

**First Regular Session  
Sixty-seventh General Assembly  
STATE OF COLORADO**

**ENGROSSED**

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

LLS NO. 09-0274.01 Ed DeCecco

**SENATE BILL 09-228**

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**Senate Committees**  
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**A BILL FOR AN ACT**

101     **CONCERNING AN INCREASE IN THE FLEXIBILITY OF THE GENERAL**  
102             **ASSEMBLY TO DETERMINE THE APPROPRIATE USE OF STATE**  
103             **REVENUES.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)*

Eliminates the limit on the growth of total general fund appropriations (appropriations limit). If the appropriations limit was used as a trigger for some other event, establishes a new trigger that is based on the amount actually appropriated from the general fund, or in the case of certain tax credits, that is 6% over the general fund appropriations from the prior year. Eliminates references to provisions that state that

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

SENATE  
Amended 2nd Reading  
March 3, 2009

appropriations are made in accordance with or as exceptions to the appropriations limit. Eliminates obsolete provisions related to the appropriations limit, and makes other conforming amendments related to the elimination of the appropriations limit.

Eliminates the automatic transfer to the controlled maintenance trust fund that is a percentage of excess general fund revenue.

Eliminates the automatic transfer of general fund surplus to the highway users tax fund (HUTF) and the capital construction fund. Permits the general assembly to transfer moneys to such funds, which amount transferred to the HUTF shall be used in the same manner as the moneys that are automatically transferred thereto under current law.

Eliminates the automatic diversion of sales and use tax revenue to the sales and use tax holding fund. Permits the general assembly to transfer moneys to the fund, which shall be used in the same manner as the moneys that are automatically diverted thereto under current law.

Eliminates the limit on the amount that the general assembly may appropriate from the HUTF for specified state agencies.

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

2 **SECTION 1.** 12-47.1-701 (4) (a) (IV) (A.5), (4) (a) (IV) (B), (4)  
3 (a) (V) (B), (4) (a) (V) (C), and (5) (c), Colorado Revised Statutes, are  
4 amended to read:

5 **12-47.1-701. Limited gaming fund.** (4) (a) At the end of each  
6 fiscal year, the state treasurer shall distribute the balance remaining in the  
7 limited gaming fund in accordance with the provisions of section 9 (5) (b)  
8 (II) of article XVIII of the state constitution and paragraph (c) of  
9 subsection (1) of this section; except that:

10 (IV) (A.5) If, based on the March revenue forecast prepared by the  
11 legislative council, the joint budget committee determines that the amount  
12 of general fund revenues for the fiscal year in which the forecast is  
13 prepared will be insufficient to ~~allow the maximum~~ COVER THE amount  
14 of general fund appropriations ~~permitted by section 24-75-201.1 (1) (a)~~  
15 ~~(H), C.R.S.~~, to be made for that fiscal year AS INCLUDED IN THE JOINT  
16 BUDGET COMMITTEE'S APPROPRIATIONS REPORT, the joint budget

1 committee, acting by bill, shall determine the amount of limited gaming  
2 fund moneys, if any, that should be transferred to the state council on the  
3 arts cash fund, the new jobs incentives cash fund, and the Colorado travel  
4 and tourism promotion fund at the end of that fiscal year.

5 (B) If the joint budget committee, pursuant to sub-subparagraph  
6 (A.5) of this subparagraph (IV), does not determine the amount of limited  
7 gaming fund moneys, if any, to be transferred to the funds specified in  
8 sub-subparagraph (A) of this subparagraph (IV) and if, based on the June  
9 revenue forecast prepared by the legislative council, the state treasurer  
10 determines that the amount of general fund revenues for the fiscal year in  
11 which the forecast is prepared will be insufficient to ~~allow the maximum~~  
12 ~~COVER THE~~ amount of general fund appropriations ~~permitted by section~~  
13 ~~24-75-201.1 (1) (a) (H), C.R.S.,~~ to be made for that fiscal year AS  
14 INCLUDED IN THE JOINT BUDGET COMMITTEE'S APPROPRIATIONS REPORT,  
15 the state treasurer shall transfer to the general fund from the moneys that  
16 would otherwise be transferred to the state council on the arts cash fund,  
17 the new jobs incentives cash fund, and the Colorado travel and tourism  
18 promotion fund pursuant to sub-subparagraph (A) of this subparagraph  
19 (IV) at the end of the fiscal year an amount equal to the lesser of the full  
20 amount that would otherwise be transferred to the state council on the arts  
21 cash fund, the new jobs incentives cash fund, and the Colorado travel and  
22 tourism promotion fund or the amount necessary to ~~allow the maximum~~  
23 ~~COVER THE~~ amount of general fund appropriations to be made for the  
24 fiscal year AS INCLUDED IN THE JOINT BUDGET COMMITTEE'S  
25 APPROPRIATIONS REPORT. Any reduction in the amounts transferred to the  
26 state council on the arts cash fund, the new jobs incentives cash fund, and  
27 the Colorado travel and tourism promotion fund required by this

1 sub-subparagraph (B) shall be pro-rated based on the amounts otherwise  
2 required to be transferred to said funds pursuant to sub-subparagraph (A)  
3 of this subparagraph (IV).

4 (V) (B) If, based on the March revenue forecast prepared by the  
5 legislative council, the joint budget committee determines that the amount  
6 of general fund revenues for the fiscal year in which the forecast is  
7 prepared will be insufficient to ~~allow the maximum~~ COVER THE amount  
8 of general fund appropriations ~~permitted by section 24-75-201.1 (1) (a)~~  
9 ~~(H), C.R.S.~~, to be made for that fiscal year AS INCLUDED IN THE JOINT  
10 BUDGET COMMITTEE'S APPROPRIATIONS REPORT, the joint budget  
11 committee, acting by bill, shall determine the amount of limited gaming  
12 fund moneys, if any, that should be transferred to the film incentives cash  
13 fund pursuant to sub-subparagraph (A) of this subparagraph (V) at the  
14 end of that fiscal year.

15 (C) If the joint budget committee, pursuant to sub-subparagraph  
16 (B) of this subparagraph (V), does not determine the amount of limited  
17 gaming fund moneys, if any, to be transferred to the film incentives cash  
18 fund specified in sub-subparagraph (A) of this subparagraph (V) and if,  
19 based on the June revenue forecast prepared by the legislative council, the  
20 state treasurer determines that the amount of general fund revenues for  
21 the fiscal year in which the forecast is prepared will be insufficient to  
22 ~~allow the maximum~~ COVER THE amount of general fund appropriations  
23 ~~permitted by section 24-75-201.1 (1) (a) (H), C.R.S.~~, to be made for that  
24 fiscal year AS INCLUDED IN THE JOINT BUDGET COMMITTEE'S  
25 APPROPRIATIONS REPORT, the state treasurer shall transfer to the general  
26 fund from the moneys that would otherwise be transferred to the film  
27 incentives cash fund pursuant to sub-subparagraph (A) of this

1 subparagraph (V) at the end of the fiscal year an amount equal to the  
2 lesser of the full amount that would otherwise be transferred to the film  
3 incentives cash fund or the amount necessary to ~~allow the maximum~~  
4 COVER THE amount of general fund appropriations to be made for the  
5 fiscal year AS INCLUDED IN THE JOINT BUDGET COMMITTEE'S  
6 APPROPRIATIONS REPORT. Any reduction in the amount transferred to the  
7 film incentives cash fund required by this sub-subparagraph (C) and the  
8 amounts transferred to the state council on the arts cash fund, the new  
9 jobs incentives cash fund, and the Colorado travel and tourism promotion  
10 fund required by sub-subparagraph (B) of subparagraph (IV) of this  
11 paragraph (a) shall be pro-rated based on the amounts otherwise required  
12 to be transferred to said funds pursuant to sub-subparagraph (A) of this  
13 subparagraph (V) and sub-subparagraph (A) of subparagraph (IV) of this  
14 paragraph (a).

