

First Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

DRAFT  
2.18.15

DRAFT

LLS NO. 15-0771.01 Nicole Myers x4326

HOUSE BILL

HOUSE SPONSORSHIP

Rankin,

SENATE SPONSORSHIP

Lambert,

**BILL TOPIC: "Information Technology Budget Request Process"**

A BILL FOR AN ACT

101 CONCERNING THE INFORMATION TECHNOLOGY BUDGET REQUEST  
102 PROCESS.

**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://www.leg.state.co.us/bills summaries>.)*

**Joint Budget Committee.** During the 2014 legislative session, the general assembly moved the review and prioritization responsibility for information technology budget requests previously requested as capital construction to the joint technology committee. At the same time, the general assembly also removed information technology budget requests from the definition of capital construction. The bill modifies certain

*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

procedures and practices in connection with the information technology budget request process.

The bill requires that any new or amended information technology budget request or supplemental information technology budget request that is submitted to the joint technology committee for prioritization for funding must clearly identify and quantify anticipated administrative and operating efficiencies or program enhancements and service expansion through cost-benefit analyses and return on investment calculations.

Current law specifies a process by which any department, institution, or agency of the state, including any institution of higher education, may request permission to make an expenditure in excess of the amount authorized by an item of appropriation for a particular fiscal year under certain circumstances. This process includes appropriations for general operating and capital construction appropriations. Currently, the process does not include information technology appropriations, as they are no longer included in the definition of capital construction. The bill specifies that a department, institution, or agency of the state, including any institution of higher education, may use the process to request permission to make an expenditure in excess of the amount authorized by the appropriation for the fiscal year for information technology project appropriations.

Due to the removal of information technology budget requests from the definition of capital construction, current law requires that information technology requests be funded through the general fund rather than from the capital construction fund. The bill creates the information technology capital account in the capital construction fund. The general assembly is authorized to make appropriations from the account for information technology projects in the same manner that it makes appropriations from the capital construction fund for capital construction projects. The account consists of any moneys appropriated or transferred to the account by the general assembly.

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

2           **SECTION 1.** In Colorado Revised Statutes, 24-37-304, **add** (1)  
3 (c.5) (V) as follows:

4           **24-37-304. Additional budgeting responsibilities.** (1) In  
5 addition to the responsibilities enumerated in section 24-37-302, the  
6 office of state planning and budgeting shall:

7           (c.5) (V) ANY NEW OR AMENDED INFORMATION TECHNOLOGY

1 BUDGET REQUEST OR SUPPLEMENTAL INFORMATION TECHNOLOGY BUDGET  
2 REQUEST SUBMITTED TO THE JOINT TECHNOLOGY COMMITTEE PURSUANT  
3 TO THIS PARAGRAPH (c.5) MUST CLEARLY IDENTIFY AND QUANTIFY  
4 ANTICIPATED ADMINISTRATIVE AND OPERATING EFFICIENCIES OR  
5 PROGRAM ENHANCEMENTS AND SERVICE EXPANSION THROUGH  
6 COST-BENEFIT ANALYSES AND RETURN ON INVESTMENT CALCULATIONS.

7 **SECTION 2.** In Colorado Revised Statutes, 24-75-111, **amend**  
8 (2), (3) (b), and (4) (c); and **add** (1) (c) (V), (1) (c) (VI), and (4) (d) as  
9 follows:

10 **24-75-111. Additional authority for controller to allow**  
11 **expenditures in excess of appropriations - limitations -**  
12 **appropriations for subsequent fiscal year restricted.** (1) For fiscal  
13 years commencing on or after July 1, 1997, in addition to any  
14 overexpenditure allowed pursuant to section 24-75-109, the controller  
15 may allow any department, institution, or agency of the state, including  
16 any institution of higher education, to make an expenditure in excess of  
17 the amount authorized by an item of appropriation for such fiscal year if:

18 (c) (V) IF THE OVEREXPENDITURE IS IN REGARD TO AN  
19 INFORMATION TECHNOLOGY BUDGET ITEM AND IS REQUESTED BY A  
20 DEPARTMENT, INSTITUTION, OR AGENCY OF THE STATE OTHER THAN THE  
21 DEPARTMENT OF LAW, THE DEPARTMENT OF THE TREASURY, THE  
22 DEPARTMENT OF STATE, THE JUDICIAL DEPARTMENT, OR THE LEGISLATIVE  
23 DEPARTMENT:

24 (A) THE REQUEST FOR THE OVEREXPENDITURE HAS BEEN  
25 SUBMITTED TO THE OFFICE OF STATE PLANNING AND BUDGETING FOR  
26 APPROVAL AND THE OFFICE OF STATE PLANNING AND BUDGETING HAS  
27 APPROVED THE OVEREXPENDITURE, IN WHOLE OR IN PART; AND

1 (B) UPON APPROVAL BY THE OFFICE OF STATE PLANNING AND  
2 BUDGETING, THE REQUEST FOR THE OVEREXPENDITURE HAS BEEN  
3 SUBMITTED TO THE JOINT TECHNOLOGY COMMITTEE OF THE GENERAL  
4 ASSEMBLY FOR CONSIDERATION; AND

