

Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 10-0710.01 Esther van Mourik

SENATE BILL 10-029

SENATE SPONSORSHIP

Penry,

HOUSE SPONSORSHIP

(None),

Senate Committees
State, Veterans & Military Affairs

House Committees

A BILL FOR AN ACT

101 CONCERNING THE CREATION OF EFFICIENCIES IN GOVERNMENTAL
102 ENTITIES THAT PROVIDE SERVICES TO THE PEOPLE OF THE
103 STATE.

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 creates efficiencies and cost savings in state and local government by:

- ! Eliminating all duties of the office of the executive director of the department of local affairs and directing those duties

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.

- and appropriations to the lieutenant governor;
- ! Implementing a 2-year statewide hiring freeze that will require the governor or his or her designee to sign off on all new hires. All new hires must meet the test of being critical to protecting the life, health, or safety of Colorado residents. The governor shall provide the general assembly a monthly report of each new hire made in that month.
- ! Eliminating all bonuses paid to any state employee for 2 years;
- ! Reducing the personnel budget of the governor's office, the executive directors' offices, and the directors of each principal department's offices to 2005-06 fiscal year levels;
- ! Reducing by 3% the number of all full-time equivalent state employees paid in whole or in part with general fund dollars within 5 years;
- ! Requiring the governor to report in writing to the general assembly by April 1, 2010, regarding the consolidation of existing boards and commissions;
- ! Authorizing the governor to repeal the Colorado commission on higher education and to direct any necessary responsibilities and appropriations to the lieutenant governor;
- ! Requiring the governor to report in writing to the general assembly by April 1, 2010, regarding which agencies and departments perform similar or redundant functions and should be consolidated;
- ! Limiting the governor's energy office to spending no more than 10% of its total budget on personnel;
- ! Requiring that all executive branch expenditures on professional organization dues and memberships be made from gifts, grants, or donations and not from any general fund or cash fund appropriation, except from cash funds established for the purpose of receiving gifts, grants, and donations;
- ! Requiring the state school board to strongly encourage school districts to create boards of cooperative services where feasible for the purpose of enabling 2 or more school districts to cooperate in furnishing services authorized by law and for consolidating central administrative services;
- ! Requiring that all actions performed by an existing or newly created board of cooperative services that result in cost savings to the member school districts, as compared to the cost of the school districts performing the same actions individually, to be calculated, and requiring each member school district to remit to the state general fund an amount

equal to 50% of the savings realized by the member school district. However, such amount shall not exceed the amount the member school district received as its state share of total program funding for the applicable budget year.

- ! Requiring the governor to reduce by 10% the pay of all full-time equivalent state employees earning \$125,000 or more annually, except employees of state institutions of higher education;
- ! Requiring the controller to transfer from the general fund to the newly created general fund overflow reserve fund an amount that he or she calculates to be the equivalent of the total amount of general fund moneys appropriated in all bills that are vetoed by the governor, including any general fund line item appropriation in the general appropriation act that is line-item vetoed by the governor;
- ! Removing the requirement that motor vehicles have a front license plate.

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

2 **SECTION 1.** 22-2-106 (1), Colorado Revised Statutes, is
3 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

4 **22-2-106. State board - duties.** (1) It is the duty of the state
5 board:

6 (h) TO STRONGLY ENCOURAGE SCHOOL DISTRICTS TO CREATE
7 BOARDS OF COOPERATIVE SERVICES WHERE FEASIBLE FOR THE PURPOSE OF
8 ENABLING TWO OR MORE SCHOOL DISTRICTS TO COOPERATE IN FURNISHING
9 OTHER SERVICES AUTHORIZED BY LAW PURSUANT TO ARTICLE 5 OF THIS
10 TITLE AND FOR CONSOLIDATING CENTRAL ADMINISTRATIVE SERVICES.