15 (5) (c) If, based on the revenue forecast prepared by the staff of  
16 the legislative council in June of any fiscal year, the state treasurer  
17 determines that the amount of general fund revenues for the fiscal year  
18 will be insufficient to ~~allow the maximum~~ COVER THE amount of general  
19 fund appropriations ~~permitted by section 24-75-201.1 (1) (a), C.R.S.~~, to  
20 be made for the fiscal year AS INCLUDED IN THE JOINT BUDGET  
21 COMMITTEE'S APPROPRIATIONS REPORT, the state treasurer shall transfer  
22 to the general fund from the moneys that would otherwise be transferred  
23 to the clean energy fund pursuant to either paragraph (a) or paragraph (b)  
24 of this subsection (5) at the end of the fiscal year an amount equal to the  
25 lesser of the full amount that would otherwise be transferred to the clean  
26 energy fund or the amount necessary to ~~allow the maximum~~ COVER THE  
27 amount of general fund appropriations to be made for the fiscal year AS

1 INCLUDED IN THE JOINT BUDGET COMMITTEE'S APPROPRIATIONS REPORT.

2 **SECTION 2. Repeal.** 22-55-102 (15), Colorado Revised  
3 Statutes, is repealed as follows:

4 **22-55-102. Definitions.** As used in this article, unless the context  
5 otherwise requires:

6 (15) "~~Statutory limitation on general fund appropriations growth~~"  
7 ~~means the limitation on annual general fund appropriations set forth in~~  
8 ~~section 24-75-201.1, C.R.S.~~

9 **SECTION 3.** 22-55-103 (5), Colorado Revised Statutes, is  
10 amended to read:

11 **22-55-103. State education fund - creation - transfers to fund**  
12 **- use of moneys in fund - permitted investments - exempt from**  
13 **spending limitations.** (5) Pursuant to section 17 (3) of article IX of the  
14 state constitution, all moneys credited to the STATE EDUCATION fund,  
15 appropriated by the general assembly out of the fund, or distributed from  
16 the fund and expended by any school district shall be exempt from:

17 (a) The limitation on state fiscal year spending set forth in section  
18 20 (7) (a) of article X of the state constitution and section 24-77-103,  
19 C.R.S.; AND

20 (b) The limitation on local government fiscal year spending set  
21 forth in section 20 (7) (b) of article X of the state constitution. ~~and~~

22 (c) ~~The statutory limitation on general fund appropriations growth.~~

23 **SECTION 4.** 23-1-105 (8), Colorado Revised Statutes, is  
24 amended to read:

25 **23-1-105. Duties and powers of the commission with respect**  
26 **to appropriations.** (8) The funding recommendations made by the  
27 commission for state-supported institutions of higher education and by the

1 executive director for the divisions of the department of higher education  
2 shall be made to the governor and the general assembly as a part of the  
3 budget request for the department of higher education and shall be  
4 submitted in accordance with the budget procedures of part 3 of article 37  
5 of title 24, C.R.S. ~~and in conformance with section 24-75-201.1, C.R.S.~~

6 **SECTION 5.** 23-19.9-102 (2) (b) (II), Colorado Revised Statutes,  
7 is amended to read:

8 **23-19.9-102. Higher education federal mineral lease revenues**  
9 **fund - higher education maintenance and reserve fund - creation -**  
10 **sources of revenues - use.** (2) (b) (II) If, at any time during a fiscal year,  
11 the most recent available quarterly revenue estimate prepared by the staff  
12 of the legislative council indicates that the amount of total general fund  
13 revenues for the fiscal year will not be sufficient to allow the state to  
14 maintain the four percent reserve required by ~~section 24-75-201.1 (1) (d)~~  
15 ~~(HH)~~ SECTION 24-75-201.1 (1) (d), C.R.S., the general assembly may make  
16 supplemental appropriations of principal of the maintenance and reserve  
17 fund or the state controller may allow overexpenditures to be made from  
18 principal of the maintenance and reserve fund pursuant to and in  
19 accordance with the requirements of section 24-75-111, C.R.S., in order  
20 to offset any reduction in the amount of one or more general fund  
21 appropriations for the fiscal year for operating expenses of  
22 state-supported institutions of higher education that resulted from the  
23 insufficiency in the amount of total general fund revenues.

24 **SECTION 6.** 23-20-136 (3) (a), Colorado Revised Statutes, is  
25 amended to read:

26 **23-20-136. Fitzsimons trust fund - creation - legislative**  
27 **declaration - repeal.** (3) (a) There is hereby created in the state treasury

1 the university of Colorado health sciences center at Fitzsimons trust fund,  
2 referred to in this section as the "Fitzsimons trust fund", the principal of  
3 which shall consist of those general fund revenues ~~in excess of the~~  
4 ~~limitation in section 24-75-201.1 (1) (a) (H), C.R.S.~~, that may be  
5 transferred to the capital construction fund as provided in section  
6 24-75-302 (2), C.R.S., and then appropriated from the capital construction  
7 fund to the Fitzsimons trust fund and of moneys appropriated to the  
8 Fitzsimons trust fund from the capital construction fund pursuant to  
9 subsection (3.5) of this section. The principal and interest of the  
10 Fitzsimons trust fund shall not be expended or appropriated for any  
11 purpose other than that stated in subsection (5) of this section. The state  
12 treasurer may, in the state treasurer's discretion, deposit, redeposit, invest,  
13 and reinvest moneys accrued or accruing to the Fitzsimons trust fund in  
14 the types of deposits and investments authorized in sections 24-36-109,  
15 24-36-112, and 24-36-113, C.R.S.

16 **SECTION 7.** 24-22-117 (3), Colorado Revised Statutes, is  
17 amended to read:

18 **24-22-117. Tobacco tax cash fund - accounts - creation.**

19 (3) For purposes of section 20 of article X of the state constitution and  
20 article 77 of this title, any moneys collected or expended from the  
21 imposition of the cigarette and tobacco tax imposed pursuant to section  
22 21 of article X of the state constitution are not included in fiscal year  
23 spending, as defined in section 20 of article X of the state constitution,  
24 and are excluded from ~~the spending limit contained in section~~  
25 ~~24-75-201.1~~ and any corresponding spending limits on local governments  
26 receiving such revenues.

27 **SECTION 8.** 24-75-109 (5), Colorado Revised Statutes, is

1 amended to read:

2 **24-75-109. Controller may allow expenditures in excess of**  
3 **appropriations - limitations - appropriations for subsequent fiscal**  
4 **year restricted - repeal.** (5) ~~The limitation on general fund~~  
5 ~~appropriations and the requirement for a general fund reserve contained~~  
6 ~~in section 24-75-201.1 shall not apply to overexpenditures from the~~  
7 ~~general fund for medicaid programs allowed pursuant to paragraph (a) of~~  
8 ~~subsection (1) of this section or to supplemental general fund~~  
9 ~~appropriations for medicaid programs enacted pursuant to subsection (4)~~  
10 ~~of this section. Overexpenditures for all other purposes allowed pursuant~~  
11 ~~to subsection (1) of this section and supplemental general fund~~  
12 ~~appropriations for all other purposes enacted pursuant to subsection (4)~~  
13 ~~of this section shall be considered appropriations for the fiscal year in~~  
14 ~~which the overexpenditure was allowed, and shall accordingly be subject~~  
15 ~~to the limitations and requirements of section 24-75-201.1.~~

16 **SECTION 9.** 24-75-111 (6), Colorado Revised Statutes, is  
17 amended to read:

18 **24-75-111. Additional authority for controller to allow**  
19 **expenditures in excess of appropriations - limitations -**  
20 **appropriations for subsequent fiscal year restricted.**

21 (6) Overexpenditures allowed pursuant to the provisions of subsection  
22 (1) of this section and supplemental general fund appropriations enacted  
23 pursuant to subsection (5) of this section shall be considered  
24 appropriations for the fiscal year in which the overexpenditure was  
25 allowed. ~~and shall accordingly be subject to the limitations and~~  
26 ~~requirements of section 24-75-201.1.~~

27 **SECTION 10.** 24-75-201.1, Colorado Revised Statutes, is

1 amended to read:

2 **24-75-201.1. General fund reserve - reimbursement for**  
3 **reappraisals.** (1) (a) ~~(I) For the fiscal year 1978-79 and each fiscal year~~  
4 ~~thereafter ending with the fiscal year 1990-91, state general fund~~  
5 ~~appropriations shall be limited to seven percent over the previous year~~  
6 ~~plus such moneys as are necessary for reappraisals of any class or classes~~  
7 ~~of taxable property for property tax purposes as required by section~~  
8 ~~39-1-105.5, C.R.S. The base for the calculation of the limitation on the~~  
9 ~~increase in general fund appropriations for the fiscal year 1986-87 shall~~  
10 ~~be state general fund appropriations for the fiscal year 1985-86 plus the~~  
11 ~~amount appropriated for tax relief and for the cost of bringing civil~~  
12 ~~actions pursuant to the federal "Comprehensive Environmental Response,~~  
13 ~~Compensation, and Liability Act of 1980" for the fiscal year 1985-86.~~

14 ~~(II) Except as otherwise provided for in subparagraphs (III) and~~  
15 ~~(IV) of this paragraph (a), for the fiscal year 1991-92 and each fiscal year~~  
16 ~~thereafter, the total state general fund appropriations shall be limited to~~  
17 ~~such moneys as are necessary for reappraisals of any class or classes of~~  
18 ~~taxable property for property tax purposes as required by section~~  
19 ~~39-1-105.5, C.R.S., plus the lesser of:~~