5 (C) UPON THE ISSUANCE OF A WRITTEN RECOMMENDATION  
6 REGARDING THE OVEREXPENDITURE BY THE JOINT TECHNOLOGY  
7 COMMITTEE, THE REQUEST FOR THE OVEREXPENDITURE HAS BEEN  
8 SUBMITTED TO THE JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY  
9 FOR APPROVAL; AND

10 (D) THE REQUEST FOR THE OVEREXPENDITURE HAS BEEN  
11 APPROVED, IN WHOLE OR IN PART, BY A MAJORITY VOTE OF THE MEMBERS  
12 OF THE JOINT BUDGET COMMITTEE AND THE CONTROLLER HAS RECEIVED  
13 WRITTEN CONFIRMATION OF SUCH APPROVAL FROM THE JOINT BUDGET  
14 COMMITTEE; OR

15 (VI) IF THE OVEREXPENDITURE IS IN REGARD TO AN INFORMATION  
16 TECHNOLOGY BUDGET ITEM AND IS REQUESTED BY THE DEPARTMENT OF  
17 LAW, THE DEPARTMENT OF THE TREASURY, THE DEPARTMENT OF STATE,  
18 THE JUDICIAL DEPARTMENT, OR THE LEGISLATIVE DEPARTMENT:

19 (A) THE REQUEST FOR THE OVEREXPENDITURE HAS BEEN  
20 SUBMITTED TO THE JOINT TECHNOLOGY COMMITTEE OF THE GENERAL  
21 ASSEMBLY FOR CONSIDERATION; AND

22 (B) UPON THE ISSUANCE OF A WRITTEN RECOMMENDATION  
23 REGARDING THE OVEREXPENDITURE BY THE JOINT TECHNOLOGY  
24 COMMITTEE, THE REQUEST FOR THE OVEREXPENDITURE HAS BEEN  
25 SUBMITTED TO THE JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY  
26 FOR APPROVAL; AND

27 (C) THE REQUEST FOR THE OVEREXPENDITURE HAS BEEN

1 APPROVED, IN WHOLE OR IN PART, BY A MAJORITY VOTE OF THE MEMBERS  
2 OF THE JOINT BUDGET COMMITTEE AND THE CONTROLLER HAS RECEIVED  
3 WRITTEN CONFIRMATION OF SUCH APPROVAL FROM THE JOINT BUDGET  
4 COMMITTEE.

5 (2) Any department, institution, or agency of the state requesting  
6 an overexpenditure pursuant to subsection (1) of this section shall make  
7 the request in such form and shall include in the request such information  
8 as may be required by the office of state planning and budgeting, the  
9 capital development committee, THE JOINT TECHNOLOGY COMMITTEE, and  
10 the joint budget committee, as applicable.

11 (3) Overexpenditures allowed pursuant to subsection (1) of this  
12 section shall be subject to the following requirements:

13 (b) No overexpenditure shall be allowed in excess of the  
14 unencumbered balance of the fund OR ACCOUNT from which the  
15 overexpenditure is made as of the date of the overexpenditure.

16 (4) ~~(c) The department, institution, or agency shall not be allowed~~  
17 ~~to expend any amount restricted pursuant to this subsection (4) unless~~  
18 ~~such restriction is released in accordance with subsection (5) of this~~  
19 ~~section~~ FOR ANY OVEREXPENDITURE ALLOWED BY THE CONTROLLER IN  
20 ACCORDANCE WITH SUBSECTION (1) OF THIS SECTION THAT IS IN REGARD  
21 TO AN INFORMATION TECHNOLOGY BUDGET ITEM, THE CONTROLLER SHALL  
22 RESTRICT, IN AN AMOUNT EQUAL TO SAID OVEREXPENDITURE, THE ITEMS  
23 OF APPROPRIATION THAT ARE MADE IN THE GENERAL APPROPRIATION ACT  
24 FOR THE FISCAL YEAR FOLLOWING THE FISCAL YEAR FOR WHICH THE  
25 OVEREXPENDITURE IS ALLOWED AND THAT ARE MADE FOR THE FOLLOWING  
26 PURPOSES IN THE ORDER SPECIFIED: THE INFORMATION TECHNOLOGY  
27 BUDGET ITEM FOR WHICH THE OVEREXPENDITURE WAS ALLOWED; ANY

1 OTHER INFORMATION TECHNOLOGY BUDGET ITEM OF THE DEPARTMENT,  
2 INSTITUTION, OR AGENCY THAT WAS ALLOWED TO MAKE THE  
3 OVEREXPENDITURE; ANY OPERATING BUDGET ITEM RELATING TO THE  
4 ADMINISTRATION OF THE DEPARTMENT, INSTITUTION, OR AGENCY THAT  
5 WAS ALLOWED TO MAKE THE OVEREXPENDITURE; AND ANY OTHER  
6 OPERATING BUDGET ITEM OF THE DEPARTMENT, INSTITUTION, OR AGENCY  
7 THAT WAS ALLOWED TO MAKE THE OVEREXPENDITURE. FOR THE PURPOSES  
8 OF DETERMINING THE ITEMS OF APPROPRIATION FOR OPERATING BUDGET  
9 ITEMS TO BE RESTRICTED, THE CONTROLLER SHALL RESTRICT THE ITEMS OF  
10 APPROPRIATION THAT WOULD BE THE LEAST DISRUPTIVE TO THE  
11 OPERATIONS OF THE DEPARTMENT, INSTITUTION, OR AGENCY.

