

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

INTRODUCED

LLS NO. 09-0274.01 Ed DeCecco

SENATE BILL 09-228

SENATE SPONSORSHIP

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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.**

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.

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.

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, the joint budget committee,
16 acting by bill, shall determine the amount of limited gaming fund moneys,

1 if any, that should be transferred to the state council on the arts cash fund,
2 the new jobs incentives cash fund, and the Colorado travel and tourism
3 promotion fund at the end of that fiscal year.

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

27 (V) (B) If, based on the March revenue forecast prepared by the

1 legislative council, the joint budget committee determines that the amount
2 of general fund revenues for the fiscal year in which the forecast is
3 prepared will be insufficient to ~~allow the maximum~~ COVER THE amount
4 of general fund appropriations ~~permitted by section 24-75-201.1 (1) (a)~~
5 ~~(H), C.R.S.~~, to be made for that fiscal year, the joint budget committee,
6 acting by bill, shall determine the amount of limited gaming fund moneys,
7 if any, that should be transferred to the film incentives cash fund pursuant
8 to sub-subparagraph (A) of this subparagraph (V) at the end of that fiscal
9 year.

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

1 the arts cash fund, the new jobs incentives cash fund, and the Colorado
2 travel and tourism promotion fund required by sub-subparagraph (B) of
3 subparagraph (IV) of this paragraph (a) shall be pro-rated based on the
4 amounts otherwise required to be transferred to said funds pursuant to
5 sub-subparagraph (A) of this subparagraph (V) and sub-subparagraph (A)
6 of subparagraph (IV) of this paragraph (a).

7 (5) (c) If, based on the revenue forecast prepared by the staff of
8 the legislative council in June of any fiscal year, the state treasurer
9 determines that the amount of general fund revenues for the fiscal year
10 will be insufficient to ~~allow the maximum~~ COVER THE amount of general
11 fund appropriations ~~permitted by section 24-75-201.1 (1) (a), C.R.S.~~, to
12 be made for the fiscal year, the state treasurer shall transfer to the general
13 fund from the moneys that would otherwise be transferred to the clean
14 energy fund pursuant to either paragraph (a) or paragraph (b) of this
15 subsection (5) at the end of the fiscal year an amount equal to the lesser
16 of the full amount that would otherwise be transferred to the clean energy
17 fund or the amount necessary to ~~allow the maximum~~ COVER THE amount
18 of general fund appropriations to be made for the fiscal year.

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

21 **22-55-102. Definitions.** As used in this article, unless the context
22 otherwise requires:

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

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

1 **22-55-103. State education fund - creation - transfers to fund**
2 **- use of moneys in fund - permitted investments - exempt from**
3 **spending limitations.** (5) Pursuant to section 17 (3) of article IX of the

4 state constitution, all moneys credited to the STATE EDUCATION fund,
5 appropriated by the general assembly out of the fund, or distributed from
6 the fund and expended by any school district shall be exempt from:

7 (a) The limitation on state fiscal year spending set forth in section
8 20 (7) (a) of article X of the state constitution and section 24-77-103,
9 C.R.S.; AND

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

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

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

15 **23-1-105. Duties and powers of the commission with respect**
16 **to appropriations.** (8) The funding recommendations made by the
17 commission for state-supported institutions of higher education and by the
18 executive director for the divisions of the department of higher education
19 shall be made to the governor and the general assembly as a part of the
20 budget request for the department of higher education and shall be
21 submitted in accordance with the budget procedures of part 3 of article 37
22 of title 24, C.R.S. ~~and in conformance with section 24-75-201.1, C.R.S.~~

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

25 **23-19.9-102. Higher education federal mineral lease revenues**
26 **fund - higher education maintenance and reserve fund - creation -**
27 **sources of revenues - use.** (2) (b) (II) If, at any time during a fiscal year,

1 the most recent available quarterly revenue estimate prepared by the staff
2 of the legislative council indicates that the amount of total general fund
3 revenues for the fiscal year will not be sufficient to allow the state to
4 maintain the four percent reserve required by ~~section 24-75-201.1 (1) (d)~~
5 ~~(HH)~~ SECTION 24-75-201.1 (1) (d), C.R.S., the general assembly may make
6 supplemental appropriations of principal of the maintenance and reserve
7 fund or the state controller may allow overexpenditures to be made from
8 principal of the maintenance and reserve fund pursuant to and in
9 accordance with the requirements of section 24-75-111, C.R.S., in order
10 to offset any reduction in the amount of one or more general fund
11 appropriations for the fiscal year for operating expenses of
12 state-supported institutions of higher education that resulted from the
13 insufficiency in the amount of total general fund revenues.

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

16 **23-20-136. Fitzsimons trust fund - creation - legislative**
17 **declaration - repeal.** (3) (a) There is hereby created in the state treasury
18 the university of Colorado health sciences center at Fitzsimons trust fund,
19 referred to in this section as the "Fitzsimons trust fund", the principal of
20 which shall consist of those general fund revenues ~~in excess of the~~
21 ~~limitation in section 24-75-201.1 (1) (a) (H), C.R.S.,~~ that may be
22 transferred to the capital construction fund as provided in section
23 24-75-302 (2), C.R.S., and then appropriated from the capital construction
24 fund to the Fitzsimons trust fund and of moneys appropriated to the
25 Fitzsimons trust fund from the capital construction fund pursuant to
26 subsection (3.5) of this section. The principal and interest of the
27 Fitzsimons trust fund shall not be expended or appropriated for any

1 purpose other than that stated in subsection (5) of this section. The state
2 treasurer may, in the state treasurer's discretion, deposit, redeposit, invest,
3 and reinvest moneys accrued or accruing to the Fitzsimons trust fund in
4 the types of deposits and investments authorized in sections 24-36-109,
5 24-36-112, and 24-36-113, C.R.S.

