

**Second 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. 10-0378.02 Nicole Myers

**HOUSE BILL 10-1178**

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**HOUSE SPONSORSHIP**

**Stephens,**

**SENATE SPONSORSHIP**

**Scheffel,**

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**House Committees**  
State, Veterans, & Military Affairs

**Senate Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING INCREASING THE TRANSPARENCY IN THE USE OF GIFTS,**  
102             **GRANTS, AND DONATIONS TO FUND PROGRAMS BY STATE**  
103             **AGENCIES.**

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**Bill Summary**

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

The bill requires that each state agency that receives grant moneys submit a report to the joint budget committee of the general assembly specifying information about the grant. Such information includes the source, amount, and duration of the grant and the specific program for

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.*

HOUSE  
Am ended 2nd Reading  
February 19, 2010

which the grant money is intended to be used. The bill requires state agencies to request that grant donors submit a letter including such information to the state agency at the time of making the grant to assist the state agency in tracking and reporting all grants received during a fiscal year.

In addition, the bill requires each new bill enacted by the general assembly on or after January 1, 2011, to include a notice of funding requirement if a program, service, study, interim committee, or other function of state government (program) created in the new bill will be funded entirely or in any part by grant moneys. The notice of funding requirement directs the state agency that will oversee the program to submit notice to the legislative council staff when adequate funding for the program is received. The bill also requires each new bill that creates a program funded entirely or in any part by grant moneys to include a repeal clause specifying the provisions of the bill that rely on grant moneys and that those provisions will be repealed upon receipt of notice by the revisor of statutes that the program has not received sufficient grant funding.

If the legislative council staff has not received notice of funding within 18 months after the effective date of the provisions of the new bill that are dependent upon grant funding, the legislative council staff is required to include the new bill on a list of bills that have not received sufficient grant funding and to submit the list to the president of the senate, the speaker of the house of representatives, and the revisor of statutes. Delivery of the list by the legislative council staff serves as notification to the revisor of statutes to repeal the applicable provisions of the bills on the list.

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

2 **SECTION 1.** Article 75 of title 24, Colorado Revised Statutes, is  
3 amended BY THE ADDITION OF A NEW PART to read:

4 **PART 13**  
5 **STATUS OF GIFTS, GRANTS, AND DONATIONS**  
6 **MADE TO STATE AGENCIES**

7 **24-75-1301. Definitions.** AS USED IN THIS PART 13, UNLESS THE  
8 CONTEXT OTHERWISE REQUIRES:

9 (1) "GRANT" MEANS ANY DIRECT CASH SUBSIDY OR OTHER DIRECT  
10 CONTRIBUTION OF MONEYS FROM THE FEDERAL GOVERNMENT THAT IS NOT

1 REQUIRED TO BE REPAID, REGARDLESS OF WHETHER SUCH FEDERAL  
2 MONEYS PASS THROUGH THE STATE PRIOR TO RECEIPT BY A STATE  
3 AGENCY. "GRANT" SHALL ALSO INCLUDE ANY GIFT, GRANT, OR DONATION  
4 FROM A NONGOVERNMENTAL ENTITY TO A STATE AGENCY THAT IS NOT  
5 REQUIRED TO BE REPAID AND THAT IS FIFTY DOLLARS OR MORE.

6 (2) "STATE AGENCY" MEANS ANY DEPARTMENT, COMMISSION,  
7 COUNCIL, BOARD, BUREAU, COMMITTEE, █████ █████ AGENCY, OR OTHER  
8 GOVERNMENTAL UNIT OF THE EXECUTIVE, LEGISLATIVE, OR JUDICIAL  
9 BRANCH OF STATE GOVERNMENT. "STATE AGENCY" SHALL NOT INCLUDE  
10 ANY INSTITUTION OF HIGHER EDUCATION.

11 **24-75-1302. State agencies - information obtained with grants.**

12 EACH STATE AGENCY THAT RECEIVES A GRANT FROM A  
13 NONGOVERNMENTAL ENTITY SHALL REQUEST THAT THE ENTITY SUBMIT A  
14 LETTER TO THE STATE AGENCY AT THE TIME OF MAKING THE GRANT  
15 SPECIFYING THE AMOUNT OF THE GRANT, THE DURATION OF THE GRANT,  
16 AND THE SPECIFIC PURPOSES FOR WHICH THE GRANT MONEY IS TO BE USED.  
17 IF THE GRANT IS INTENDED TO FUND A PROGRAM CREATED BY LEGISLATION  
18 ENACTED BY THE GENERAL ASSEMBLY, THE STATE AGENCY SHALL  
19 REQUEST THAT THE NONGOVERNMENTAL ENTITY INCLUDE THE BILL  
20 NUMBER OF THE BILL THAT CREATED THE PROGRAM.