12 (d) THE DEPARTMENT, INSTITUTION, OR AGENCY SHALL NOT BE  
13 ALLOWED TO EXPEND ANY AMOUNT RESTRICTED PURSUANT TO THIS  
14 SUBSECTION (4) UNLESS SUCH RESTRICTION IS RELEASED IN ACCORDANCE  
15 WITH SUBSECTION (5) OF THIS SECTION.

16 **SECTION 3.** In Colorado Revised Statutes, 24-75-301, **add** (4.5)  
17 as follows:

18 **24-75-301. Definitions.** As used in this part 3, unless the context  
19 otherwise requires:

20 (4.5) "INFORMATION TECHNOLOGY" MEANS INFORMATION  
21 TECHNOLOGY AS DEFINED IN SECTION 24-37.5-102 (2), C.R.S., THE  
22 MAJORITY OF THE COMPONENTS OF WHICH HAVE A USEFUL LIFE OF AT  
23 LEAST FIVE YEARS; EXCEPT THAT "INFORMATION TECHNOLOGY" DOES NOT  
24 INCLUDE PERSONAL COMPUTER REPLACEMENT OR MAINTENANCE, UNLESS  
25 SUCH PERSONAL COMPUTER REPLACEMENT OR MAINTENANCE IS A  
26 COMPONENT OF A LARGER COMPUTER SYSTEM UPGRADE.

27 **SECTION 4.** In Colorado Revised Statutes, 24-75-302, **add** (3.7)

1 as follows:

2 **24-75-302. Capital construction fund - capital assessment fees**  
3 **- calculation - ~~information technology capital account~~ - repeal.**

4 (3.7) THERE IS HEREBY CREATED A SPECIAL ACCOUNT WITHIN THE  
5 CAPITAL CONSTRUCTION FUND ESTABLISHED PURSUANT TO SUBSECTION  
6 (1) OF THIS SECTION TO BE KNOWN AS THE INFORMATION TECHNOLOGY  
7 CAPITAL ACCOUNT. THE ACCOUNT CONSISTS OF ANY MONEYS  
8 APPROPRIATED OR TRANSFERRED TO THE ACCOUNT BY THE GENERAL  
9 ASSEMBLY. THE GENERAL ASSEMBLY MAY APPROPRIATE MONEYS IN THE  
10 ACCOUNT FOR INFORMATION TECHNOLOGY PROJECTS. THE APPROPRIATION  
11 FOR INFORMATION TECHNOLOGY PROJECTS MUST BE SET FORTH IN A  
12 SINGLE LINE ITEM AS A TOTAL SUM. ALL UNAPPROPRIATED BALANCES IN  
13 THE ACCOUNT AT THE CLOSE OF ANY FISCAL YEAR MUST REMAIN IN THE  
14 ACCOUNT AND MAY NOT REVERT TO THE GENERAL FUND. ALL  
15 UNEXPENDED OR UNENCUMBERED MONEYS FROM AN INFORMATION  
16 TECHNOLOGY CAPITAL ACCOUNT APPROPRIATION TO A STATE AGENCY OR  
17 STATE INSTITUTION OF HIGHER EDUCATION FOR ANY FISCAL YEAR REVERTS  
18 TO THE ACCOUNT AT THE END OF THE PERIOD FOR WHICH THE MONEYS ARE  
19 APPROPRIATED. NO PORTION OF THE UNEXPENDED BALANCE OF A STATE  
20 AGENCY'S OR STATE INSTITUTION OF HIGHER EDUCATION'S INFORMATION  
21 TECHNOLOGY CAPITAL ACCOUNT APPROPRIATION MAY BE USED BY THE  
22 STATE AGENCY OR THE STATE INSTITUTION OF HIGHER EDUCATION FOR  
23 ANY ADDITIONAL PROJECTS THAT ARE BEYOND THE SCOPE OR DESIGN OF  
24 THE ORIGINAL PROJECT WITHOUT FURTHER APPROVAL BY THE JOINT  
25 TECHNOLOGY COMMITTEE OF SUCH ADDITIONAL PROJECT. ANTICIPATION  
26 WARRANTS OR CHECKS MAY BE ISSUED AGAINST THE REVENUES OF THE  
27 ACCOUNT AS PROVIDED BY LAW. ALL INTEREST EARNED FROM THE

1 INVESTMENT OF MONEYS IN THE ACCOUNT MUST REMAIN IN AND BECOME  
2 PART OF THE ACCOUNT.

3 **SECTION 5. Safety clause.** The general assembly hereby finds,  
4 determines, and declares that this act is necessary for the immediate  
5 preservation of the public peace, health, and safety.