20 ~~(A) An amount equal to five percent of Colorado personal~~  
21 ~~income; or~~

22 ~~(B) Six percent over the total state general fund appropriations for~~  
23 ~~the previous fiscal year.~~

24 ~~(III) The limitation on the level of state general fund~~  
25 ~~appropriations set forth in subparagraph (II) of this paragraph (a) shall not~~  
26 ~~apply to:~~

27 ~~(A) Any state general fund appropriation which, as a result of any~~

1 requirement of federal law, is made for any new program or service or for  
2 any increase in the level of service for an existing program beyond the  
3 existing level of service;

4 ~~(B) Any state general fund appropriation which, as a result of any~~  
5 ~~requirement of a final state or federal court order, is made for any new~~  
6 ~~program or service or for any increase in the level of service for an~~  
7 ~~existing program beyond the existing level of service; or~~

8 ~~(C) Any state general fund appropriation of any moneys which are~~  
9 ~~derived from any increase in the rate or amount of any tax or fee which~~  
10 ~~is approved by a majority of the registered electors of the state voting at~~  
11 ~~any general election.~~

12 ~~(IV) (A) The limitation on the level of state general fund~~  
13 ~~appropriations as set forth in subparagraph (H) of this paragraph (a) may~~  
14 ~~be exceeded for a given fiscal year upon the declaration of a state fiscal~~  
15 ~~emergency by the general assembly. A state fiscal emergency may be~~  
16 ~~declared by the passage of a joint resolution which is approved by a~~  
17 ~~two-thirds majority vote of the members of both houses of the general~~  
18 ~~assembly and which is approved by the governor in accordance with~~  
19 ~~section 39 of article V of the state constitution.~~

20 ~~(B) Any funds appropriated in a given fiscal year which exceed~~  
21 ~~the limitation on state general fund appropriations established by~~  
22 ~~subparagraph (H) of this paragraph (a) because of the declaration of a~~  
23 ~~state fiscal emergency by the general assembly pursuant to~~  
24 ~~sub-subparagraph (A) of this subparagraph (IV) shall not be included in~~  
25 ~~the calculation of the maximum level of state general fund appropriations~~  
26 ~~pursuant to sub-subparagraph (B) of subparagraph (H) of this paragraph~~  
27 ~~(a) for subsequent fiscal years.~~

1           ~~(V) No state cash fund appropriation which either supplants any~~  
2 ~~state general fund appropriation or, if not made, would necessitate a state~~  
3 ~~general fund appropriation shall be made in order to circumvent the~~  
4 ~~limitation on the level of state general fund appropriations set forth in~~  
5 ~~subparagraph (H) of this paragraph (a). The provisions of this~~  
6 ~~subparagraph (V) shall not apply to any state cash fund appropriation:~~

7           ~~(A) Which authorizes an increase in expenditures necessary to~~  
8 ~~offset an increase in costs to provide an existing program or service due~~  
9 ~~to inflation or any increase in the number of recipients which does not~~  
10 ~~result from any requirement of state law which either enlarges an existing~~  
11 ~~class of recipients or adds a new class of recipients; or~~

12           ~~(B) Which is funded by user charges that do not exceed the cost~~  
13 ~~of the goods or services provided, and the purchase of such goods or~~  
14 ~~services by the user is voluntary.~~

15           ~~(VI) If the general assembly significantly restructures the method~~  
16 ~~by which elementary, secondary, or postsecondary education in this state~~  
17 ~~is financed, the general assembly shall examine the limitation on the level~~  
18 ~~of state general fund appropriations set forth in this section and shall~~  
19 ~~determine whether said limitation should be modified in light of such~~  
20 ~~restructuring.~~

21           ~~(VII) For purposes of this paragraph (a), unless the context~~  
22 ~~otherwise requires:~~

23           ~~(A) "Colorado personal income" means the total personal income~~  
24 ~~for Colorado, as defined and officially reported by the bureau of~~  
25 ~~economic analysis in the United States department of commerce, for the~~  
26 ~~calendar year preceding the calendar year immediately preceding a given~~  
27 ~~fiscal year.~~

1           ~~(B) "Increase in the level of service for an existing program" does~~  
2 ~~not include any increase in expenditures necessary to offset an increase~~  
3 ~~in costs to provide such service due to inflation or any increase in the~~  
4 ~~number of recipients of such service unless such increase results from any~~  
5 ~~requirement of federal law which either enlarges an existing class of~~  
6 ~~recipients or adds a new class of recipients.~~

7           ~~(C) "Requirement of federal law" means any federal law, rule,~~  
8 ~~regulation, executive order, guideline, standard, or other federal action~~  
9 ~~which has the force and effect of law and which either requires the state~~  
10 ~~to take action or does not directly require the state to take action but will,~~  
11 ~~according to federal law, result in the loss of federal funds if state action~~  
12 ~~is not taken to comply with such federal action.~~

13           ~~(D) "State cash fund appropriation" means any appropriation of~~  
14 ~~moneys which are not general fund moneys and which are the result of~~  
15 ~~the collection of any fee authorized by law.~~

16           ~~(b) For the fiscal year 1984-85, any amount of general fund~~  
17 ~~revenues in excess of seven percent plus such moneys as are necessary for~~  
18 ~~reappraisals of any class or classes of taxable property for property tax~~  
19 ~~purposes as required by section 39-1-105.5, C.R.S., and after retention of~~  
20 ~~unrestricted general fund year-end balances of one hundred million~~  
21 ~~dollars, shall be placed in a special reserve fund to be utilized for tax~~  
22 ~~relief, for capital construction as defined in section 24-30-1301 (1), for~~  
23 ~~construction, maintenance, and repair of highways, for water projects, and~~  
24 ~~for the cost of bringing civil actions pursuant to the federal~~  
25 ~~"Comprehensive Environmental Response, Compensation, and Liability~~  
26 ~~Act of 1980".~~

27           ~~(c) (I) to (IV) Repealed.~~

1           ~~(V) For the fiscal year 1989-90 and each fiscal year thereafter~~  
2           ~~ending with the fiscal year 1990-91, fifty percent of general fund~~  
3           ~~revenues in excess of general fund appropriations, after retention of the~~  
4           ~~reserve as required by paragraph (d) of this subsection (1), shall be~~  
5           ~~transferred to the capital construction fund as of the last day of the fiscal~~  
6           ~~year. The general assembly may appropriate such funds for capital~~  
7           ~~construction purposes during the regular legislative session next~~  
8           ~~following the actual transfer of moneys thereto; except that, for the fiscal~~  
9           ~~year 1989-90 only, the general assembly may appropriate such funds~~  
10           ~~during the regular legislative session held in 1990 for the purpose of~~  
11           ~~alleviating prison overcrowding for the fiscal year 1989-90 or for any~~  
12           ~~future fiscal year and may appropriate such funds for any other capital~~  
13           ~~construction purposes during the regular legislative session next~~  
14           ~~following the actual transfer of moneys to the capital construction fund.~~  
15           ~~General fund revenues in excess of general fund appropriations and the~~  
16           ~~required reserve which are not transferred to the capital construction fund~~  
17           ~~as specified in this subparagraph (V) shall be available for appropriation~~  
18           ~~for the fiscal year in which the excess is realized or for any future fiscal~~  
19           ~~year, subject to the limitation on general fund appropriations set forth in~~  
20           ~~paragraph (a) of this subsection (1). For the purposes of applying this~~  
21           ~~subparagraph (V) to the fiscal years 1990-91 and 1991-92, the required~~  
22           ~~reserve shall be considered four percent of the amount appropriated for~~  
23           ~~expenditure from the general fund, notwithstanding the actual percentage~~  
24           ~~reserve requirement specified in subparagraph (IV) of paragraph (d) of~~  
25           ~~this subsection (1).~~

26           ~~(c.5) (I) (Deleted by amendment, L. 2002, p. 1005, § 1, effective~~  
27           ~~August 7, 2002.)~~

1           ~~(H) (A) (Deleted by amendment, L. 2002, p. 1005, § 1, effective~~  
2           ~~August 7, 2002.)~~

3           ~~(B) Except as otherwise provided in sub-subparagraph (B.8) of~~  
4           ~~this subparagraph (H), for each fiscal year, following the adoption by the~~  
5           ~~general assembly of the general appropriation bill, there may be~~  
6           ~~transferred to the controlled maintenance trust fund fifty percent of the~~  
7           ~~general fund revenues for the prior fiscal year in excess of general fund~~  
8           ~~appropriations, statutory rebates, and statutory transfers, not to exceed~~  
9           ~~fifty million dollars, and after retention of the reserve required by~~  
10          ~~paragraph (d) of this subsection (1). The capital development committee~~  
11          ~~shall consider the extent to which excess general fund revenues are the~~  
12          ~~result of expenditures of other general fund dollars and make a~~  
13          ~~recommendation to the joint budget committee regarding excess dollars~~  
14          ~~to be allocated to the controlled maintenance trust fund. The general~~  
15          ~~assembly shall, by joint resolution, presented to and signed by the~~  
16          ~~governor, determine the amount to be transferred and direct the state~~  
17          ~~treasurer and the controller to make such transfer to the controlled~~  
18          ~~maintenance trust fund.~~

