

**Second Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO**

**REVISED**

*This Version Includes All Amendments Adopted  
on Second Reading in the Second House*

LLS NO. 26-0151.01 Jed Franklin x5484

**HOUSE BILL 26-1191**

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**A BILL FOR AN ACT**

101      **CONCERNING THE EXAMINATION OF A SCHOOL DISTRICT THAT**  
102                    **RECEIVES STATE EDUCATION FUND MONEY FOR CAPITAL**  
103                    **CONSTRUCTION PROJECTS FOR QUALIFIED CHARTER SCHOOLS**  
104                    **IN THE DISTRICT, AND, IN CONNECTION THEREWITH, MAKING**  
105                    **THE STATE AUDITOR'S EXAMINATION OF THE SCHOOL DISTRICT'S**  
106                    **RECORDS DISCRETIONARY RATHER THAN MANDATORY.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)*

**Legislative Audit Committee.** Current law requires the state

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing law.  
Dashes through the words or numbers indicate deletions from existing law.

SENATE  
2nd Reading Unamended  
March 20, 2026

HOUSE  
3rd Reading Unamended  
March 11, 2026

HOUSE  
2nd Reading Unamended  
March 10, 2026

auditor to annually examine the records of a school district that received state education fund money (school district) for capital construction projects for qualified charter schools in the district to determine the amount of state education fund money expended by each school district in the state for capital construction and to identify the schools and projects on which school districts expended the money. The bill repeals this requirement and instead allows the state auditor to conduct the examination at the state auditor's discretion.

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

2           **SECTION 1.** In Colorado Revised Statutes, 2-3-115, **amend** (1)  
3 as follows:

4           **2-3-115. Use of state education fund money for school capital**  
5 **construction - audits - reports.**

6           (1) For the 2001-02 school district budget year and each school  
7 district budget year thereafter, for the purpose of determining the amount  
8 of state education fund ~~moneys~~ MONEY expended by each school district  
9 in the state for capital construction and identifying the schools and  
10 projects on which school districts expended ~~such moneys~~ THE MONEY, the  
11 state auditor ~~shall annually~~ MAY, AT THE STATE AUDITOR'S DISCRETION,  
12 examine the records of each school district in the state that received state  
13 education fund ~~moneys~~ MONEY for the budget year: YEAR

14           ~~(a) Directly~~ DIRECTLY from the department of education for  
15 capital construction aid to qualified charter schools, as defined in section  
16 22-54-124 (1)(f.6), ~~C.R.S.~~ in accordance with section 22-54-124 (4).  
17 ~~C.R.S.~~; or

18           ~~(b) For budget years 2000-01 through 2006-07, indirectly from the~~  
19 ~~school capital construction expenditures reserve created in section~~  
20 ~~22-54-117 (1.5)(a)(I), C.R.S. as said reserve existed prior to July 1, 2008,~~  
21 ~~and for the budget year 2007-08, indirectly from the school capital~~

1 ~~construction expenditures reserve fund, as said fund existed prior to July~~  
2 ~~1, 2008.~~

3           **SECTION 2. Act subject to petition - effective date.** This act  
4 takes effect at 12:01 a.m. on the day following the expiration of the  
5 ninety-day period after final adjournment of the general assembly (August  
6 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a  
7 referendum petition is filed pursuant to section 1 (3) of article V of the  
8 state constitution against this act or an item, section, or part of this act  
9 within such period, then the act, item, section, or part will not take effect  
10 unless approved by the people at the general election to be held in  
11 November 2026 and, in such case, will take effect on the date of the  
12 official declaration of the vote thereon by the governor.