21 **24-75-1303. Report to general assembly.** (1) ON OR BEFORE  
22 NOVEMBER 1, 2011, AND ON OR BEFORE NOVEMBER 1 OF EACH YEAR  
23 THEREAFTER, EACH STATE AGENCY SHALL SUBMIT TO THE JOINT BUDGET  
24 COMMITTEE OF THE GENERAL ASSEMBLY A REPORT, IN ACCORDANCE WITH  
25 GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, OF ALL GRANTS MADE TO  
26 THE STATE AGENCY DURING THE IMMEDIATELY PRECEDING STATE FISCAL  
27 YEAR. THE STATE AGENCY SHALL BE PREPARED TO REVIEW THE REPORT

1 AT THE STATE AGENCY'S BRIEFING WITH THE JOINT BUDGET COMMITTEE IN  
2 CONNECTION WITH ITS ANNUAL BUDGET REQUEST.

3 (2) IN COMPILING THE REPORT REQUIRED PURSUANT TO  
4 SUBSECTION (1) OF THIS SECTION, THE STATE AGENCY MAY USE THE  
5 DOCUMENTATION PROVIDED BY NONGOVERNMENTAL ENTITIES PURSUANT  
6 TO SECTION 24-75-1302 FOR A GRANT MADE BY A NONGOVERNMENTAL  
7 ENTITY AND MAY USE THE SAME METHOD OF TRACKING FEDERAL GRANTS  
8 AS IS USED FOR TRACKING SUCH GRANTS FOR THE PURPOSE OF THE REPORT  
9 TO THE CONTROLLER REQUIRED PURSUANT TO SECTION 24-75-212.

10 (3) THE REPORT REQUIRED PURSUANT TO SUBSECTION (1) OF THIS  
11 SECTION SHALL INCLUDE THE FOLLOWING INFORMATION FOR EVERY GRANT  
12 RECEIVED:

13 (a) THE SOURCE OF THE GRANT, REGARDLESS OF WHETHER THE  
14 GRANT IS FROM THE FEDERAL GOVERNMENT OR FROM A  
15 NONGOVERNMENTAL ENTITY;

16 (b) THE AMOUNT OF MONEY THAT THE STATE AGENCY RECEIVES  
17 THROUGH THE GRANT ON AN ANNUAL BASIS AND THE NUMBER OF YEARS  
18 THAT THE STATE AGENCY WILL RECEIVE SUCH GRANT MONEYS; AND

19 (c) THE SPECIFIC PROGRAM THAT THE GRANT IS INTENDED TO  
20 SUPPORT. IF THE GRANT IS MADE TO SUPPORT A PROGRAM THAT IS  
21 DEPENDENT ON GRANT MONEYS AND THAT IS THE RESULT OF LEGISLATION  
22 ENACTED BY THE GENERAL ASSEMBLY, THE REPORT SHALL INCLUDE THE  
23 BILL NUMBER OF THE BILL THAT CREATED THE PROGRAM.

24 (4) IN ADDITION TO THE INFORMATION SPECIFIED IN SUBSECTION  
25 (3) OF THIS SECTION, A STATE AGENCY SHALL INCLUDE IN THE REPORT A  
26 STATEMENT OF THE STATE AGENCY'S INTENT REGARDING THE  
27 SUSTAINABILITY OF EACH PROGRAM OR SERVICE THAT IS FUNDED

1 ENTIRELY OR IN ANY PART BY GRANT MONEYS IN THE EVENT THAT GRANT  
2 MONEYS ARE NO LONGER AVAILABLE TO SUPPORT THE PROGRAM OR  
3 SERVICE IN THE FUTURE. IF THE STATE AGENCY INTENDS TO CONTINUE THE  
4 PROGRAM OR SERVICE AFTER GRANT MONEYS ARE NO LONGER AVAILABLE,  
5 THE STATE AGENCY SHALL INCLUDE A STATEMENT REGARDING HOW THE  
6 PROGRAM OR SERVICE WILL BE FUNDED.