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

8 **24-22-117. Tobacco tax cash fund - accounts - creation.**

9 (3) For purposes of section 20 of article X of the state constitution and
10 article 77 of this title, any moneys collected or expended from the
11 imposition of the cigarette and tobacco tax imposed pursuant to section
12 21 of article X of the state constitution are not included in fiscal year
13 spending, as defined in section 20 of article X of the state constitution,
14 and are excluded from ~~the spending limit contained in section~~
15 ~~24-75-201.1~~ and any corresponding spending limits on local governments
16 receiving such revenues.

17 **SECTION 8.** 24-75-109 (5), Colorado Revised Statutes, is
18 amended to read:

19 **24-75-109. Controller may allow expenditures in excess of**
20 **appropriations - limitations - appropriations for subsequent fiscal**

21 **year restricted - repeal.** (5) ~~The limitation on general fund~~
22 ~~appropriations and the requirement for a general fund reserve contained~~
23 ~~in section 24-75-201.1 shall not apply to overexpenditures from the~~
24 ~~general fund for medicaid programs allowed pursuant to paragraph (a) of~~
25 ~~subsection (1) of this section or to supplemental general fund~~
26 ~~appropriations for medicaid programs enacted pursuant to subsection (4)~~
27 ~~of this section.~~ Overexpenditures for all other purposes allowed pursuant

1 to subsection (1) of this section and supplemental general fund
2 appropriations for all other purposes enacted pursuant to subsection (4)
3 of this section shall be considered appropriations for the fiscal year in
4 which the overexpenditure was allowed. ~~and shall accordingly be subject~~
5 ~~to the limitations and requirements of section 24-75-201.1.~~

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

8 **24-75-111. Additional authority for controller to allow**
9 **expenditures in excess of appropriations - limitations -**
10 **appropriations for subsequent fiscal year restricted.**

11 (6) Overexpenditures allowed pursuant to the provisions of subsection
12 (1) of this section and supplemental general fund appropriations enacted
13 pursuant to subsection (5) of this section shall be considered
14 appropriations for the fiscal year in which the overexpenditure was
15 allowed. ~~and shall accordingly be subject to the limitations and~~
16 ~~requirements of section 24-75-201.1.~~

17 **SECTION 10.** 24-75-201.1, Colorado Revised Statutes, is
18 amended to read:

19 **24-75-201.1. General fund reserve - reimbursement for**
20 **reappraisals.** (1) (a) ~~(f) For the fiscal year 1978-79 and each fiscal year~~
21 ~~thereafter ending with the fiscal year 1990-91, state general fund~~
22 ~~appropriations shall be limited to seven percent over the previous year~~
23 ~~plus such moneys as are necessary for reappraisals of any class or classes~~
24 ~~of taxable property for property tax purposes as required by section~~
25 ~~39-1-105.5, C.R.S. The base for the calculation of the limitation on the~~
26 ~~increase in general fund appropriations for the fiscal year 1986-87 shall~~
27 ~~be state general fund appropriations for the fiscal year 1985-86 plus the~~

1 amount appropriated for tax relief and for the cost of bringing civil
2 actions pursuant to the federal "Comprehensive Environmental Response,
3 Compensation, and Liability Act of 1980" for the fiscal year 1985-86.

4 (H) Except as otherwise provided for in subparagraphs (H) and
5 (IV) of this paragraph (a), for the fiscal year 1991-92 and each fiscal year
6 thereafter, the total state general fund appropriations shall be limited to
7 such moneys as are necessary for reappraisals of any class or classes of
8 taxable property for property tax purposes as required by section
9 39-1-105.5, C.R.S., plus the lesser of:

10 (A) An amount equal to five percent of Colorado personal
11 income; or

12 (B) Six percent over the total state general fund appropriations for
13 the previous fiscal year.

14 (H) The limitation on the level of state general fund
15 appropriations set forth in subparagraph (H) of this paragraph (a) shall not
16 apply to:

17 (A) Any state general fund appropriation which, as a result of any
18 requirement of federal law, is made for any new program or service or for
19 any increase in the level of service for an existing program beyond the
20 existing level of service;

21 (B) Any state general fund appropriation which, as a result of any
22 requirement of a final state or federal court order, is made for any new
23 program or service or for any increase in the level of service for an
24 existing program beyond the existing level of service; or

25 (C) Any state general fund appropriation of any moneys which are
26 derived from any increase in the rate or amount of any tax or fee which
27 is approved by a majority of the registered electors of the state voting at

1 any general election.

2 ~~(IV) (A) The limitation on the level of state general fund~~
3 ~~appropriations as set forth in subparagraph (H) of this paragraph (a) may~~
4 ~~be exceeded for a given fiscal year upon the declaration of a state fiscal~~
5 ~~emergency by the general assembly. A state fiscal emergency may be~~
6 ~~declared by the passage of a joint resolution which is approved by a~~
7 ~~two-thirds majority vote of the members of both houses of the general~~
8 ~~assembly and which is approved by the governor in accordance with~~
9 ~~section 39 of article V of the state constitution.~~

10 ~~(B) Any funds appropriated in a given fiscal year which exceed~~
11 ~~the limitation on state general fund appropriations established by~~
12 ~~subparagraph (H) of this paragraph (a) because of the declaration of a~~
13 ~~state fiscal emergency by the general assembly pursuant to~~
14 ~~sub-subparagraph (A) of this subparagraph (IV) shall not be included in~~
15 ~~the calculation of the maximum level of state general fund appropriations~~
16 ~~pursuant to sub-subparagraph (B) of subparagraph (H) of this paragraph~~
17 ~~(a) for subsequent fiscal years.~~

