
| Funded Pupil Count | 841,862 | 827,582 | 814,227 | 809,163 | 804,799 |
| <i>% chg in Funded Pupil Count</i> | -1.4% | -1.7% | -1.6% | -0.6% | -0.5% |
| Avg per pupil revenue | \$11,876 | \$12,304 | \$12,717 | \$13,122 | \$13,545 |
| Local Share | \$4,633.3 | \$4,610.9 | \$4,752.2 | \$4,913.5 | \$5,186.9 |
| State Share | <u>\$5,364.8</u> | <u>\$5,571.5</u> | <u>\$5,602.5</u> | <u>\$5,704.7</u> | <u>\$5,714.0</u> |
| State Public School Fund | 70.7 | 168.2 | 95.3 | 94.0 | 94.1 |
| State Education Fund (SEF) | 905.4 | 964.6 | 893.5 | 797.1 | 706.3 |
| General Fund | 4,388.7 | 4,438.7 | 4,613.7 | 4,813.7 | 4,913.7 |
| <i>General Fund increase</i> | 150.0 | 50.0 | 175.0 | 200.0 | 100.0 |
| <i>General Fund % increase</i> | 3.5% | 1.1% | 3.9% | 4.3% | 2.1% |
| ----- | | | | | |
| SEF Beginning balance | \$1,058.8 | \$631.2 | \$438.7 | \$348.9 | \$389.3 |
| SEF Deposits | | | | | |
| Income taxes | \$1,018.8 | \$1,119.0 | \$1,185.9 | \$1,234.2 | \$1,284.6 |
| Kids Matter Account | 0.0 | 218.2 | 231.2 | 240.7 | 250.5 |
| Other transfers | 0.0 | 31.0 | 0.0 | 0.0 | 0.0 |
| Interest earnings | 35.9 | 31.8 | 25.2 | 21.8 | 21.7 |
| Total deposits | 1,054.8 | 1,400.0 | 1,442.3 | 1,496.7 | 1,556.7 |
| SEF expenditures | | | | | |
| State share of total program | \$905.4 | \$964.6 | \$893.5 | \$797.1 | \$706.3 |
| HB 25-1274 Transfers out | 0.0 | 11.4 | 7.8 | 8.0 | 8.2 |
| Categorical programs | 395.4 | 416.0 | 439.0 | 458.4 | 478.4 |
| Other expenditures | 181.5 | 200.5 | 192.0 | 192.7 | 193.5 |
| Total expenditures | \$1,482.4 | \$1,592.5 | \$1,532.2 | \$1,456.2 | \$1,386.4 |
| SEF Ending Balance | \$631.2 | \$438.7 | \$348.9 | \$389.3 | \$559.7 |

Scenario 3: Governor’s SOT and Timeline, 3-Year Averaging

Scenario 3 incorporates the 6-year implementation timeline and SOT proposal in R1/BA1, but leaves student averaging at up to 3 years rather than switching to 2-year averaging. Staff’s observation is that a move to 2-year averaging might not be necessary if the General Assembly enacts proposed SOT changes, and the sped up timeline would still be doable. The lowest ending SEF balance in this scenario is a healthy \$294.3 million.