11 **SECTION 2.** 22-5-106, Colorado Revised Statutes, is amended
12 BY THE ADDITION OF A NEW SUBSECTION to read:

13 **22-5-106. Financing, budgeting, and accounting.**

14 (4) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, FOR THE 2010-11
15 BUDGET YEAR AND FOR EACH BUDGET YEAR THEREAFTER, ALL ACTIONS

1 PERFORMED BY AN EXISTING OR NEWLY CREATED BOARD OF COOPERATIVE
2 SERVICES THAT RESULT IN COST SAVINGS TO THE MEMBER SCHOOL
3 DISTRICTS, AS COMPARED TO THE COST OF THE SCHOOL DISTRICTS
4 PERFORMING THE SAME ACTIONS INDIVIDUALLY, SHALL BE CALCULATED,
5 AND EACH MEMBER SCHOOL DISTRICT SHALL REMIT TO THE STATE
6 GENERAL FUND AN AMOUNT EQUAL TO FIFTY PERCENT OF THE SAVINGS
7 REALIZED BY THE MEMBER SCHOOL DISTRICT; EXCEPT THAT SUCH AMOUNT
8 SHALL NOT EXCEED THE AMOUNT THE MEMBER SCHOOL DISTRICT
9 RECEIVED AS ITS STATE SHARE OF TOTAL PROGRAM FUNDING FOR THE
10 APPLICABLE BUDGET YEAR AS CALCULATED PURSUANT TO THE "PUBLIC
11 SCHOOL FINANCE ACT OF 1994", ARTICLE 54 OF THIS TITLE.

12 **SECTION 3.** 24-1-125 (1), Colorado Revised Statutes, is
13 amended to read:

14 **24-1-125. Department of local affairs - creation.** (1) (a) There
15 is hereby created a department of local affairs, the head of which shall be
16 the executive director of the department of local affairs, which office is
17 hereby created. The executive director shall be appointed by the
18 governor, with the consent of the senate, and shall serve at the pleasure
19 of the governor. The reappointment of an executive director after initial
20 election of a governor shall be subject to the provisions of section
21 24-20-109. EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION
22 (1), the executive director shall have those powers, duties, and functions
23 prescribed for heads of principal departments in ~~the "Administrative
24 Organization Act of 1968", article 1 of this title~~ THIS ARTICLE.

25 (b) FOR THE STATE FISCAL YEAR COMMENCING JULY 1, 2010, AND
26 EACH STATE FISCAL YEAR THEREAFTER, AND NOTWITHSTANDING ANY
27 PROVISION OF LAW TO THE CONTRARY, THE HEAD OF THE DEPARTMENT OF

1 LOCAL AFFAIRS SHALL BE THE LIEUTENANT GOVERNOR. THE LIEUTENANT
2 GOVERNOR SHALL SERVE AT THE PLEASURE OF THE GOVERNOR. THE
3 LIEUTENANT GOVERNOR SHALL HAVE THOSE POWERS, DUTIES, AND
4 FUNCTIONS PRESCRIBED FOR HEADS OF PRINCIPAL DEPARTMENTS IN THIS
5 ARTICLE. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE
6 CONTRARY, THE LIEUTENANT GOVERNOR SHALL PERFORM ALL DUTIES
7 SPECIFIED IN STATUTE THAT ARE ASSIGNED TO THE EXECUTIVE DIRECTOR
8 OF THE DEPARTMENT OF LOCAL AFFAIRS.

9 **SECTION 4.** Article 20 of title 24, Colorado Revised Statutes, is
10 amended BY THE ADDITION OF A NEW PART to read:

11 PART 5

12 ADMINISTRATIVE CONSOLIDATION

13 **24-20-501. Governor to make recommendations for**
14 **consolidating state boards or commissions.** NOTWITHSTANDING ANY
15 OTHER PROVISION OF LAW, THE GOVERNOR SHALL MAKE
16 RECOMMENDATIONS TO THE GENERAL ASSEMBLY IN WRITING BY APRIL 1,
17 2010, REGARDING THE CONSOLIDATION OF THE FUNCTIONS OF ANY
18 EXISTING STATE BOARD, COMMISSION, OR OTHER SIMILAR UNIT OF STATE
19 GOVERNMENT.

20 **24-20-502. Governor's authority to repeal the Colorado**
21 **commission on higher education.** NOTWITHSTANDING ANY OTHER
22 PROVISION OF LAW, THE GOVERNOR MAY REPEAL THE COLORADO
23 COMMISSION ON HIGHER EDUCATION CREATED AND EXISTING PURSUANT
24 TO ARTICLE 1 OF TITLE 23, C.R.S., AND TRANSFER ALL NECESSARY
25 RESPONSIBILITIES TO THE OFFICE OF THE LIEUTENANT GOVERNOR.

26 **24-20-503. Governor to make recommendations for**
27 **consolidating agencies and departments.** NOTWITHSTANDING ANY

1 OTHER PROVISION OF LAW, THE GOVERNOR SHALL MAKE
2 RECOMMENDATIONS TO THE GENERAL ASSEMBLY IN WRITING BY APRIL 1,
3 2010, DELINEATING WHICH AGENCIES AND DEPARTMENTS PERFORM
4 SIMILAR OR REDUNDANT FUNCTIONS AND SHOULD BE CONSOLIDATED.

