

Colorado's Hidden Treasure

*School Land Trust for Colorado's
Public School Children*

2017

*Presented by
Advocates for School Trust Lands
(formerly CLASS Colorado)*



What is CLASS/ASTL?

- ❑ **CLASS (Children's Land Alliance Supporting Schools) was first created in Utah to preserve their School Land Trust and is now active in many states, advocating for effective management of the school trust lands.**
- ❑ **Last year, CLASS changed its name to ASTL (Advocates for School Trust Lands) to better reflect its mission.**
- ❑ **CLASS membership includes parents, teachers, administrators and school board members.**

How is Colorado involved?

- ❑ **Colorado formed a CLASS coalition in the 1990s to identify ways to educate stakeholders and advocate for effective management of our school trust lands and the Permanent Fund.**
- ❑ **Colorado's non-partisan coalition includes representatives from CSFP, PTA, CEA, CASB, CASE, the BEST Board, the Rural Alliance, and the State Board of Education.**
- ❑ **Our coalition works with the State Land Board (land management) and the State Treasurer (Public School Permanent Fund) to represent the beneficiaries – Colorado's public school children.**

School Trust Land Overview



- ❑ **Colorado doesn't want to lose the School Land Trust like more than half the other states in the U.S.**
- ❑ **We need to educate others on the importance of this asset for current and future generations of public school children.**

History of School Trust Lands

- ❑ School trust lands were set aside as states entered the Union for the support of public education and for the benefit of schoolchildren, present and future.
- ❑ The first federal land grants set aside Section 16 in every township for School Trust Lands. Later as a condition of statehood through enabling acts, the federal grant set aside two sections for support of public schools.
- ❑ Texas entered the Union as an independent republic and still set aside 42 million acres.
- ❑ Over the years, about two-thirds of school trust lands have been sold or traded, with proceeds placed in Permanent School Funds.
- ❑ Today, 20 states hold & administer 45 million acres of school trust lands, while 30 states have 0.

States Receiving Two Sections of Land per Township

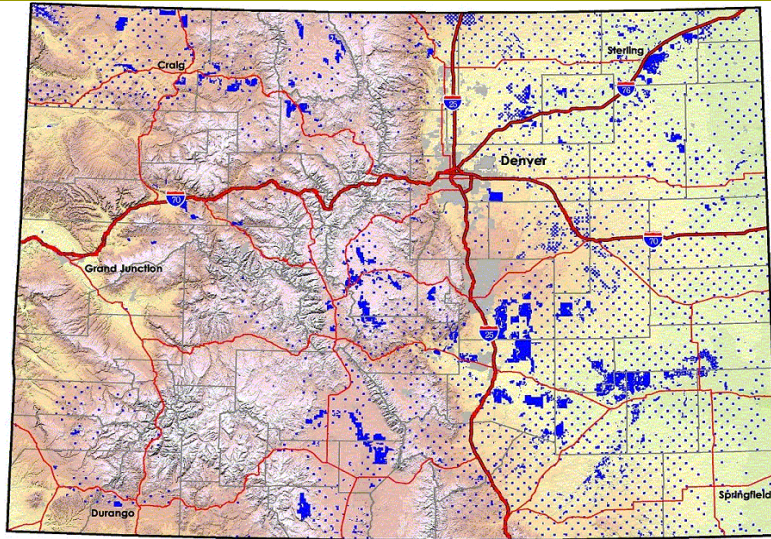
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Iowa	Colorado
Wisconsin	Montana
California	North Dakota
Minnesota	South Dakota
Oregon	Washington
Kansas	Idaho
Nevada	Wyoming
Nebraska	Oklahoma

←→
1 section = 1 sq.
mi. (640 acres)

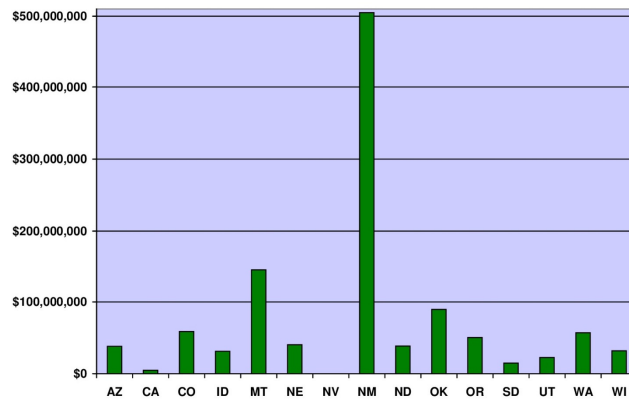
* Arizona, New Mexico, & Utah received four sections per township

Current Trust Land Holdings



How Does Colorado Compare?

Total FY 2010 Distribution to Public Schools
from School Lands and Permanent School Funds



How income is used

□ Fiscal Year 2014-15

- 50% of School Trust Land revenue goes to the B.E.S.T. fund (\$93M).
- State Land Board retains \$6M of revenue to self-support operations with 40 FTE.
- Interest income from the Public School Permanent Fund is the first payment into the School Finance Act (\$21M in FY15).
- Colorado's B.E.S.T. (Building Excellent Schools Today) program will invest in new and improved facilities to better meet student health and safety needs.

Senate Bill 16-35 “The Public School Fund”

□ Created Public School Fund Investment Board to actively manage funds

- Board Members:
 - Walker Stapleton, Board Chair & Colorado Treasurer.
 - Jackie M. Hawkey, Black Creek Group.
 - Frederick Taylor, Northstar Investment Advisors.
 - John Hereford, Oakleaf Energy Partners.
 - Gregory Moffet, State Land Board Commissioner.

Senate Bill 16-35 “The Public School Fund”

□ 2017-18 & 2018-19

- **First \$21 million of interest or income is credited to State Public School Fund.**

- **Reimbursement for cost of Private Money Managers and Public School Fund Investment Board for travel, meetings, etc.**

- **Any amount beyond \$21million up to \$31 million credited to the Public School Capital Construction Assistance Fund.**

- **Any amount beyond \$31 million -**
 - *“IS CREDITED AS SPECIFIED BY THE GENERAL ASSEMBLY, TAKING INTO CONSIDERATION THE RECOMMENDATIONS OF THE PUBLIC SCHOOL FUND INVESTMENT BOARD”*

Senate Bill 16-35 “The Public School Fund”

- **Public School Fund Investment Board recommendations to the General Assembly regarding the distribution of Income and Interest:**

- *Pursuant to § 22-41-102.5(4)(a)(III), C.R.S. (2017), the Public School Fund Investment Board (“Board”) recommends to the General Assembly that the portion of interest and income earned on the Public School Fund (“Fund”) that is referenced in § 22-41-102(3)(f)(IV) and (3)(g)(IV), C.R.S. (2017), **be retained in the Fund’s corpus.** Retaining this portion of interest and income in the Fund’s corpus will help grow the Fund, securing future funds for the benefit of future Colorado schoolchildren. In light of Colorado’s growing population, and taking into account the impact of inflation on the portfolio, the Board believes that growing the Fund’s corpus will be critical to maintaining the same level of real dollar funding for future generations of Colorado schoolchildren.*

- **Amount is increased to \$41 million in 2019-20 and each year thereafter.**



To find out more...



www.advocatesforschooltrustlands.org

Remember:
School trust lands are NOT public lands!

Our school children are trust fund babies!