7 **24-75-1304. Legislation - programs or services reliant on**  
8 **grants - repeal of program.** (1) BEGINNING ON JANUARY 1, 2011, THE  
9 LEGISLATIVE COUNCIL STAFF SHALL KEEP A RECORD OF ALL BILLS PASSED  
10 DURING EACH SESSION OF THE GENERAL ASSEMBLY THAT RELY ENTIRELY  
11 OR IN ANY PART ON GRANT MONEYS FOR THE FUNDING SOURCE OF A  
12 PROGRAM, SERVICE, STUDY, INTERIM COMMITTEE, OR OTHER FUNCTION OF  
13 STATE GOVERNMENT THAT IS REQUIRED BY THE BILL.

14 (2) ANY BILL PASSED BY THE GENERAL ASSEMBLY ON OR AFTER  
15 JANUARY 1, 2011, THAT INCLUDES A PROGRAM, SERVICE, STUDY, INTERIM  
16 COMMITTEE, OR OTHER FUNCTION OF STATE GOVERNMENT AND THAT  
17 RELIES ENTIRELY OR IN ANY PART ON GRANT MONEYS AS ITS FUNDING  
18 SOURCE SHALL INCLUDE A PROVISION REQUIRING NOTICE OF FUNDING  
19 THAT REQUIRES THE STATE AGENCY THAT WILL OVERSEE THE PROGRAM,  
20 SERVICE, STUDY, INTERIM COMMITTEE, OR OTHER FUNCTION OF STATE  
21 GOVERNMENT PURSUANT TO THE BILL TO REPORT TO THE LEGISLATIVE  
22 COUNCIL STAFF WHEN IT HAS RECEIVED ADEQUATE FUNDING FOR THE  
23 RELEVANT PORTIONS OF THE BILL THROUGH GRANT MONEYS. IN THE  
24 EVENT THAT A LEGISLATIVE INTERIM COMMITTEE IS CREATED THROUGH A  
25 RESOLUTION AND IS DEPENDENT ON GRANTS TO FUND THE COMMITTEE,  
26 THE LEGISLATIVE COUNCIL STAFF SHALL BE THE ENTITY RESPONSIBLE FOR  
27 TRACKING WHETHER GRANT MONEYS HAVE BEEN RECEIVED IN AN AMOUNT

1 THAT IS SUFFICIENT TO FUND THE INTERIM COMMITTEE.

2

3 (3) THE NOTICE TO THE LEGISLATIVE COUNCIL STAFF REQUIRED  
4 PURSUANT TO [REDACTED] SUBSECTION (2) OF THIS SECTION SHALL INCLUDE THE  
5 SAME INFORMATION REGARDING THE GRANT THAT THE STATE AGENCY IS  
6 REQUIRED TO SUBMIT TO THE JOINT BUDGET COMMITTEE PURSUANT TO  
7 SECTION 24-75-1303 (3).

8 (4) IF THE LEGISLATIVE COUNCIL STAFF DOES NOT RECEIVE NOTICE  
9 OF FUNDING PURSUANT TO [REDACTED] SUBSECTION (2) OF THIS SECTION WITHIN  
10 TWO YEARS AFTER THE EFFECTIVE DATE OF THE BILL, THE LEGISLATIVE  
11 COUNCIL STAFF SHALL INCLUDE THE BILL NUMBER ON THE LIST PROVIDED  
12 TO THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE OF  
13 REPRESENTATIVES, AND THE REVISOR OF STATUTES PURSUANT TO  
14 SUBSECTION (5) OF THIS SECTION.

15 (5) ON OR BEFORE DECEMBER 1, 2012, AND ON OR BEFORE  
16 DECEMBER 1 EACH YEAR THEREAFTER, THE LEGISLATIVE COUNCIL STAFF  
17 SHALL SUBMIT TO THE MEMBERS OF THE EXECUTIVE COMMITTEE OF THE  
18 LEGISLATIVE COUNCIL OF THE GENERAL ASSEMBLY, THE MEMBERS OF THE  
19 COMMITTEE ON LEGAL SERVICES, AND THE REVISOR OF STATUTES A LIST  
20 OF THE BILLS THAT HAVE NOT RECEIVED FUNDING FROM GRANTS IN AN  
21 AMOUNT SUFFICIENT TO FUND THE PROGRAMS, SERVICES, STUDIES,  
22 INTERIM COMMITTEES, OR OTHER FUNCTIONS OF STATE GOVERNMENT  
23 CONTAINED IN SUCH BILLS.