5 **SECTION 5.** Article 50 of title 24, Colorado Revised Statutes, is
6 amended BY THE ADDITION OF A NEW PART to read:

7 **PART 9**

8 **REDUCTION OF STATE EXPENSES**

9 **24-50-901. Statewide hiring freeze - repeal.**

10 (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, FOR THE 2010-11
11 AND 2011-12 STATE FISCAL YEARS, THE GOVERNOR SHALL IMPLEMENT A
12 STATEWIDE HIRING FREEZE. EMPLOYEES MAY ONLY BE HIRED DURING THE
13 HIRING FREEZE AFTER REVIEW AND APPROVAL IN WRITING BY THE
14 GOVERNOR OR HIS OR HER DESIGNEE AND MAY ONLY BE HIRED IF IT IS
15 SHOWN THAT THE HIRE IS CRITICAL TO PROTECTING THE LIFE, HEALTH, OR
16 SAFETY OF COLORADO RESIDENTS. THE GOVERNOR SHALL MAKE
17 MONTHLY REPORTS TO THE GENERAL ASSEMBLY IN WRITING REGARDING
18 ANY STATE EMPLOYEES HIRED DURING THE HIRING FREEZE.

19 (2) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2012.

20 **24-50-902. Payments of bonuses to state employees - repeal.**

21 (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, FOR THE 2010-11
22 AND 2011-12 STATE FISCAL YEARS, A STATE EMPLOYEE IN THE STATE
23 PERSONNEL SYSTEM SHALL NOT RECEIVE ANY TYPE OF BONUS
24 COMPENSATION IN ADDITION TO HIS OR HER SALARY.

25 (2) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2012.

26 **24-50-903. Professional dues and membership costs for**
27 **employees of the executive branch.** NOTWITHSTANDING ANY OTHER

1 PROVISION OF LAW, FOR THE 2010-11 STATE FISCAL YEAR AND EACH STATE
2 FISCAL YEAR THEREAFTER, ALL EXECUTIVE BRANCH EXPENDITURES FOR
3 PROFESSIONAL ORGANIZATION DUES AND MEMBERSHIPS SHALL BE MADE
4 FROM GIFTS, GRANTS, OR DONATIONS AND SHALL NOT BE PAID FROM ANY
5 GENERAL FUND OR CASH FUND APPROPRIATION, EXCEPT FROM CASH FUNDS
6 ESTABLISHED FOR THE PURPOSE OF RECEIVING GIFTS, GRANTS, AND
7 DONATIONS.

8 **24-50-904. Reduction of state personnel budgets - repeal.**

9 (1) (a) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, BY THE END
10 OF THE 2010-11 STATE FISCAL YEAR, THE GOVERNOR, IN CONSULTATION
11 WITH THE EXECUTIVE DIRECTORS OF EACH PRINCIPAL DEPARTMENT OF
12 STATE GOVERNMENT AND THE DIRECTORS OF ANY OTHER STATE
13 GOVERNMENT AGENCY, SHALL HAVE REDUCED THE PERSONNEL
14 EXPENDITURES OF THE GOVERNOR'S OFFICE, THE EXECUTIVE DIRECTORS'
15 OFFICES OF EACH PRINCIPAL DEPARTMENT OF STATE GOVERNMENT, AND
16 THE DIRECTORS' OFFICES OF ANY OTHER STATE GOVERNMENT AGENCY TO
17 THE LEVEL OF PERSONNEL EXPENDITURES BY THOSE OFFICES FOR THE
18 2005-06 STATE FISCAL YEAR.

19 (b) THIS SUBSECTION (1) IS REPEALED, EFFECTIVE JULY 1, 2012.

20 (2) (a) NOTWITHSTANDING ANY OTHER PROVISION OF LAW,
21 COMMENCING WITH THE 2010-11 STATE FISCAL YEAR, THE GOVERNOR
22 SHALL REDUCE THE NUMBER OF ALL STATE FULL-TIME EQUIVALENT
23 PERSONNEL POSITIONS THAT ARE PAID FOR IN WHOLE OR IN PART WITH
24 APPROPRIATIONS FROM THE GENERAL FUND BY THREE PERCENT BY THE
25 END OF THE 2015-16 STATE FISCAL YEAR.

26 (b) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE JULY 1, 2017.