19          ~~(B.5) and (B.7) (Deleted by amendment, L. 2002, p. 1005, § 1,~~  
20          ~~effective August 7, 2002.)~~

21          ~~(B.8) The state treasurer and controller shall transfer fifty-five~~  
22          ~~million dollars from the general fund to the controlled maintenance trust~~  
23          ~~fund on June 30, 2005.~~

24          ~~(C) The interest earned on the trust fund balance may be~~  
25          ~~appropriated by the general assembly pursuant to the provisions of section~~  
26          ~~24-75-302.5. Any transfer made pursuant to the provisions of this~~  
27          ~~subparagraph (H) shall not be deemed to be an appropriation subject to~~

1 ~~the limitations of this section.~~

2 (d) For each STATE fiscal year, AN AMOUNT OF MONEY FROM THE  
3 unrestricted general fund year-end ~~balances~~ BALANCE THAT IS EQUAL TO  
4 FOUR PERCENT OF THE AMOUNT APPROPRIATED FOR EXPENDITURE FROM  
5 THE GENERAL FUND FOR THAT FISCAL YEAR shall be retained as a reserve.  
6 ~~in the following amounts:~~

7 ~~(I) For fiscal years 1985-86 and 1986-87, five percent of the~~  
8 ~~amount appropriated for expenditure from the general fund for the fiscal~~  
9 ~~year;~~

10 ~~(II) For the fiscal year 1987-88, six percent of the amount~~  
11 ~~appropriated for expenditure from the general fund for that fiscal year;~~

12 ~~(III) For the fiscal year 1988-89 and each fiscal year thereafter,~~  
13 ~~except for the fiscal years 1990-91, 1991-92, 1992-93, 2001-02, 2002-03,~~  
14 ~~2003-04, and 2006-07, as provided in subparagraphs (IV), (V), (VI),~~  
15 ~~(VII), (VIII), and (IX) of this paragraph (d), four percent of the amount~~  
16 ~~appropriated for expenditure from the general fund for that fiscal year;~~

17 ~~(IV) For the fiscal years 1990-91 and 1991-92, three percent of~~  
18 ~~the amount appropriated for expenditure from the general fund for that~~  
19 ~~fiscal year. The additional amount of general fund moneys made~~  
20 ~~available for appropriation by the reduction in the required reserve from~~  
21 ~~four percent to three percent for the fiscal year 1990-91, as provided in~~  
22 ~~this subparagraph (IV), may be appropriated only for the purpose of~~  
23 ~~alleviating prison overcrowding, and any such appropriation shall not be~~  
24 ~~subject to the limitation on general fund appropriations set forth in~~  
25 ~~paragraph (a) of this subsection (1). The additional amount of general~~  
26 ~~fund moneys made available for appropriation by the reduction in the~~  
27 ~~required reserve from four percent to three percent for the fiscal year~~

1 1991-92, as provided in this subparagraph (IV), may be appropriated for  
2 any lawful purpose.

3 ~~(V) For the fiscal year 1992-93, three percent of the amount~~  
4 ~~appropriated for expenditure from the general fund for that fiscal year~~  
5 ~~reduced by fourteen million dollars. The additional amount of general~~  
6 ~~fund moneys made available for appropriation by the reduction in the~~  
7 ~~required reserve from four percent to the amount provided in this~~  
8 ~~subparagraph (V) may be appropriated during the fiscal year 1992-93 for~~  
9 ~~any lawful purpose.~~

10 ~~(VI) For the fiscal year 2001-02, no percentage of the amount~~  
11 ~~appropriated for expenditure from the general fund for that fiscal year, as~~  
12 ~~no reserve shall be required for said fiscal year. The additional amount~~  
13 ~~of general fund moneys made available for appropriation by the~~  
14 ~~elimination of the required reserve from four percent for the fiscal year~~  
15 ~~2001-02, as provided in this subparagraph (VI), may be appropriated for~~  
16 ~~any lawful purpose.~~

17 ~~(VII) For the fiscal year 2002-03, three percent of the amount~~  
18 ~~appropriated for expenditure from the general fund for that fiscal year~~  
19 ~~reduced by thirty-one million one hundred seventy-five thousand dollars~~  
20 ~~and as further reduced by the amount of general fund moneys comprising~~  
21 ~~such reserve that are disbursed pursuant to section 24-75-201.5 (1) (d)~~  
22 ~~(HH) (A). The additional amount of general fund moneys made available~~  
23 ~~for appropriation by the reduction in the required reserve from four~~  
24 ~~percent to three percent reduced by thirty-one million one hundred~~  
25 ~~seventy-five thousand dollars may be appropriated during the fiscal year~~  
26 ~~2002-03 for any lawful purpose.~~

27 ~~(VIII) For the fiscal year 2003-04, four percent of the amount~~

1 appropriated for expenditure from the general fund for that fiscal year  
2 reduced by the amount of general fund moneys comprising such reserve  
3 that are disbursed pursuant to section 24-75-201.5 (1) (e).

4 ~~(IX) For the fiscal year 2006-07, if the resources of the general~~  
5 ~~fund are inadequate to meet the reserve required by subparagraph (III) of~~  
6 ~~this paragraph (d), the state controller shall accrue a transfer from the~~  
7 ~~capital construction fund to the general fund in the amount necessary to~~  
8 ~~meet the reserve requirement of subparagraph (III) of this paragraph (d)~~  
9 ~~up to thirty million dollars. The requirements of this subparagraph (IX)~~  
10 ~~shall be applied before the requirements of section 39-26-123 (4) (a) (VI)~~  
11 ~~(B), C.R.S.~~

12 (2) For each fiscal year ending with the 1985-86 fiscal year, the  
13 basis for the calculation of the percentage for the reserve as specified in  
14 subsection (1) of this section shall include all appropriations for  
15 expenditures and disbursements authorized by law from the general fund,  
16 including tax relief appropriations and other expenditures made in  
17 accordance with the provisions of subsection (1) of this section. For the  
18 1986-87 fiscal year and each fiscal year thereafter ending with the fiscal  
19 year 1990-91, the basis for the calculation of the reserve as specified in  
20 paragraph (d) of subsection (1) of this section shall include all  
21 appropriations for expenditure from the general fund for such fiscal year  
22 but shall not include the fifty percent of excess revenues transferred from  
23 the general fund to the capital construction fund pursuant to paragraph (c)  
24 of subsection (1) of this section. For the 1991-92 fiscal year and each  
25 fiscal year thereafter, The basis for the calculation of the reserve as  
26 specified in paragraph (d) of subsection (1) of this section shall include  
27 all appropriations for expenditure from the general fund for such fiscal

1 year. ~~except for any appropriations for expenditure from the general fund~~  
2 ~~due to a state fiscal emergency as provided for in subparagraph (IV) of~~  
3 ~~paragraph (a) of subsection (1) of this section.~~

4 (3) Any reimbursement made by a county to the state for the cost  
5 incurred by the state in reappraising any class or classes of taxable  
6 property for property tax purposes for which reimbursement is required  
7 by section 39-1-105.5, C.R.S., shall be made to the state treasurer, who  
8 shall, upon receipt thereof, credit the amount of such reimbursement to  
9 the state general fund.

10 (4) Repealed.

11 **SECTION 11. Repeal.** 24-75-201.2 (1) (b), Colorado Revised  
12 Statutes, is repealed as follows:

13 **24-75-201.2. Unrestricted general fund year-end balances -**  
14 **federal revenue sharing trust fund.** (1) == ==

15 ~~(b) Moneys budgeted or allocated for possible state liability,~~  
16 ~~pending determination of a legal action, may be utilized for such purpose~~  
17 ~~without regard to the restrictions on and requirements for expenditures~~  
18 ~~established in section 24-75-201.1.~~

19 **SECTION 12.** 24-75-201.3 (2), Colorado Revised Statutes, is  
20 amended to read:

21 **24-75-201.3. Procedures relating to revenue estimates.** (2) No  
22 later than June 20 prior to the beginning of each fiscal year, and no later  
23 than September 20, December 20, and March 20 within each fiscal year,  
24 the governor, with the assistance of the controller, the office of state  
25 planning and budgeting, and the governor's revenue-estimating advisory  
26 group, shall make an estimate of general fund revenues for such fiscal  
27 year. ~~The estimate shall include as general fund revenues any amount of~~

1 state sales and use tax net revenue allocated and credited to the sales and  
2 use tax holding fund pursuant to section 39-26-123 (3) (a) (I), C.R.S., that  
3 is expected at the time of the estimate to be accrued to the general fund  
4 effective June 30 of the fiscal year by the state controller and  
5 subsequently transferred to the general fund by the state treasurer  
6 pursuant to section 39-26-123 (4) (a), C.R.S. Copies of each such  
7 revenue estimate shall be promptly transmitted to the general assembly.  
8 Such revenue estimates shall be used in the implementation of section  
9 24-75-201.5 but shall not be binding on the general assembly in  
10 determining the amount of general funds available for appropriation for  
11 the next ensuing fiscal year pursuant to subsection (1) of this section.