Scenario 3: Governor's SOT and Timeline, 3-Year Averaging

| Item | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Total Program | \$9,998.1 | \$10,182.4 | \$10,408.5 | \$10,667.1 | \$10,946.4 |
| Funded Pupil Count | 841,862 | 827,582 | 818,965 | 813,379 | 808,906 |
| <i>% chg in Funded Pupil Count</i> | -1.4% | -1.7% | -1.0% | -0.7% | -0.5% |
| Avg per pupil revenue | \$11,876 | \$12,304 | \$12,709 | \$13,115 | \$13,532 |
| Local Share | \$4,633.3 | \$4,610.9 | \$4,752.9 | \$4,914.3 | \$5,188.6 |
| State Share | <u>\$5,364.8</u> | <u>\$5,571.5</u> | <u>\$5,655.7</u> | <u>\$5,752.8</u> | <u>\$5,757.8</u> |
| State Public School Fund | 70.7 | 168.2 | 95.3 | 94.0 | 94.1 |
| State Education Fund (SEF) | 905.4 | 964.6 | 946.7 | 845.1 | 750.0 |
| General Fund | 4,388.7 | 4,438.7 | 4,613.7 | 4,813.7 | 4,913.7 |
| <i>General Fund increase</i> | 150.0 | 50.0 | 175.0 | 200.0 | 100.0 |
| <i>General Fund % increase</i> | 3.5% | 1.1% | 3.9% | 4.3% | 2.1% |
| ----- | | | | | |
| SEF Beginning balance | \$1,058.8 | \$631.2 | \$438.0 | \$294.3 | \$286.2 |
| SEF Deposits | | | | | |
| Income taxes | \$1,018.8 | \$1,119.0 | \$1,185.9 | \$1,234.2 | \$1,284.6 |
| Kids Matter Account | 0.0 | 218.2 | 231.2 | 240.7 | 250.5 |
| Other transfers | 0.0 | 31.0 | 0.0 | 0.0 | 0.0 |
| Interest earnings | 35.9 | 31.0 | 24.6 | 21.3 | 21.1 |
| Total deposits | 1,054.8 | 1,399.3 | 1,441.7 | 1,496.2 | 1,556.2 |
| SEF expenditures | | | | | |
| State share of total program | \$905.4 | \$964.6 | \$946.7 | \$845.1 | \$750.0 |
| HB 25-1274 Transfers out | 0.0 | 11.4 | 7.8 | 8.0 | 8.2 |
| Categorical programs | 395.4 | 416.0 | 439.0 | 458.4 | 478.4 |
| Other expenditures | 181.5 | 200.5 | 192.0 | 192.7 | 193.5 |
| Total expenditures | \$1,482.4 | \$1,592.5 | \$1,585.4 | \$1,504.3 | \$1,430.1 |
| SEF Ending Balance | \$631.2 | \$438.0 | \$294.3 | \$286.2 | \$412.3 |

Scenario 4: One-Year Pause FY 2027-28

Scenario 4 is based on all of the provisions in current law but with a one-year implementation pause in FY 2027-28, leaving the new formula at 30 percent phased in. Calculations related to hold harmless provisions and the old formula would be implemented as planned under H.B. 25-1320. This scenario requires the lowest average General Fund increase (\$144.5 million) of the five and results in a \$100.0 million ending SEF balance for the last two years of the modeling period. Additional savings could be realized by pushing out scheduled changes related to hold harmless provisions.