18 ~~(V) No state cash fund appropriation which either supplants any~~
19 ~~state general fund appropriation or, if not made, would necessitate a state~~
20 ~~general fund appropriation shall be made in order to circumvent the~~
21 ~~limitation on the level of state general fund appropriations set forth in~~
22 ~~subparagraph (H) of this paragraph (a). The provisions of this~~
23 ~~subparagraph (V) shall not apply to any state cash fund appropriation:~~

24 ~~(A) Which authorizes an increase in expenditures necessary to~~
25 ~~offset an increase in costs to provide an existing program or service due~~
26 ~~to inflation or any increase in the number of recipients which does not~~
27 ~~result from any requirement of state law which either enlarges an existing~~

1 ~~class of recipients or adds a new class of recipients; or~~

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

5 ~~(VI) If the general assembly significantly restructures the method~~
6 ~~by which elementary, secondary, or postsecondary education in this state~~
7 ~~is financed, the general assembly shall examine the limitation on the level~~
8 ~~of state general fund appropriations set forth in this section and shall~~
9 ~~determine whether said limitation should be modified in light of such~~
10 ~~restructuring.~~

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

13 ~~(A) "Colorado personal income" means the total personal income~~
14 ~~for Colorado, as defined and officially reported by the bureau of~~
15 ~~economic analysis in the United States department of commerce, for the~~
16 ~~calendar year preceding the calendar year immediately preceding a given~~
17 ~~fiscal year.~~

18 ~~(B) "Increase in the level of service for an existing program" does~~
19 ~~not include any increase in expenditures necessary to offset an increase~~
20 ~~in costs to provide such service due to inflation or any increase in the~~
21 ~~number of recipients of such service unless such increase results from any~~
22 ~~requirement of federal law which either enlarges an existing class of~~
23 ~~recipients or adds a new class of recipients.~~

24 ~~(C) "Requirement of federal law" means any federal law, rule,~~
25 ~~regulation, executive order, guideline, standard, or other federal action~~
26 ~~which has the force and effect of law and which either requires the state~~
27 ~~to take action or does not directly require the state to take action but will;~~

1 according to federal law, result in the loss of federal funds if state action
2 is not taken to comply with such federal action.

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

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

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

18 ~~(V) For the fiscal year 1989-90 and each fiscal year thereafter~~
19 ~~ending with the fiscal year 1990-91, fifty percent of general fund~~
20 ~~revenues in excess of general fund appropriations, after retention of the~~
21 ~~reserve as required by paragraph (d) of this subsection (1), shall be~~
22 ~~transferred to the capital construction fund as of the last day of the fiscal~~
23 ~~year. The general assembly may appropriate such funds for capital~~
24 ~~construction purposes during the regular legislative session next~~
25 ~~following the actual transfer of moneys thereto; except that, for the fiscal~~
26 ~~year 1989-90 only, the general assembly may appropriate such funds~~
27 ~~during the regular legislative session held in 1990 for the purpose of~~

1 ~~alleviating prison overcrowding for the fiscal year 1989-90 or for any~~
2 ~~future fiscal year and may appropriate such funds for any other capital~~
3 ~~construction purposes during the regular legislative session next~~
4 ~~following the actual transfer of moneys to the capital construction fund.~~
5 ~~General fund revenues in excess of general fund appropriations and the~~
6 ~~required reserve which are not transferred to the capital construction fund~~
7 ~~as specified in this subparagraph (V) shall be available for appropriation~~
8 ~~for the fiscal year in which the excess is realized or for any future fiscal~~
9 ~~year, subject to the limitation on general fund appropriations set forth in~~
10 ~~paragraph (a) of this subsection (1). For the purposes of applying this~~
11 ~~subparagraph (V) to the fiscal years 1990-91 and 1991-92, the required~~
12 ~~reserve shall be considered four percent of the amount appropriated for~~
13 ~~expenditure from the general fund, notwithstanding the actual percentage~~
14 ~~reserve requirement specified in subparagraph (IV) of paragraph (d) of~~
15 ~~this subsection (1).~~

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

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

20 (B) ~~Except as otherwise provided in sub-subparagraph (B.8) of~~
21 ~~this subparagraph (H), for each fiscal year, following the adoption by the~~
22 ~~general assembly of the general appropriation bill, there may be~~
23 ~~transferred to the controlled maintenance trust fund fifty percent of the~~
24 ~~general fund revenues for the prior fiscal year in excess of general fund~~
25 ~~appropriations, statutory rebates, and statutory transfers, not to exceed~~
26 ~~fifty million dollars, and after retention of the reserve required by~~
27 ~~paragraph (d) of this subsection (1). The capital development committee~~

1 shall consider the extent to which excess general fund revenues are the
2 result of expenditures of other general fund dollars and make a
3 recommendation to the joint budget committee regarding excess dollars
4 to be allocated to the controlled maintenance trust fund. The general
5 assembly shall, by joint resolution, presented to and signed by the
6 governor, determine the amount to be transferred and direct the state
7 treasurer and the controller to make such transfer to the controlled
8 maintenance trust fund.

9 (B.5) and (B.7) (Deleted by amendment, L. 2002, p. 1005, § 1,
10 effective August 7, 2002.)

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

14 (C) The interest earned on the trust fund balance may be
15 appropriated by the general assembly pursuant to the provisions of section
16 24-75-302.5. Any transfer made pursuant to the provisions of this
17 subparagraph (H) shall not be deemed to be an appropriation subject to
18 the limitations of this section.