12 **SECTION 13. Repeal.** 24-75-201.7, Colorado Revised Statutes,  
13 is repealed as follows:

14 **24-75-201.7. Enforcement of state spending restriction -**  
15 **punitive or exemplary damages - property tax relief fund - creation.**

16 ~~Any punitive or exemplary damages awarded to any party to a lawsuit~~  
17 ~~brought to enforce the restriction on state spending as set forth in section~~  
18 ~~24-75-201.1 shall be deposited and credited to the property tax relief~~  
19 ~~fund, which is hereby created in the state treasury. All moneys in the~~  
20 ~~fund at the end of any fiscal year shall remain in the fund and shall not be~~  
21 ~~transferred or credited to the state general fund or to any other state fund.~~  
22 ~~All interest derived from the deposit and investment of moneys in the~~  
23 ~~fund shall be credited to the fund. Moneys in said fund shall be used only~~  
24 ~~in such manner as the general assembly deems appropriate as to provide~~  
25 ~~property tax relief throughout the state and shall never be available for~~  
26 ~~appropriation for any other state purpose.~~

27 **SECTION 14.** 24-75-216 (1) (b), Colorado Revised Statutes, is

1 amended to read:

2 **24-75-216. Temporary state motor vehicle registration fee**  
3 **reduction.** (1) (b) For each month, the state controller shall ~~adjust the~~  
4 ~~allocation of moneys between the sales and use tax holding fund and the~~  
5 ~~general fund required by section 39-26-123 (3) (a), C.R.S., so that the~~  
6 ~~allocations to the sales and use tax holding fund are increased, and the~~  
7 ~~allocations to the general fund correspondingly decreased, in TRANSFER~~  
8 FROM THE GENERAL FUND TO THE SALES AND USE TAX HOLDING FUND an  
9 amount equal to the reduction in receipts from vehicle registration fees as  
10 reported by the executive director of the department of revenue pursuant  
11 to section 42-3-304 (23), C.R.S., during the immediately preceding  
12 month. As soon as possible after receiving the report of the amount of  
13 registration fees not collected due to the fee reductions, the state  
14 controller shall adjust the allocation for the previous month to reflect that  
15 amount. The adjustment shall be based upon the written reports from the  
16 executive director of the department of revenue submitted pursuant to  
17 section 42-3-304 (23), C.R.S.

18 **SECTION 15.** 24-75-218 (1) and the introductory portion to  
19 24-75-218 (2), Colorado Revised Statutes, are amended, and the said  
20 24-75-218 is further amended BY THE ADDITION OF A NEW  
21 SUBSECTION, to read:

22 **24-75-218. Transfers of general fund surplus.** (1) ~~On July 1,~~  
23 ~~2003, on July 1 in each succeeding state fiscal year through the 2005-06~~  
24 ~~state fiscal year, and on the dates and in the manner specified in~~  
25 ~~subsection (2) of this section for the 2006-07 state fiscal year and for each~~  
26 ~~succeeding state fiscal year, the general fund surplus designated in~~  
27 ~~accordance with section 24-75-201 (1), less the four percent reserve~~

1 required by section 24-75-201.1 (1) (d) (III), and less any general fund  
2 revenues that are designated as state revenues in excess of the  
3 constitutional limitation on state fiscal year spending for the immediately  
4 preceding state fiscal year, shall be credited and allocated as follows:

5 (a) Two-thirds of the surplus to the highway users tax fund created  
6 in section 43-4-201, C.R.S.; and

7 (b) One-third of the surplus to the capital construction fund  
8 created in section 24-75-302.

9 (1.5) FOR EACH STATE FISCAL YEAR COMMENCING ON OR AFTER  
10 JULY 1, 2009, THE GENERAL ASSEMBLY MAY APPROPRIATE OR  
11 TRANSFER, IN ITS SOLE DISCRETION, MONEYS FROM THE GENERAL FUND TO  
12 THE HIGHWAY USERS TAX FUND CREATED IN SECTION 43-4-201, C.R.S.,  
13 THE CAPITAL CONSTRUCTION FUND CREATED IN SECTION 24-75-302, OR  
14 BOTH FUNDS.

15 (2) For the 2006-07 state fiscal year and for each succeeding state  
16 fiscal year, the state shall credit and allocate the estimated amounts of  
17 general fund surplus required to be credited and allocated to the highway  
18 users tax fund and the capital construction fund pursuant to subsection (1)  
19 OR (1.5) of this section as follows:

20 **SECTION 16.** The introductory portion to 24-75-302 (2),  
21 Colorado Revised Statutes, is amended to read:

22 **24-75-302. Capital construction fund - capital assessment fees**  
23 **- calculation.** (2) As of July 1, 1988, and July 1 of each year thereafter  
24 through July 1, 2012, a sum as specified in this subsection (2) shall accrue  
25 to the capital construction fund. The state treasurer and the controller  
26 shall transfer such sum out of the general fund and into the capital  
27 construction fund as moneys become available in the general fund during

1 the fiscal year beginning on said July 1. ~~Transfers between funds~~  
2 ~~pursuant to this subsection (2) shall not be deemed to be appropriations~~  
3 ~~subject to the limitations of section 24-75-201.1.~~ The amount that shall  
4 accrue pursuant to this subsection (2) shall be as follows:

5 **SECTION 17.** 24-75-302.5 (2) (a), Colorado Revised Statutes, is  
6 amended to read:

7 **24-75-302.5. Controlled maintenance - trust fund.**

8 (2) (a) There is hereby created the controlled maintenance trust fund, the  
9 principal of which shall consist of ~~general fund revenues transferred~~  
10 ~~thereto as provided in section 24-75-201.1 (1) (c.5) (H);~~ any general fund  
11 revenues appropriated OR TRANSFERRED thereto by law and proceeds of  
12 leveraged leasing agreements deposited thereto pursuant to section  
13 24-82-1003 (3). For the 1996-97 fiscal year and fiscal years thereafter,  
14 the principal of the trust fund may constitute all or some portion of the  
15 state emergency reserve established pursuant to section 24-77-104 and  
16 may be expended in any given fiscal year as provided in said section. The  
17 principal of the trust fund shall not be expended or appropriated for any  
18 purpose other than use as part of the state emergency reserve. The state  
19 treasurer may in the state treasurer's discretion deposit, redeposit, invest,  
20 and reinvest moneys accrued or accruing to the controlled maintenance  
21 trust fund in the types of deposits and investments authorized in sections  
22 24-36-109, 24-36-112, and 24-36-113.

23 **SECTION 18. Repeal.** 24-77-103.6 (3), Colorado Revised  
24 Statutes, is repealed as follows:

25 **24-77-103.6. Retention of excess state revenues - general fund**  
26 **exempt account - required uses - excess state revenues legislative**  
27 **report.** (3) ~~The statutory limitation on general fund appropriations set~~

1     forth in section ~~24-75-201.1 (1) (a) (H)~~, and the exceptions or exclusions  
2     thereto, shall apply to the moneys in the general fund exempt account.