24 (6) BEGINNING WITH THE FIRST REGULAR SESSION OF THE  
25 SIXTY-NINTH GENERAL ASSEMBLY, COMMENCING IN JANUARY 2013, THE  
26 REVISOR OF STATUTES, UNDER THE SUPERVISION AND DIRECTION OF THE  
27 COMMITTEE ON LEGAL SERVICES, SHALL PREPARE AND SUBMIT ANNUALLY

1 ONE OR MORE BILLS CONTAINING THE REPEAL OF THE STATUTORY  
2 PROVISIONS CREATED BY THE BILLS INCLUDED ON THE LIST PREPARED  
3 PURSUANT TO SUBSECTION (5) OF THIS SECTION.

4 **24-75-1305. Programs or services reliant on grants - statutory**  
5 **reauthorization of program.** (1) EXCEPT AS OTHERWISE PROVIDED IN  
6 SUBSECTION (3) OF THIS SECTION, BEGINNING JANUARY 1, 2011, THE  
7 GENERAL ASSEMBLY SHALL NOT MAKE AN APPROPRIATION OF MONEYS  
8 FROM THE GENERAL FUND OR FROM ANY OTHER SOURCE OF STATE MONEYS  
9 TO FUND A PROGRAM, SERVICE, STUDY, OR OTHER FUNCTION OF STATE  
10 GOVERNMENT THAT WAS PREVIOUSLY FUNDED THROUGH GRANT MONEYS  
11 AND THAT HAS NOT RECEIVED ADEQUATE GRANT MONEYS TO SUPPORT THE  
12 PROGRAM, SERVICE, STUDY, OR OTHER FUNCTION OF STATE GOVERNMENT  
13 FOR THE APPLICABLE FISCAL YEAR.

14 (2) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3) OF THIS  
15 SECTION, BEGINNING JANUARY 1, 2011, A STATE AGENCY THAT OVERSEES  
16 ANY PROGRAM, SERVICE, STUDY, OR OTHER FUNCTION OF STATE  
17 GOVERNMENT SHALL NOT REQUEST THAT THE GENERAL ASSEMBLY MAKE  
18 AN APPROPRIATION FROM THE GENERAL FUND OR ANY OTHER SOURCE OF  
19 STATE MONEYS TO FUND A PROGRAM, SERVICE, STUDY, OR OTHER  
20 FUNCTION OF STATE GOVERNMENT THAT WAS PREVIOUSLY FUNDED  
21 THROUGH GRANT MONEYS AND THAT HAS NOT RECEIVED ADEQUATE  
22 GRANT MONEYS TO SUPPORT THE PROGRAM, SERVICE, STUDY, OR OTHER  
23 FUNCTION OF STATE GOVERNMENT FOR THE APPLICABLE FISCAL YEAR.

24 (3) THE GENERAL ASSEMBLY MAY ADOPT LEGISLATION TO  
25 REAUTHORIZE ANY PROGRAM, SERVICE, STUDY, OR OTHER FUNCTION OF  
26 STATE GOVERNMENT THAT WAS PREVIOUSLY FUNDED THROUGH GRANT  
27 MONEYS AND, IF SUCH LEGISLATION INCLUDES AN APPROPRIATION FROM

1 THE GENERAL FUND OR ANY OTHER SOURCE OF STATE MONEYS AND  
2 BECOMES LAW, MAY MAKE AN APPROPRIATION FROM THE GENERAL FUND  
3 OR FROM ANY OTHER SOURCE OF STATE MONEYS TO A STATE AGENCY TO  
4 OVERSEE THE PROGRAM, SERVICE, STUDY, OR OTHER FUNCTION OF STATE  
5 GOVERNMENT.

6 **SECTION 2. Act subject to petition - effective date.** This act  
7 shall take effect at 12:01 a.m. on the day following the expiration of the  
8 ninety-day period after final adjournment of the general assembly (August  
9 11, 2010, if adjournment sine die is on May 12, 2010); except that, if a  
10 referendum petition is filed pursuant to section 1 (3) of article V of the  
11 state constitution against this act or an item, section, or part of this act  
12 within such period, then the act, item, section, or part shall not take effect  
13 unless approved by the people at the general election to be held in  
14 November 2010 and shall take effect on the date of the official  
15 declaration of the vote thereon by the governor.