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

24 (I) For fiscal years 1985-86 and 1986-87, five percent of the
25 amount appropriated for expenditure from the general fund for the fiscal
26 year;

27 (H) For the fiscal year 1987-88, six percent of the amount

1 appropriated for expenditure from the general fund for that fiscal year;

2 ~~(III) For the fiscal year 1988-89 and each fiscal year thereafter,~~
3 ~~except for the fiscal years 1990-91, 1991-92, 1992-93, 2001-02, 2002-03,~~
4 ~~2003-04, and 2006-07, as provided in subparagraphs (IV), (V), (VI),~~
5 ~~(VII), (VIII), and (IX) of this paragraph (d), four percent of the amount~~
6 ~~appropriated for expenditure from the general fund for that fiscal year;~~

7 ~~(IV) For the fiscal years 1990-91 and 1991-92, three percent of~~
8 ~~the amount appropriated for expenditure from the general fund for that~~
9 ~~fiscal year. The additional amount of general fund moneys made~~
10 ~~available for appropriation by the reduction in the required reserve from~~
11 ~~four percent to three percent for the fiscal year 1990-91, as provided in~~
12 ~~this subparagraph (IV), may be appropriated only for the purpose of~~
13 ~~alleviating prison overcrowding, and any such appropriation shall not be~~
14 ~~subject to the limitation on general fund appropriations set forth in~~
15 ~~paragraph (a) of this subsection (1). The additional amount of general~~
16 ~~fund moneys made available for appropriation by the reduction in the~~
17 ~~required reserve from four percent to three percent for the fiscal year~~
18 ~~1991-92, as provided in this subparagraph (IV), may be appropriated for~~
19 ~~any lawful purpose.~~

20 ~~(V) For the fiscal year 1992-93, three percent of the amount~~
21 ~~appropriated for expenditure from the general fund for that fiscal year~~
22 ~~reduced by fourteen million dollars. The additional amount of general~~
23 ~~fund moneys made available for appropriation by the reduction in the~~
24 ~~required reserve from four percent to the amount provided in this~~
25 ~~subparagraph (V) may be appropriated during the fiscal year 1992-93 for~~
26 ~~any lawful purpose.~~

27 ~~(VI) For the fiscal year 2001-02, no percentage of the amount~~

1 appropriated for expenditure from the general fund for that fiscal year, as
2 no reserve shall be required for said fiscal year. The additional amount
3 of general fund moneys made available for appropriation by the
4 elimination of the required reserve from four percent for the fiscal year
5 2001-02, as provided in this subparagraph (VI), may be appropriated for
6 any lawful purpose.

7 (VII) For the fiscal year 2002-03, three percent of the amount
8 appropriated for expenditure from the general fund for that fiscal year
9 reduced by thirty-one million one hundred seventy-five thousand dollars
10 and as further reduced by the amount of general fund moneys comprising
11 such reserve that are disbursed pursuant to section 24-75-201.5 (1) (d)
12 (HH) (A). The additional amount of general fund moneys made available
13 for appropriation by the reduction in the required reserve from four
14 percent to three percent reduced by thirty-one million one hundred
15 seventy-five thousand dollars may be appropriated during the fiscal year
16 2002-03 for any lawful purpose.

17 (VIII) For the fiscal year 2003-04, four percent of the amount
18 appropriated for expenditure from the general fund for that fiscal year
19 reduced by the amount of general fund moneys comprising such reserve
20 that are disbursed pursuant to section 24-75-201.5 (1) (e).

21 (IX) For the fiscal year 2006-07, if the resources of the general
22 fund are inadequate to meet the reserve required by subparagraph (HH) of
23 this paragraph (d), the state controller shall accrue a transfer from the
24 capital construction fund to the general fund in the amount necessary to
25 meet the reserve requirement of subparagraph (HH) of this paragraph (d)
26 up to thirty million dollars. The requirements of this subparagraph (IX)
27 shall be applied before the requirements of section 39-26-123 (4) (a) (VI)

1 ~~(B), C.R.S.~~

2 (2) ~~For each fiscal year ending with the 1985-86 fiscal year, the~~
3 ~~basis for the calculation of the percentage for the reserve as specified in~~
4 ~~subsection (1) of this section shall include all appropriations for~~
5 ~~expenditures and disbursements authorized by law from the general fund,~~
6 ~~including tax relief appropriations and other expenditures made in~~
7 ~~accordance with the provisions of subsection (1) of this section. For the~~
8 ~~1986-87 fiscal year and each fiscal year thereafter ending with the fiscal~~
9 ~~year 1990-91, the basis for the calculation of the reserve as specified in~~
10 ~~paragraph (d) of subsection (1) of this section shall include all~~
11 ~~appropriations for expenditure from the general fund for such fiscal year~~
12 ~~but shall not include the fifty percent of excess revenues transferred from~~
13 ~~the general fund to the capital construction fund pursuant to paragraph (c)~~
14 ~~of subsection (1) of this section. For the 1991-92 fiscal year and each~~
15 ~~fiscal year thereafter, The basis for the calculation of the reserve as~~
16 ~~specified in paragraph (d) of subsection (1) of this section shall include~~
17 ~~all appropriations for expenditure from the general fund for such fiscal~~
18 ~~year. except for any appropriations for expenditure from the general fund~~
19 ~~due to a state fiscal emergency as provided for in subparagraph (IV) of~~
20 ~~paragraph (a) of subsection (1) of this section.~~

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

27 (4) Repealed.