Scenario 4: Current Law, 3-Year Averaging, 1-Year Pause in FY 2027-28

| Item | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Total Program | \$9,998.1 | \$10,182.4 | \$10,309.5 | \$10,562.1 | \$10,837.2 |
| Funded Pupil Count | 841,862 | 827,582 | 818,965 | 813,379 | 808,906 |
| <i>% chg in Funded Pupil Count</i> | -1.4% | -1.7% | -1.0% | -0.7% | -0.5% |
| Avg per pupil revenue | \$11,876 | \$12,304 | \$12,588 | \$12,986 | \$13,397 |
| Local Share | \$4,633.3 | \$4,610.9 | \$4,654.2 | \$4,718.6 | \$4,992.4 |
| State Share | <u>\$5,364.8</u> | <u>\$5,571.5</u> | <u>\$5,655.2</u> | <u>\$5,843.5</u> | <u>\$5,844.8</u> |
| State Public School Fund | 70.7 | 168.2 | 95.3 | 94.0 | 94.1 |
| State Education Fund (SEF) | 905.4 | 964.6 | 969.4 | 1,002.0 | 878.4 |
| General Fund | 4,388.7 | 4,438.7 | 4,590.5 | 4,747.5 | 4,872.3 |
| <i>General Fund increase</i> | 150.0 | 50.0 | 151.8 | 157.0 | 124.8 |
| <i>General Fund % increase</i> | 3.5% | 1.1% | 3.4% | 3.4% | 2.6% |
| ----- | | | | | |
| SEF Beginning balance | \$1,058.8 | \$631.2 | \$436.6 | \$269.2 | \$103.2 |
| SEF Deposits | | | | | |
| Income taxes | \$1,018.8 | \$1,119.0 | \$1,185.9 | \$1,234.2 | \$1,284.6 |
| Kids Matter Account | 0.0 | 218.2 | 231.2 | 240.7 | 250.5 |
| Other transfers | 0.0 | 31.0 | 0.0 | 0.0 | 0.0 |
| Interest earnings | 35.9 | 29.7 | 23.6 | 20.3 | 20.2 |
| Total deposits | 1,054.8 | 1,397.9 | 1,440.7 | 1,495.3 | 1,555.3 |
| SEF expenditures | | | | | |
| State share of total program | \$905.4 | \$964.6 | \$969.4 | \$1,002.0 | \$878.4 |
| HB 25-1274 Transfers out | 0.0 | 11.4 | 7.8 | 8.0 | 8.2 |
| Categorical programs | 395.4 | 416.0 | 439.0 | 458.4 | 478.4 |
| Other expenditures | 181.5 | 200.5 | 192.0 | 192.7 | 193.5 |
| Total expenditures | \$1,482.4 | \$1,592.5 | \$1,608.2 | \$1,661.2 | \$1,558.5 |
| SEF Ending Balance | \$631.2 | \$436.6 | \$269.2 | \$103.2 | \$100.0 |

Scenario 5: Two-Year Averaging Starting FY 2027-28

Scenario 5 is based on current law but with a switch to 2-year averaging in FY 2027-28, despite the SEF balance remaining above \$200 million at the close of FY 2026-27. Calculations related to hold harmless provisions and the old formula would be implemented as planned under H.B. 25-1320. This scenario requires an average General Fund increase of \$157.5 million and results in a \$100.0 million ending SEF balance for the last two years of the modeling period.

Scenario 5: Current Law Timeline, 2-Year Averaging Starting FY 2027-28

| Item | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Total Program | \$9,998.1 | \$10,182.4 | \$10,329.5 | \$10,591.5 | \$10,873.5 |
| Funded Pupil Count | 841,862 | 827,582 | 814,227 | 809,163 | 804,799 |
| <i>% chg in Funded Pupil Count</i> | -1.4% | -1.7% | -1.6% | -0.6% | -0.5% |
| Avg per pupil revenue | \$11,876 | \$12,304 | \$12,686 | \$13,089 | \$13,511 |
| Local Share | \$4,633.3 | \$4,610.9 | \$4,655.5 | \$4,719.7 | \$4,992.9 |
| State Share | <u>\$5,364.8</u> | <u>\$5,571.5</u> | <u>\$5,674.0</u> | <u>\$5,871.8</u> | <u>\$5,880.6</u> |
| State Public School Fund | 70.7 | 168.2 | 95.3 | 94.0 | 94.1 |
| State Education Fund (SEF) | 905.4 | 964.6 | 973.9 | 1,000.7 | 875.2 |
| General Fund | 4,388.7 | 4,438.7 | 4,604.8 | 4,777.1 | 4,911.3 |
| <i>General Fund increase</i> | 150.0 | 50.0 | 166.1 | 172.3 | 134.2 |
| <i>General Fund % increase</i> | 3.5% | 1.1% | 3.7% | 3.7% | 2.8% |
| <hr/> | | | | | |
| SEF Beginning balance | \$1,058.8 | \$631.2 | \$436.6 | \$264.6 | \$100.0 |
| SEF Deposits | | | | | |
| Income taxes | \$1,018.8 | \$1,119.0 | \$1,185.9 | \$1,234.2 | \$1,284.6 |
| Kids Matter Account | 0.0 | 218.2 | 231.2 | 240.7 | 250.5 |
| Other transfers | 0.0 | 31.0 | 0.0 | 0.0 | 0.0 |
| Interest earnings | 35.9 | 29.7 | 23.6 | 20.3 | 20.2 |
| Total deposits | 1,054.7 | 1,397.9 | 1,440.7 | 1,495.3 | 1,555.3 |
| SEF expenditures | | | | | |
| State share of total program | \$905.4 | \$964.6 | \$973.9 | \$1,000.7 | \$875.2 |
| HB 25-1274 Transfers out | 0.0 | 11.4 | 7.8 | 8.0 | 8.2 |
| Categorical programs | 395.4 | 416.0 | 439.0 | 458.4 | 478.4 |
| Other expenditures | 181.5 | 200.5 | 192.0 | 192.7 | 193.5 |
| Total expenditures | \$1,482.4 | \$1,592.5 | \$1,612.7 | \$1,659.9 | \$1,555.3 |
| SEF Ending Balance | \$631.2 | \$436.6 | \$264.6 | \$100.0 | \$100.0 |