3             **SECTION 19. Repeal.** 24-115-111 (3), Colorado Revised  
4     Statutes, is repealed as follows:

5             **24-115-111. Critical needs fund - creation - appropriations to**  
6     **fund - repayment of notes from fund.** (3) ~~General fund appropriations~~  
7     ~~made pursuant to this section are not subject to the limitation on state~~  
8     ~~general fund appropriations set forth in section 24-75-201.1 because~~  
9     ~~approval of a ballot issue that authorizes the issuance of notes and~~  
10    ~~provides for the payment of notes by voters of the state constitutes voter~~  
11    ~~approval for the exemption of those appropriations from that limitation.~~

12            **SECTION 20.** 27-10.5-104.2 (2), Colorado Revised Statutes, is  
13    amended to read:

14            **27-10.5-104.2. Services and supports - waiting list reduction**  
15    **- cash fund.** (2) During each regular session of the general assembly, the  
16    joint budget committee and the health and human services committees of  
17    the senate and the house of representatives, or any successor committees,  
18    shall hold a joint hearing and take public testimony on the status of the  
19    waiting lists for adult comprehensive services, adult supported living  
20    services, and family support services for persons with developmental  
21    disabilities and the availability of general fund moneys to reduce the  
22    number of persons on the waiting lists and the amount of time eligible  
23    persons wait for such services. The goal of the hearing shall be to  
24    propose an appropriation from the general fund to the developmental  
25    disabilities services cash fund. ~~in an amount equal to two percent of the~~  
26    ~~amount by which total state general fund appropriations for the fiscal year~~  
27    ~~may increase over the prior fiscal year in accordance with the limitation~~

1 imposed by section ~~24-75-201.1 (1) (a) (II), C.R.S.~~, as determined based  
2 on the revenue estimate certified pursuant to section ~~24-75-201.3 (1),~~  
3 ~~C.R.S.~~

4 **SECTION 21.** 39-3-207 (4) (a), Colorado Revised Statutes, is  
5 amended to read:

6 **39-3-207. Reporting of exemptions - reimbursement to local**  
7 **governmental entities.** (4) (a) In accordance with section 3.5 of article  
8 X of the state constitution, no later than April 15, 2003, and each April 15  
9 thereafter, the state treasurer shall issue a warrant to each treasurer for the  
10 amount needed to fully reimburse all local governmental entities within  
11 the treasurer's county for the amount of property tax revenues lost as a  
12 result of the application of the exemption to property taxes that accrued  
13 during the previous property tax year and are payable during the year in  
14 which the state treasurer issues the warrant. The reimbursement shall be  
15 paid from the state general fund. ~~and shall not be subject to the statutory~~  
16 ~~limitation on state general fund appropriations set forth in section~~  
17 ~~24-75-201.1, C.R.S.~~

18 **SECTION 22.** 39-22-121 (6.7) (a), Colorado Revised Statutes, is  
19 amended to read:

20 **39-22-121. Credit for child care facilities - repeal.** (6.7) (a) If  
21 the revenue estimate prepared by the staff of the legislative council in  
22 December 2010 and each December thereafter indicates that the amount  
23 of the total general fund revenues for that particular fiscal year will not  
24 be sufficient to ~~maintain the limit on appropriations specified in section~~  
25 ~~24-75-201.1 (1), C.R.S.~~ GROW THE TOTAL STATE GENERAL FUND  
26 APPROPRIATIONS BY SIX PERCENT OVER SUCH APPROPRIATIONS FOR THE  
27 PREVIOUS FISCAL YEAR, then the credit authorized in this section shall not

1 be allowed for any income tax year commencing during the calendar year  
2 following the year in which the estimate is prepared; except that any  
3 taxpayer who would have been eligible to claim a credit pursuant to this  
4 section in the income tax year in which the credit is not allowed shall be  
5 allowed to claim the credit earned in such income tax year in the next  
6 income tax year in which the estimate indicates that the amount of the  
7 total general fund revenues will be sufficient to ~~maintain the limit on~~  
8 ~~appropriations specified in section 24-75-201.1 (1), C.R.S.~~ GROW THE  
9 TOTAL STATE GENERAL FUND APPROPRIATIONS BY SIX PERCENT OVER SUCH  
10 APPROPRIATIONS FOR THE PREVIOUS FISCAL YEAR.

11 **SECTION 23.** 39-22-514 (11.7) (a), Colorado Revised Statutes,  
12 is amended to read:

13 **39-22-514. Tax credit for qualified costs incurred in**  
14 **preservation of historic properties.** (11.7) (a) If the revenue estimate  
15 prepared by the staff of the legislative council in December 2010 and  
16 each December thereafter indicates that the amount of the total general  
17 fund revenues for that particular fiscal year will not be sufficient to  
18 ~~maintain the limit on appropriations specified in section 24-75-201.1 (1),~~  
19 ~~C.R.S.~~ GROW THE TOTAL STATE GENERAL FUND APPROPRIATIONS BY SIX  
20 PERCENT OVER SUCH APPROPRIATIONS FOR THE PREVIOUS FISCAL YEAR,  
21 then the credit authorized in this section shall not be allowed for any  
22 income tax year commencing during the calendar year following the year  
23 in which the estimate is prepared; except that any taxpayer who would  
24 have been eligible to claim a credit pursuant to this section in the income  
25 tax year in which the credit is not allowed shall be allowed to claim the  
26 credit earned in such income tax year in the next income tax year in which  
27 the estimate indicates that the amount of the total general fund revenues

1 will be sufficient to ~~maintain the limit on appropriations specified in~~  
2 ~~section 24-75-201.1 (1), C.R.S.~~ GROW THE TOTAL STATE GENERAL FUND  
3 APPROPRIATIONS BY SIX PERCENT OVER SUCH APPROPRIATIONS FOR THE  
4 PREVIOUS FISCAL YEAR.

5 **SECTION 24.** 39-22-530 (5) (a), Colorado Revised Statutes, is  
6 amended to read:

7 **39-22-530. Credit for employers that hire persons with**  
8 **developmental disabilities - definitions.** (5) (a) If the revenue estimate  
9 prepared by the staff of the legislative council in December 2008,  
10 December 2009, or December 2010 indicates that the amount of total  
11 general fund revenues for the current fiscal year will not be sufficient to  
12 ~~reach the limit on appropriations specified in section 24-75-201.1 (1),~~  
13 ~~C.R.S.~~ GROW THE TOTAL STATE GENERAL FUND APPROPRIATIONS BY SIX  
14 PERCENT OVER SUCH APPROPRIATIONS FOR THE PREVIOUS FISCAL YEAR,  
15 then the credit authorized by this section shall not be allowed for the  
16 income tax year following the year in which the estimate is prepared;  
17 except that a taxpayer who would have been eligible to claim a credit  
18 pursuant to this section in an income tax year in which the credit is not  
19 allowed may claim the credit in the next income tax year in which the  
20 revenue estimate indicates that the amount of total general fund revenues  
21 will be sufficient to ~~reach the limit on appropriations specified in section~~  
22 ~~24-75-201.1 (1), C.R.S.~~ GROW THE TOTAL STATE GENERAL FUND  
23 APPROPRIATIONS BY SIX PERCENT OVER SUCH APPROPRIATIONS FOR THE  
24 PREVIOUS FISCAL YEAR.

25 **SECTION 25.** 39-26-123 (2), the introductory portion to  
26 39-26-123 (3) (a), 39-26-123 (3) (a) (I), (3) (a) (II) (C), (3) (a) (II) (D),  
27 (3) (a) (II) (E), (3) (a) (III) (C), (3) (a) (IV) (A), (4) (a) (I), (4) (a) (II), (4)

1 (a) (III), the introductory portions to 39-26-123 (4) (a) (IV) and (4) (a)  
2 (V), and 39-26-123 (4) (a) (VI) (B), (4) (b) (I), (4) (b) (II), and (5),  
3 Colorado Revised Statutes, are amended, and the said 39-26-123 is  
4 further amended BY THE ADDITION OF A NEW SUBSECTION, to  
5 read:

6 **39-26-123. Receipts - disposition - transfers of general fund**  
7 **surplus - sales and use tax holding fund - creation - definitions -**  
8 **repeal.** (2) The sales and use tax holding fund is hereby created in the  
9 state treasury and shall be administered by the state treasurer. The fund  
10 shall consist of ~~net revenue allocated and credited~~ MONEYS TRANSFERRED  
11 to the fund pursuant to ~~subsection (3)~~ SUBSECTION (3.5) of this section.  
12 Interest and income earned on the deposit and investment of moneys in  
13 the fund shall be credited to the fund and shall not revert to the general  
14 fund of the state or to any other fund. Moneys in the fund shall be  
15 transferred from the fund only to the highway users tax fund created in  
16 section 43-4-201, C.R.S., and the general fund and only in the manner  
17 specified in subsection (4) of this section.

18 (3) (a) For any state fiscal year commencing on or after July 1,  
19 2006, eighty-five percent of all net revenue collected under the provisions  
20 of this article shall be credited to the old age pension fund created in  
21 section 1 of article XXIV of the state constitution. The remaining fifteen  
22 percent shall be allocated among ~~the sales and use tax holding fund~~  
23 ~~created in subsection (2) of this section~~, the general fund, the older  
24 Coloradans cash fund created in section 26-11-205.5 (5), C.R.S., and the  
25 supplemental old age pension health and medical care fund created in  
26 section 25.5-2-101 (3), C.R.S., and credited to the funds by the state  
27 treasurer as follows:

1 (I) ~~Ten and three hundred fifty-five thousandths percent of all net~~  
2 ~~revenue to the sales and use tax holding fund;~~

3 (II) (C) ~~For the state fiscal year commencing on July 1, 2007, four~~  
4 ~~and six hundred forty-five thousandths percent of all net revenue, less~~  
5 ~~five million seven hundred fifty thousand dollars, to the general fund.~~

6 (D) ~~For the state fiscal year commencing on July 1, 2008, four and~~  
7 ~~six hundred forty-five thousandths percent of all net revenue, less eight~~  
8 ~~million seven hundred fifty thousand dollars, to the general fund.~~

9 (E) For any state fiscal year commencing on or after July 1, 2009,  
10 ~~four and six hundred forty-five thousandths~~ FIFTEEN percent of all net  
11 revenue, less ten million eight hundred fifty thousand dollars, to the  
12 general fund.