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

3 **24-75-201.2. Unrestricted general fund year-end balances -**
4 **federal revenue sharing trust fund.** (1) ~~(a) For purposes of~~
5 ~~determining unrestricted general fund year-end balances as required in~~
6 ~~section 24-75-201.1 at the end of any fiscal year, moneys budgeted or~~
7 ~~allocated for possible state liability, pending the determination of a legal~~
8 ~~action, shall not be included.~~

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

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

15 **24-75-201.3. Procedures relating to revenue estimates.** (2) No
16 later than June 20 prior to the beginning of each fiscal year, and no later
17 than September 20, December 20, and March 20 within each fiscal year,
18 the governor, with the assistance of the controller, the office of state
19 planning and budgeting, and the governor's revenue-estimating advisory
20 group, shall make an estimate of general fund revenues for such fiscal
21 year. ~~The estimate shall include as general fund revenues any amount of~~
22 ~~state sales and use tax net revenue allocated and credited to the sales and~~
23 ~~use tax holding fund pursuant to section 39-26-123 (3) (a) (I), C.R.S., that~~
24 ~~is expected at the time of the estimate to be accrued to the general fund~~
25 ~~effective June 30 of the fiscal year by the state controller and~~
26 ~~subsequently transferred to the general fund by the state treasurer~~
27 ~~pursuant to section 39-26-123 (4) (a), C.R.S. Copies of each such~~

1 revenue estimate shall be promptly transmitted to the general assembly.
2 Such revenue estimates shall be used in the implementation of section
3 24-75-201.5 but shall not be binding on the general assembly in
4 determining the amount of general funds available for appropriation for
5 the next ensuing fiscal year pursuant to subsection (1) of this section.

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

8 **24-75-201.7. Enforcement of state spending restriction -**
9 **punitive or exemplary damages - property tax relief fund - creation.**

10 ~~Any punitive or exemplary damages awarded to any party to a lawsuit~~
11 ~~brought to enforce the restriction on state spending as set forth in section~~
12 ~~24-75-201.1 shall be deposited and credited to the property tax relief~~
13 ~~fund, which is hereby created in the state treasury. All moneys in the~~
14 ~~fund at the end of any fiscal year shall remain in the fund and shall not be~~
15 ~~transferred or credited to the state general fund or to any other state fund.~~
16 ~~All interest derived from the deposit and investment of moneys in the~~
17 ~~fund shall be credited to the fund. Moneys in said fund shall be used only~~
18 ~~in such manner as the general assembly deems appropriate as to provide~~
19 ~~property tax relief throughout the state and shall never be available for~~
20 ~~appropriation for any other state purpose.~~

21 **SECTION 14.** 24-75-216 (1) (b), Colorado Revised Statutes, is
22 amended to read:

23 **24-75-216. Temporary state motor vehicle registration fee**
24 **reduction.** (1) (b) For each month, the state controller shall ~~adjust the~~
25 ~~allocation of moneys between the sales and use tax holding fund and the~~
26 ~~general fund required by section 39-26-123 (3) (a), C.R.S., so that the~~
27 ~~allocations to the sales and use tax holding fund are increased, and the~~

1 allocations to the general fund correspondingly decreased, in TRANSFER
2 FROM THE GENERAL FUND TO THE SALES AND USE TAX HOLDING FUND an
3 amount equal to the reduction in receipts from vehicle registration fees as
4 reported by the executive director of the department of revenue pursuant
5 to section 42-3-304 (23), C.R.S., during the immediately preceding
6 month. As soon as possible after receiving the report of the amount of
7 registration fees not collected due to the fee reductions, the state
8 controller shall adjust the allocation for the previous month to reflect that
9 amount. The adjustment shall be based upon the written reports from the
10 executive director of the department of revenue submitted pursuant to
11 section 42-3-304 (23), C.R.S.

12 **SECTION 15.** 24-75-218 (1) and the introductory portion to
13 24-75-218 (2), Colorado Revised Statutes, are amended, and the said
14 24-75-218 is further amended BY THE ADDITION OF A NEW
15 SUBSECTION, to read:

16 **24-75-218. Transfers of general fund surplus.** (1) ~~On July 1,~~
17 ~~2003, on July 1 in each succeeding state fiscal year through the 2005-06~~
18 ~~state fiscal year, and on the dates and in the manner specified in~~
19 ~~subsection (2) of this section for the 2006-07 state fiscal year and for each~~
20 ~~succeeding state fiscal year, the general fund surplus designated in~~
21 ~~accordance with section 24-75-201 (1), less the four percent reserve~~
22 ~~required by section 24-75-201.1 (1) (d) (III), and less any general fund~~
23 ~~revenues that are designated as state revenues in excess of the~~
24 ~~constitutional limitation on state fiscal year spending for the immediately~~
25 ~~preceding state fiscal year, shall be credited and allocated as follows:~~

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

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

3 (1.5) FOR EACH STATE FISCAL YEAR COMMENCING ON OR AFTER
4 JULY 1, 2009, THE STATE TREASURER SHALL DEDUCT AN AMOUNT
5 DESIGNATED BY THE GENERAL ASSEMBLY FROM THE GENERAL FUND AND
6 TRANSFER SUCH SUM TO THE HIGHWAY USERS TAX FUND CREATED IN
7 SECTION 43-4-201, C.R.S., THE CAPITAL CONSTRUCTION FUND CREATED
8 IN SECTION 24-75-302, OR BOTH FUNDS.

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

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

16 **24-75-302. Capital construction fund - capital assessment fees**
17 **- calculation.** (2) As of July 1, 1988, and July 1 of each year thereafter
18 through July 1, 2012, a sum as specified in this subsection (2) shall accrue
19 to the capital construction fund. The state treasurer and the controller
20 shall transfer such sum out of the general fund and into the capital
21 construction fund as moneys become available in the general fund during
22 the fiscal year beginning on said July 1. ~~Transfers between funds~~
23 ~~pursuant to this subsection (2) shall not be deemed to be appropriations~~
24 ~~subject to the limitations of section 24-75-201.1.~~ The amount that shall
25 accrue pursuant to this subsection (2) shall be as follows:

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

1 **24-75-302.5. Controlled maintenance - trust fund.**

2 (2) (a) There is hereby created the controlled maintenance trust fund, the
3 principal of which shall consist of ~~general fund revenues transferred~~
4 ~~thereto as provided in section 24-75-201.1 (1) (c.5) (H)~~; any general fund
5 revenues appropriated thereto by law and proceeds of leveraged leasing
6 agreements deposited thereto pursuant to section 24-82-1003 (3). For the
7 1996-97 fiscal year and fiscal years thereafter, the principal of the trust
8 fund may constitute all or some portion of the state emergency reserve
9 established pursuant to section 24-77-104 and may be expended in any
10 given fiscal year as provided in said section. The principal of the trust
11 fund shall not be expended or appropriated for any purpose other than use
12 as part of the state emergency reserve. The state treasurer may in the state
13 treasurer's discretion deposit, redeposit, invest, and reinvest moneys
14 accrued or accruing to the controlled maintenance trust fund in the types
15 of deposits and investments authorized in sections 24-36-109, 24-36-112,
16 and 24-36-113.