Appendix A: Other SEF Expenditures

Transfers and Appropriations from the SEF (Excludes State Share and Categoricals)

| Item | FY 2025-26 | FY 2026-27 Staff Rec |
|---|----------------------|----------------------|
| <u>Public School Finance</u> | | |
| Supplemental at-risk aid | \$7,009,989 | \$3,504,995 |
| Public school finance administration | 261,191 | 264,921 |
| Financial transparency maintenance system | 92,786 | 97,731 |
| Subtotal: Public School Finance | \$7,363,966 | \$3,867,647 |
| <u>Other Programs</u> | | |
| Facility school funding | \$36,362,737 | \$36,379,064 |
| Transfer to Early Literacy Fund (S.B. 13-260) | 34,000,000 | 34,000,000 |
| CSI mill levy equalization | 27,397,204 | 32,639,062 |
| Charter school capital construction | 23,523,071 | 23,523,071 |
| Colorado Student Assessment Program | 25,179,138 | 24,968,579 |
| Postsecondary Workforce Readiness Start-up, Sustain, Admin (S.B. 25-315) | 245,132 | 18,857,449 |
| School Counselor Corps Grant Program (H.B. 08-1370) | 12,029,506 | 12,039,840 |
| Assistance to BOCES (H.B. 12-1345) | 3,327,275 | 3,330,051 |
| Early literacy assessment tool (H.B. 12-1345) | 2,997,072 | 2,997,072 |
| School turnaround leaders development/school transformation (S.B. 14-124) | 2,019,102 | 2,022,711 |
| Ninth-grade success grant and performance reporting (H.B. 24-1282) | 2,007,458 | 2,012,553 |
| Child Nutrition School Lunch Protection Program (S.B. 08-123) | 841,460 | 0 |
| Preschool to postsecondary alignment (S.B. 08-212) | 740,063 | 761,849 |
| Local School Food Purchasing Programs (H.B. 24-1390) | 675,729 | 0 |
| Content specialists | 566,356 | 566,356 |
| Office of Online and Hybrid Learning and Innovation Schools | 515,899 | 532,563 |
| Educator Effectiveness Unit Administration (H.B. 13-1257) | 154,311 | 158,191 |
| English Language Learners technical assistance (H.B. 14-1298) | 62,097 | 63,360 |
| Transfer to Colorado Teacher of the Year Fund (H.B. 14-1298) | 24,800 | 24,800 |
| Interstate compact educational opportunities for military children (H.B. 08-1317) | 21,298 | 32,921 |
| Subtotal: Other Programs | \$172,689,708 | \$194,909,492 |
| <u>Centrally Appropriated Line Items</u> | \$1,437,831 | \$1,680,602 |
| Total | \$181,491,505 | \$200,457,741 |