13 (III) (C) ~~For the state fiscal year commencing on July 1, 2007, five~~  
14 ~~million dollars to the older Coloradans cash fund.~~

15 (IV) (A) ~~For the state fiscal years 2007-08 and 2008-09, seven~~  
16 ~~hundred fifty thousand dollars to the supplemental old age pension health~~  
17 ~~and medical care fund.~~

18 (3.5) FOR EACH STATE FISCAL YEAR COMMENCING ON OR AFTER  
19 JULY 1, 2009, THE GENERAL ASSEMBLY MAY APPROPRIATE OR  
20 TRANSFER, IN ITS SOLE DISCRETION, MONEYS FROM THE GENERAL FUND TO  
21 THE SALES AND USE TAX HOLDING FUND.

22 (4) (a) Except as otherwise provided in sub-subparagraph (B) of  
23 subparagraph (VI) of this paragraph (a), all moneys in the sales and use  
24 tax holding fund shall be transferred to the highway users tax fund, as a  
25 portion of the sales and use taxes attributable to sales or use of vehicles  
26 and related items, as follows:

27 (I) ~~If the revenue estimate prepared by the staff of the legislative~~

1 council in September of state fiscal year 2006-07 indicates that the  
2 amount of total general fund revenues for the state fiscal year will be  
3 sufficient to maintain the four percent reserve required by section  
4 24-75-201.1 (1) (d) (HH), C.R.S., on October 15, 2006, the state treasurer  
5 shall transfer from the sales and use tax holding fund to the highway users  
6 tax fund an amount equal to the lesser of:

7 (A) Twenty-five percent of the amount estimated in the September  
8 revenue estimate to be accrued and transferred to the highway users tax  
9 fund pursuant to this section for the entire fiscal year; or

10 (B) The balance of the sales and use tax holding fund.

11 (II) If the revenue estimate prepared by the staff of the legislative  
12 council in December of state fiscal year 2006-07 indicates that the amount  
13 of total general fund revenues for the state fiscal year will be sufficient to  
14 maintain the four percent reserve required by section 24-75-201.1 (1) (d)  
15 (HH), C.R.S., on February 1 of the fiscal year the state treasurer shall  
16 transfer from the sales and use tax holding fund to the highway users tax  
17 fund an amount equal to the lesser of:

18 (A) The amount needed to ensure that the cumulative amount  
19 transferred from the sales and use tax holding fund to the highway users  
20 tax fund through February 1, 2007, equals fifty percent of the amount  
21 estimated in the December revenue estimate to be accrued and transferred  
22 to the highway users tax fund pursuant to this section for the entire fiscal  
23 year; or

24 (B) The balance of the sales and use tax holding fund.

25 (III) If the revenue estimate prepared by the staff of the legislative  
26 council in March of state fiscal year 2006-07 indicates that the amount of  
27 total general fund revenues for the state fiscal year will be sufficient to

1 maintain the four percent reserve required by section 24-75-201.1 (1) (d)  
2 (~~HH~~), C.R.S., on April 15, 2007 the state treasurer shall transfer from the  
3 sales and use tax holding fund to the highway users tax fund the lesser of:

4 (A) ~~The amount needed to ensure that the cumulative amount~~  
5 ~~transferred from the sales and use tax holding fund to the highway users~~  
6 ~~tax fund through April 15 equals seventy-five percent of the amount~~  
7 ~~estimated in the March revenue estimate to be accrued and transferred to~~  
8 ~~the highway users tax fund pursuant to this section for the entire fiscal~~  
9 ~~year; or~~

10 (B) ~~The balance of the sales and use tax holding fund.~~

11 (IV) If the revenue estimate prepared by the staff of the legislative  
12 council in December of state fiscal year ~~2007-08~~ YEAR 2009-10 or in  
13 December of any succeeding state fiscal year indicates that the amount of  
14 total general fund revenues for the state fiscal year will be sufficient to  
15 maintain the four percent reserve required by section 24-75-201.1 (1) (d)  
16 (~~HH~~) SECTION 24-75-201.1 (1) (d), C.R.S., on February 1 of the fiscal year  
17 the state treasurer shall transfer from the sales and use tax holding fund  
18 to the highway users tax fund an amount equal to the lesser of:

19 (V) If the revenue estimate prepared by the staff of the legislative  
20 council in March of state fiscal year ~~2007-08~~ YEAR 2009-10 or in March  
21 of any succeeding state fiscal year indicates that the amount of total  
22 general fund revenues for the state fiscal year will be sufficient to  
23 maintain the four percent reserve required by section 24-75-201.1 (1) (d)  
24 (~~HH~~) SECTION 24-75-201.1 (1) (d), C.R.S., on April 15 of the fiscal year  
25 the state treasurer shall transfer from the sales and use tax holding fund  
26 to the highway users tax fund the lesser of:

27 (VI) (B) Notwithstanding the provisions of sub-subparagraph (A)

1 of this subparagraph (VI), the state controller shall reduce the amount  
2 accrued to the highway users tax fund pursuant to said sub-subparagraph  
3 and accrue moneys in the sales and use tax holding fund to the general  
4 fund to the extent necessary to ensure that the amount of general fund  
5 revenues for the state fiscal year is sufficient to maintain the four percent  
6 reserve required by ~~section 24-75-201.1(1)(d)(III)~~ SECTION 24-75-201.1  
7 (1) (d), C.R.S.

8 (b) If a change in tax policy resulting in a significant reduction of  
9 general fund revenues is implemented, the general assembly shall:

10 (I) Examine the exception set forth in sub-subparagraph (B) of  
11 subparagraph (VI) of paragraph (a) of this subsection (4) to the general  
12 requirement set forth in paragraph (a) of this subsection (4) that all  
13 moneys in the sales and use tax holding fund be accrued and transferred  
14 to the highway users tax fund and determine whether the exception should  
15 be modified in light of the change. ~~and~~

16 (II) ~~Examine the amount of sales and use taxes credited to the~~  
17 ~~sales and use tax holding fund pursuant to subparagraph (I) of paragraph~~  
18 ~~(a) of subsection (3) of this section and paragraph (b) of subsection (3) of~~  
19 ~~this section and determine whether that amount should be modified in~~  
20 ~~light of the change.~~

21 (5) ~~In addition to the transfers required by subsection (4) of this~~  
22 ~~section, the general fund surplus designated in accordance with section~~  
23 ~~24-75-201 (1), C.R.S., shall be allocated and credited to the highway~~  
24 ~~users tax fund and the capital construction fund created in section~~  
25 ~~24-75-302, C.R.S., in the manner specified in section 24-75-218, C.R.S.~~

26 **SECTION 26.** 39-26-722 (3), Colorado Revised Statutes, is  
27 amended to read:

1           **39-26-722. Cleanrooms - definitions - repeal.** (3) If the revenue  
2 estimate prepared by the staff of the legislative council in June 2008 and  
3 each June thereafter through June 2016 indicates that the amount of the  
4 total general fund revenues for the fiscal year will not be sufficient to  
5 ~~maintain the limit on appropriations specified in section 24-75-201.1 (1);~~  
6 ~~C.R.S.~~ GROW THE TOTAL STATE GENERAL FUND APPROPRIATIONS BY SIX  
7 PERCENT OVER SUCH APPROPRIATIONS FOR THE PREVIOUS FISCAL YEAR,  
8 then the exemption as specified in subsection (1) of this section for the  
9 fiscal year commencing immediately following the June revenue estimate  
10 shall not be allowed.