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

19 **24-77-103.6. Retention of excess state revenues - general fund**
20 **exempt account - required uses - excess state revenues legislative**
21 **report.** (3) ~~The statutory limitation on general fund appropriations set~~
22 ~~forth in section 24-75-201.1 (1) (a) (H), and the exceptions or exclusions~~
23 ~~thereto, shall apply to the moneys in the general fund exempt account.~~

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

26 **24-115-111. Critical needs fund - creation - appropriations to**
27 **fund - repayment of notes from fund.** (3) ~~General fund appropriations~~

1 made pursuant to this section are not subject to the limitation on state
2 general fund appropriations set forth in section 24-75-201.1 because
3 approval of a ballot issue that authorizes the issuance of notes and
4 provides for the payment of notes by voters of the state constitutes voter
5 approval for the exemption of those appropriations from that limitation.

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

8 **27-10.5-104.2. Services and supports - waiting list reduction**
9 **- cash fund.** (2) During each regular session of the general assembly, the
10 joint budget committee and the health and human services committees of
11 the senate and the house of representatives, or any successor committees,
12 shall hold a joint hearing and take public testimony on the status of the
13 waiting lists for adult comprehensive services, adult supported living
14 services, and family support services for persons with developmental
15 disabilities and the availability of general fund moneys to reduce the
16 number of persons on the waiting lists and the amount of time eligible
17 persons wait for such services. The goal of the hearing shall be to
18 propose an appropriation from the general fund to the developmental
19 disabilities services cash fund. ~~in an amount equal to two percent of the~~
20 ~~amount by which total state general fund appropriations for the fiscal year~~
21 ~~may increase over the prior fiscal year in accordance with the limitation~~
22 ~~imposed by section 24-75-201.1 (1) (a) (II), C.R.S., as determined based~~
23 ~~on the revenue estimate certified pursuant to section 24-75-201.3 (1);~~
24 ~~C.R.S.~~

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

27 **39-3-207. Reporting of exemptions - reimbursement to local**

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

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

14 **39-22-121. Credit for child care facilities - repeal.** (6.7) (a) If
15 the revenue estimate prepared by the staff of the legislative council in
16 December 2010 and each December thereafter indicates that the amount
17 of the total general fund revenues for that particular fiscal year will not
18 be sufficient to ~~maintain the limit on appropriations specified in section~~
19 ~~24-75-201.1 (1), C.R.S.~~ GROW THE TOTAL STATE GENERAL FUND
20 APPROPRIATIONS BY SIX PERCENT OVER SUCH APPROPRIATIONS FOR THE
21 PREVIOUS FISCAL YEAR, then the credit authorized in this section shall not
22 be allowed for any income tax year commencing during the calendar year
23 following the year in which the estimate is prepared; except that any
24 taxpayer who would have been eligible to claim a credit pursuant to this
25 section in the income tax year in which the credit is not allowed shall be
26 allowed to claim the credit earned in such income tax year in the next
27 income tax year in which the estimate indicates that the amount of the

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

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

7 **39-22-514. Tax credit for qualified costs incurred in**
8 **preservation of historic properties.** (11.7) (a) If the revenue estimate
9 prepared by the staff of the legislative council in December 2010 and
10 each December thereafter indicates that the amount of the total general
11 fund revenues for that particular fiscal year will not be sufficient to
12 ~~maintain 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 in this section shall not be allowed for any
16 income tax year commencing during the calendar year following the year
17 in which the estimate is prepared; except that any taxpayer who would
18 have been eligible to claim a credit pursuant to this section in the income
19 tax year in which the credit is not allowed shall be allowed to claim the
20 credit earned in such income tax year in the next income tax year in which
21 the estimate indicates that the amount of the total general fund revenues
22 will be sufficient to ~~maintain the limit on appropriations specified in~~
23 ~~section 24-75-201.1 (1), C.R.S.~~ GROW THE TOTAL STATE GENERAL FUND
24 APPROPRIATIONS BY SIX PERCENT OVER SUCH APPROPRIATIONS FOR THE
25 PREVIOUS FISCAL YEAR.

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

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

19 **SECTION 25.** 39-26-123 (2), the introductory portion to
20 39-26-123 (3) (a), 39-26-123 (3) (a) (I), (3) (a) (II) (C), (3) (a) (II) (D),
21 (3) (a) (II) (E), (3) (a) (III) (C), (3) (a) (IV) (A), (4) (a) (I), (4) (a) (II), (4)
22 (a) (III), the introductory portions to 39-26-123 (4) (a) (IV) and (4) (a)
23 (V), and 39-26-123 (4) (a) (VI) (B), (4) (b) (I), (4) (b) (II), and (5),
24 Colorado Revised Statutes, are amended, and the said 39-26-123 is
25 further amended BY THE ADDITION OF A NEW SUBSECTION, to
26 read:

27 **39-26-123. Receipts - disposition - transfers of general fund**

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

12 (3) (a) For any state fiscal year commencing on or after July 1,
13 2006, eighty-five percent of all net revenue collected under the provisions
14 of this article shall be credited to the old age pension fund created in
15 section 1 of article XXIV of the state constitution. The remaining fifteen
16 percent shall be allocated among ~~the sales and use tax holding fund~~
17 ~~created in subsection (2) of this section~~, the general fund, the older
18 Coloradans cash fund created in section 26-11-205.5 (5), C.R.S., and the
19 supplemental old age pension health and medical care fund created in
20 section 25.5-2-101 (3), C.R.S., and credited to the funds by the state
21 treasurer as follows:

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

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

27 (D) ~~For the state fiscal year commencing on July 1, 2008, four and~~

1 ~~six hundred forty-five thousandths percent of all net revenue, less eight~~
2 ~~million seven hundred fifty thousand dollars, to the general fund.~~

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

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

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

12 (3.5) FOR EACH STATE FISCAL YEAR COMMENCING ON OR AFTER
13 JULY 1, 2009, THE STATE TREASURER SHALL DEDUCT AN AMOUNT
14 DESIGNATED BY THE GENERAL ASSEMBLY FROM THE GENERAL FUND AND
15 TRANSFER THE SUM TO THE SALES AND USE TAX HOLDING FUND.

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

21 (I) ~~If the revenue estimate prepared by the staff of the legislative~~
22 ~~council in September of state fiscal year 2006-07 indicates that the~~
23 ~~amount of total general fund revenues for the state fiscal year will be~~
24 ~~sufficient to maintain the four percent reserve required by section~~
25 ~~24-75-201.1(1)(d)(III), C.R.S., on October 15, 2006, the state treasurer~~
26 ~~shall transfer from the sales and use tax holding fund to the highway users~~
27 ~~tax fund an amount equal to the lesser of:~~

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

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

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

12 (A) ~~The amount needed to ensure that the cumulative amount~~
13 ~~transferred from the sales and use tax holding fund to the highway users~~
14 ~~tax fund through February 1, 2007, equals fifty percent of the amount~~
15 ~~estimated in the December revenue estimate to be accrued and transferred~~
16 ~~to the highway users tax fund pursuant to this section for the entire fiscal~~
17 ~~year; or~~

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

19 (III) ~~If the revenue estimate prepared by the staff of the legislative~~
20 ~~council in March of state fiscal year 2006-07 indicates that the amount of~~
21 ~~total general fund revenues for the state fiscal year will be sufficient to~~
22 ~~maintain the four percent reserve required by section 24-75-201.1 (1) (d)~~
23 ~~(HH), C.R.S., on April 15, 2007 the state treasurer shall transfer from the~~
24 ~~sales and use tax holding fund to the highway users tax fund the lesser of:~~

25 (A) ~~The amount needed to ensure that the cumulative amount~~
26 ~~transferred from the sales and use tax holding fund to the highway users~~
27 ~~tax fund through April 15 equals seventy-five percent of the amount~~

1 estimated in the March revenue estimate to be accrued and transferred to
2 the highway users tax fund pursuant to this section for the entire fiscal
3 year; or

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

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

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

21 (VI) (B) Notwithstanding the provisions of sub-subparagraph (A)
22 of this subparagraph (VI), the state controller shall reduce the amount
23 accrued to the highway users tax fund pursuant to said sub-subparagraph
24 and accrue moneys in the sales and use tax holding fund to the general
25 fund to the extent necessary to ensure that the amount of general fund
26 revenues for the state fiscal year is sufficient to maintain the four percent
27 reserve required by ~~section 24-75-201.1 (1) (d)~~ ~~(HH)~~ SECTION 24-75-201.1

1 (1) (d), C.R.S.

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

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

10 (II) ~~Examine the amount of sales and use taxes credited to the~~
11 ~~sales and use tax holding fund pursuant to subparagraph (I) of paragraph~~
12 ~~(a) of subsection (3) of this section and paragraph (b) of subsection (3) of~~
13 ~~this section and determine whether that amount should be modified in~~
14 ~~light of the change.~~

15 (5) ~~In addition to the transfers required by subsection (4) of this~~
16 ~~section, the general fund surplus designated in accordance with section~~
17 ~~24-75-201 (1), C.R.S., shall be allocated and credited to the highway~~
18 ~~users tax fund and the capital construction fund created in section~~
19 ~~24-75-302, C.R.S., in the manner specified in section 24-75-218, C.R.S.~~

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

22 **39-26-722. Cleanrooms - definitions - repeal.** (3) If the revenue
23 estimate prepared by the staff of the legislative council in June 2008 and
24 each June thereafter through June 2016 indicates that the amount of the
25 total general fund revenues for the fiscal year will not be sufficient to
26 ~~maintain the limit on appropriations specified in section 24-75-201.1 (1),~~
27 ~~C.R.S.~~ GROW THE TOTAL STATE GENERAL FUND APPROPRIATIONS BY SIX

1 PERCENT OVER SUCH APPROPRIATIONS FOR THE PREVIOUS FISCAL YEAR,
2 then the exemption as specified in subsection (1) of this section for the
3 fiscal year commencing immediately following the June revenue estimate
4 shall not be allowed.