27 (3) (a) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, DURING

1 THE 2010-11 STATE FISCAL YEAR, THE GOVERNOR SHALL REDUCE BY TEN
2 PERCENT THE SALARIES OF ANY STATE FULL-TIME EQUIVALENT PERSONNEL
3 POSITIONS THAT EXCEED ONE HUNDRED TWENTY-FIVE THOUSAND
4 DOLLARS, EXCEPT THOSE HELD BY EMPLOYEES OF STATE INSTITUTIONS OF
5 HIGHER EDUCATION.

6 (b) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE JULY 1, 2012.

7 (4) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, DURING
8 THE 2010-11 STATE FISCAL YEAR AND EACH STATE FISCAL YEAR
9 THEREAFTER, THE GOVERNOR'S ENERGY OFFICE CREATED IN SECTION
10 24-38.5-101 SHALL NOT SPEND MORE THAN TEN PERCENT OF ITS TOTAL
11 ANNUAL APPROPRIATIONS FROM THE GENERAL FUND ON PERSONNEL
12 COSTS.

13 **SECTION 6.** Part 2 of article 75 of title 24, Colorado Revised
14 Statutes, is amended BY THE ADDITION OF A NEW SECTION to
15 read:

16 **24-75-218.5. Transfers of appropriations made in bills vetoed**
17 **by the governor - fund created.** (1) NOTWITHSTANDING ANY OTHER
18 PROVISION OF LAW, ON JUNE 30, 2010, AND EACH JUNE 30 THEREAFTER,
19 THE CONTROLLER SHALL TRANSFER FROM THE GENERAL FUND TO THE
20 GENERAL FUND OVERFLOW RESERVE FUND CREATED IN SUBSECTION (2) OF
21 THIS SECTION AN AMOUNT THAT THE CONTROLLER CALCULATES TO BE THE
22 EQUIVALENT OF THE TOTAL GENERAL FUND MONEYS APPROPRIATED IN ALL
23 BILLS PASSED BY THE GENERAL ASSEMBLY DURING THE PREVIOUS
24 LEGISLATIVE SESSION, OR ANY PREVIOUS SPECIAL LEGISLATIVE SESSION
25 DURING THAT STATE FISCAL YEAR, THAT WERE VETOED BY THE
26 GOVERNOR, INCLUDING AN AMOUNT THAT THE CONTROLLER CALCULATES
27 TO BE THE EQUIVALENT OF ANY LINE ITEM APPROPRIATING GENERAL FUND

1 MONIES IN THE GENERAL APPROPRIATION ACT THAT IS LINE-ITEM VETOED
2 BY THE GOVERNOR.

3 (2) THE GENERAL FUND OVERFLOW RESERVE FUND IS HEREBY
4 CREATED IN THE STATE TREASURY. ALL INTEREST AND INCOME DERIVED
5 FROM THE DEPOSIT AND INVESTMENT OF MONEYS IN THE FUND SHALL BE
6 CREDITED TO AND REMAIN IN THE FUND. ALL MONEYS IN THE FUND SHALL
7 BE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY FOR
8 THE PURPOSE OF BUDGET STABILIZATION DURING ECONOMIC DOWNTURNS.

9 **SECTION 7.** 42-3-202 (1) (a), Colorado Revised Statutes, is
10 amended to read:

11 **42-3-202. Number plates to be attached.** (1) (a) (I) EXCEPT AS
12 PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (a), number plates
13 assigned to a self-propelled vehicle other than a motorcycle or street rod
14 vehicle shall be attached thereto, one in the front and the other in the rear.
15 The number plate assigned to a motorcycle, street rod vehicle, trailer,
16 semitrailer, other vehicle drawn by a motor vehicle, or mobile machinery
17 or self-propelled construction equipment shall be attached to the rear
18 thereof. Number plates shall be so displayed during the current
19 registration year, except as otherwise provided in this article.

20 (II) NOTWITHSTANDING ANY OTHER PROVISION OF LAW,
21 COMMENCING JULY 1, 2010, NUMBER PLATES ASSIGNED TO A
22 SELF-PROPELLED VEHICLE OTHER THAN A MOTORCYCLE OR STREET ROD
23 VEHICLE SHALL ONLY BE ATTACHED TO THE REAR OF SUCH VEHICLE.

24 **SECTION 8. Safety clause.** The general assembly hereby finds,
25 determines, and declares that this act is necessary for the immediate
26 preservation of the public peace, health, and safety.