11           **SECTION 27.** 40-9.7-108 (3) (b) (I), Colorado Revised Statutes,  
12 is amended to read:

13           **40-9.7-108. Colorado clean energy development authority**  
14 **fund - creation - authorization of projects.** (3) (b) (I) Notwithstanding  
15 the provisions of subsection (4) of this section, and subject to the  
16 limitations set forth in paragraphs (e) and (f) of this subsection (3), the  
17 authority, with prior approval by enacted legislation of the general  
18 assembly in accordance with paragraph (c) of this subsection (3), may  
19 agree in any resolution or trust indenture authorizing the issuance of  
20 bonds that, if the balance in the fund pledged as a reserve for the payment  
21 of all or any portion of bonds or obligations of the authority under any  
22 bond, financing agreement, contract, agreement, or other obligation of the  
23 authority authorized by this article falls below the debt service reserve  
24 fund requirement established in such resolution or trust indenture, the  
25 board shall, on or before January 1 of each year, make and deliver to the  
26 governor a certificate stating the sum, if any, required to restore the debt  
27 service reserve fund to the reserve fund requirement and, if the project is

1 located partly or wholly outside the state, the percentage of the total value  
2 of the project that is located within the state. If the governor determines  
3 that the sum of the amount of anticipated general fund revenues for the  
4 fiscal year in which the board delivers a certificate to the governor and  
5 the amount of available moneys in or to be credited to state funds other  
6 than the general fund for the fiscal year are sufficient to allow the general  
7 assembly to make general fund appropriations, ~~up to the limit specified~~  
8 ~~in section 24-75-201.1 (1) (a), C.R.S.;~~ maintain the four percent reserve  
9 required by ~~section 24-75-201.1 (1) (d) (II)~~ SECTION 24-75-201.1 (1) (d),  
10 C.R.S., and restore the debt service reserve fund to the reserve fund  
11 requirement, the governor shall transmit to the general assembly a request  
12 for the amount, if any, required to restore the debt service reserve fund to  
13 the debt service reserve fund requirement; except that, if the project is  
14 located partly or wholly outside the state, the governor shall transmit to  
15 the general assembly only a request for an amount equal to the product of  
16 the amount, if any, required to restore the debt service reserve fund to the  
17 debt service reserve fund requirement and the percentage of the total  
18 value of the project located within the state. The general assembly may,  
19 but shall not be required to, make any appropriations so requested. All  
20 sums appropriated and paid by the general assembly for the restoration  
21 shall be deposited by the authority in the debt service reserve fund.  
22 Nothing in this section shall create or constitute a debt or liability of the  
23 state.

24 **SECTION 28. Repeal.** 43-4-201 (3) (a) (I) (B), (3) (a) (I.1), (3)  
25 (a) (III) (A), (3) (a) (III) (B), (3) (a) (III) (C), and (3) (c), Colorado  
26 Revised Statutes, are repealed as follows:

27 **43-4-201. Funds created.** (3) (a) (I) The general assembly shall

1 not make any annual appropriation (whether by regular, special, or  
2 supplementary appropriation) or any statutory distribution from the  
3 highway users tax fund for any purpose or purposes in a total amount  
4 which is:

5 (B) ~~Commencing in the fiscal year 1981-82 through the fiscal year~~  
6 ~~1994-95, more than a seven percent increase over such appropriation for~~  
7 ~~the prior fiscal year and commencing in the fiscal year 1995-96, more~~  
8 ~~than a six percent increase over such appropriation to the department of~~  
9 ~~public safety for the Colorado state patrol and to the department of~~  
10 ~~revenue for the ports of entry division for the prior fiscal year; except in~~  
11 ~~fiscal years 2002-03 to 2005-06, more than a six percent increase over~~  
12 ~~such appropriation to the department of public safety for the Colorado~~  
13 ~~state patrol, to the department of revenue for the ports of entry division,~~  
14 ~~to the department of revenue for license plate funding pursuant to~~  
15 ~~sub-subparagraph (L) of subparagraph (H) of this paragraph (a), and to~~  
16 ~~the department of revenue for administration and expenses of the division~~  
17 ~~of motor vehicles pursuant to sub-subparagraph (M) of subparagraph (H)~~  
18 ~~of this paragraph (a) for the prior fiscal year. Commencing in the fiscal~~  
19 ~~year 2006-07, the general assembly shall not make any annual~~  
20 ~~appropriation (whether by regular, special, or supplementary~~  
21 ~~appropriation) or any statutory distribution from the highway users tax~~  
22 ~~fund for any purpose or purposes in a total amount that is more than a six~~  
23 ~~percent increase over such appropriation to the department of public~~  
24 ~~safety for the Colorado state patrol and to the department of revenue for~~  
25 ~~the ports of entry division. For fiscal years 2002-03 to 2005-06, any~~  
26 ~~annual appropriation or statutory distribution from the highway users tax~~  
27 ~~fund to the department of revenue for license plate funding unrelated to~~

1 ~~license plate replacement pursuant to sub-subparagraph (L) of~~  
2 ~~subparagraph (H) of this paragraph (a) and to the department of revenue~~  
3 ~~for administration and expenses of the division of motor vehicles~~  
4 ~~pursuant to sub-subparagraph (M) of subparagraph (H) of this paragraph~~  
5 ~~(a) within the six percent overall limit on state appropriations pursuant to~~  
6 ~~section 24-75-201.1 (1) (a) (H), C.R.S., shall not be based on a level of~~  
7 ~~appropriation that expands the six percent overall limit.~~

8 (I.1) ~~Commencing with the fiscal year 1995-96, the general~~  
9 ~~assembly shall not make any annual appropriation or statutory distribution~~  
10 ~~from the highway users tax fund pursuant to this paragraph (a), except to~~  
11 ~~the department of public safety for the Colorado state patrol or to the~~  
12 ~~department of revenue for the ports of entry section, that exceeds the~~  
13 ~~annual appropriation or statutory distribution for all purposes except the~~  
14 ~~Colorado state patrol and the ports of entry division for the fiscal year~~  
15 ~~1994-95.~~

16 (III) (A) ~~The general assembly shall not make any annual~~  
17 ~~appropriation or statutory distribution from the highway users tax fund for~~  
18 ~~the fiscal year 1995-96 authorized by subparagraph (H) of this paragraph~~  
19 ~~(a), excluding the annual appropriation or statutory distribution to the~~  
20 ~~Colorado state patrol and the ports of entry division, that exceeds~~  
21 ~~sixty-six and two-thirds percent of the fiscal year 1994-95 annual~~  
22 ~~appropriation or statutory distribution.~~

23 (B) ~~The general assembly shall not make any annual appropriation~~  
24 ~~or statutory distribution from the highway users tax fund for the fiscal~~  
25 ~~year 1996-97 authorized by subparagraph (H) of this paragraph (a),~~  
26 ~~excluding the annual appropriation or statutory distribution to the~~  
27 ~~Colorado state patrol and the ports of entry section, that exceeds~~

1 ~~thirty-three and one-third percent of the fiscal year 1994-95 annual~~  
2 ~~appropriation or statutory distribution.~~

3 (C) ~~The general assembly shall not make any annual appropriation~~  
4 ~~or statutory distribution from the highway users tax fund for the fiscal~~  
5 ~~year 1997-98 or for any succeeding fiscal year authorized by~~  
6 ~~subparagraph (H) of this paragraph (a), excluding the annual~~  
7 ~~appropriation or statutory distribution to the Colorado state patrol and the~~  
8 ~~ports of entry section and excluding any appropriation to the department~~  
9 ~~of revenue for replacement of license plates as authorized by~~  
10 ~~sub-subparagraph (K) of subparagraph (H) of this paragraph (a) or, for the~~  
11 ~~fiscal years 2003-04 to 2005-06, to the department of revenue for~~  
12 ~~expenses incurred in connection with the administration of the division~~  
13 ~~of motor vehicles within the department with the exception of expenses~~  
14 ~~incurred by the division in connection with license plate ordering as~~  
15 ~~authorized by sub-subparagraph (M) of subparagraph (H) of this~~  
16 ~~paragraph (a).~~

17 (c) ~~Any additional moneys in the highway users tax fund which~~  
18 ~~are made available for distribution as a result of the limitation on~~  
19 ~~appropriations or statutory distributions from the highway users tax fund~~  
20 ~~imposed by paragraph (a) of this subsection (3) shall be allocated in~~  
21 ~~accordance with the provisions of section 43-4-205 (6) (b).~~

22 **SECTION 29.** ~~43-4-205 (6.6), Colorado Revised Statutes, is~~  
23 ~~amended to read:~~

24 **43-4-205. Allocation of fund.** (6.6) ~~The revenues credited to the~~  
25 ~~highway users tax fund pursuant to section 24-75-218 (1) (a) SECTION~~  
26 ~~24-75-218 (1.5), C.R.S., shall be paid to the state highway fund for~~  
27 ~~allocation to the department of transportation and shall be expended for~~

1 state highway reconstruction, repair, maintenance, and capital expansion  
2 projects.

3 **SECTION 30. Effective date.** This act shall take effect July 1,  
4 2009.

5 **SECTION 31. Safety clause.** The general assembly hereby finds,  
6 determines, and declares that this act is necessary for the immediate  
7 preservation of the public peace, health, and safety.