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

7 **40-9.7-108. Colorado clean energy development authority**
8 **fund - creation - authorization of projects.** (3) (b) (I) Notwithstanding
9 the provisions of subsection (4) of this section, and subject to the
10 limitations set forth in paragraphs (e) and (f) of this subsection (3), the
11 authority, with prior approval by enacted legislation of the general
12 assembly in accordance with paragraph (c) of this subsection (3), may
13 agree in any resolution or trust indenture authorizing the issuance of
14 bonds that, if the balance in the fund pledged as a reserve for the payment
15 of all or any portion of bonds or obligations of the authority under any
16 bond, financing agreement, contract, agreement, or other obligation of the
17 authority authorized by this article falls below the debt service reserve
18 fund requirement established in such resolution or trust indenture, the
19 board shall, on or before January 1 of each year, make and deliver to the
20 governor a certificate stating the sum, if any, required to restore the debt
21 service reserve fund to the reserve fund requirement and, if the project is
22 located partly or wholly outside the state, the percentage of the total value
23 of the project that is located within the state. If the governor determines
24 that the sum of the amount of anticipated general fund revenues for the
25 fiscal year in which the board delivers a certificate to the governor and
26 the amount of available moneys in or to be credited to state funds other
27 than the general fund for the fiscal year are sufficient to allow the general

1 assembly to make general fund appropriations, ~~up to the limit specified~~
2 ~~in section 24-75-201.1 (1) (a), C.R.S.~~; maintain the four percent reserve
3 required by ~~section 24-75-201.1 (1) (d) (III)~~ SECTION 24-75-201.1 (1) (d),
4 C.R.S., and restore the debt service reserve fund to the reserve fund
5 requirement, the governor shall transmit to the general assembly a request
6 for the amount, if any, required to restore the debt service reserve fund to
7 the debt service reserve fund requirement; except that, if the project is
8 located partly or wholly outside the state, the governor shall transmit to
9 the general assembly only a request for an amount equal to the product of
10 the amount, if any, required to restore the debt service reserve fund to the
11 debt service reserve fund requirement and the percentage of the total
12 value of the project located within the state. The general assembly may,
13 but shall not be required to, make any appropriations so requested. All
14 sums appropriated and paid by the general assembly for the restoration
15 shall be deposited by the authority in the debt service reserve fund.
16 Nothing in this section shall create or constitute a debt or liability of the
17 state.

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

21 **43-4-201. Funds created.** (3) (a) (I) The general assembly shall
22 not make any annual appropriation (whether by regular, special, or
23 supplementary appropriation) or any statutory distribution from the
24 highway users tax fund for any purpose or purposes in a total amount
25 which is:

26 (B) ~~Commencing in the fiscal year 1981-82 through the fiscal year~~
27 ~~1994-95, more than a seven percent increase over such appropriation for~~

1 the prior fiscal year and commencing in the fiscal year 1995-96, more
2 than a six percent increase over such appropriation to the department of
3 public safety for the Colorado state patrol and to the department of
4 revenue for the ports of entry division for the prior fiscal year; except in
5 fiscal years 2002-03 to 2005-06, more than a six percent increase over
6 such appropriation to the department of public safety for the Colorado
7 state patrol, to the department of revenue for the ports of entry division,
8 to the department of revenue for license plate funding pursuant to
9 sub-subparagraph (L) of subparagraph (H) of this paragraph (a), and to
10 the department of revenue for administration and expenses of the division
11 of motor vehicles pursuant to sub-subparagraph (M) of subparagraph (H)
12 of this paragraph (a) for the prior fiscal year. Commencing in the fiscal
13 year 2006-07, the general assembly shall not make any annual
14 appropriation (whether by regular, special, or supplementary
15 appropriation) or any statutory distribution from the highway users tax
16 fund for any purpose or purposes in a total amount that is more than a six
17 percent increase over such appropriation to the department of public
18 safety for the Colorado state patrol and to the department of revenue for
19 the ports of entry division. For fiscal years 2002-03 to 2005-06, any
20 annual appropriation or statutory distribution from the highway users tax
21 fund to the department of revenue for license plate funding unrelated to
22 license plate replacement pursuant to sub-subparagraph (L) of
23 subparagraph (H) of this paragraph (a) and to the department of revenue
24 for administration and expenses of the division of motor vehicles
25 pursuant to sub-subparagraph (M) of subparagraph (H) of this paragraph
26 (a) within the six percent overall limit on state appropriations pursuant to
27 section 24-75-201.1 (1) (a) (H), C.R.S., shall not be based on a level of

1 appropriation that expands the six percent overall limit.

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

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

17 (B) ~~The general assembly shall not make any annual appropriation~~
18 ~~or statutory distribution from the highway users tax fund for the fiscal~~
19 ~~year 1996-97 authorized by subparagraph (H) of this paragraph (a),~~
20 ~~excluding the annual appropriation or statutory distribution to the~~
21 ~~Colorado state patrol and the ports of entry section, that exceeds~~
22 ~~thirty-three and one-third percent of the fiscal year 1994-95 annual~~
23 ~~appropriation or statutory distribution.~~

24 (C) ~~The general assembly shall not make any annual appropriation~~
25 ~~or statutory distribution from the highway users tax fund for the fiscal~~
26 ~~year 1997-98 or for any succeeding fiscal year authorized by~~
27 ~~subparagraph (H) of this paragraph (a), excluding the annual~~

1 appropriation or statutory distribution to the Colorado state patrol and the
2 ports of entry section and excluding any appropriation to the department
3 of revenue for replacement of license plates as authorized by
4 sub-subparagraph (K) of subparagraph (H) of this paragraph (a) or, for the
5 fiscal years 2003-04 to 2005-06, to the department of revenue for
6 expenses incurred in connection with the administration of the division
7 of motor vehicles within the department with the exception of expenses
8 incurred by the division in connection with license plate ordering as
9 authorized by sub-subparagraph (M) of subparagraph (H) of this
10 paragraph (a).

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

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

18 **43-4-205. Allocation of fund.** (6.6) The revenues credited to the
19 highway users tax fund pursuant to ~~section 24-75-218 (1) (a)~~ SECTION
20 24-75-218 (1.5), C.R.S., shall be paid to the state highway fund for
21 allocation to the department of transportation and shall be expended for
22 state highway reconstruction, repair, maintenance, and capital expansion
23 projects.

24 **SECTION 30. Effective date.** This act shall take effect July 1,
25 2009.

26 **SECTION 31. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.