

Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 10-0378.02 Nicole Myers

HOUSE BILL 10-1178

HOUSE SPONSORSHIP

Stephens,

SENATE SPONSORSHIP

Scheffel,

House Committees
State, Veterans, & Military Affairs

Senate Committees

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.**

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.

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a repeal clause specifying the provisions of the bill that rely on grant moneys and that those provisions will be repealed upon receipt of notice by the revisor of statutes that the program has not received sufficient grant funding.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.

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.

6 (2) "STATE AGENCY" MEANS ANY DEPARTMENT, COMMISSION,
7 COUNCIL, BOARD, BUREAU, COMMITTEE, INSTITUTION OF HIGHER
8 EDUCATION, AGENCY, OR OTHER GOVERNMENTAL UNIT OF THE EXECUTIVE,
9 LEGISLATIVE, OR JUDICIAL BRANCH OF STATE GOVERNMENT.

10 **24-75-1302. State agencies - information obtained with grants.**

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

20 **24-75-1303. Report to general assembly.** (1) ON OR BEFORE
21 NOVEMBER 1, 2011, AND ON OR BEFORE NOVEMBER 1 OF EACH YEAR
22 THEREAFTER, EACH STATE AGENCY SHALL SUBMIT TO THE JOINT BUDGET
23 COMMITTEE OF THE GENERAL ASSEMBLY A REPORT, IN ACCORDANCE WITH
24 GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, OF ALL GRANTS MADE TO
25 THE STATE AGENCY DURING THE IMMEDIATELY PRECEDING STATE FISCAL
26 YEAR. THE STATE AGENCY SHALL BE PREPARED TO REVIEW THE REPORT
27 AT THE STATE AGENCY'S BRIEFING WITH THE JOINT BUDGET COMMITTEE IN

1 CONNECTION WITH ITS ANNUAL BUDGET REQUEST.

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

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

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

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

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

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

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

6 **24-75-1304. Legislation - programs or services reliant on**
7 **grants - repeal of program.** (1) BEGINNING ON JANUARY 1, 2011, THE
8 LEGISLATIVE COUNCIL STAFF SHALL KEEP A RECORD OF ALL BILLS PASSED
9 DURING EACH SESSION OF THE GENERAL ASSEMBLY THAT RELY ENTIRELY
10 OR IN ANY PART ON GRANT MONEYS FOR THE FUNDING SOURCE OF A
11 PROGRAM, SERVICE, STUDY, INTERIM COMMITTEE, OR OTHER FUNCTION OF
12 STATE GOVERNMENT THAT IS REQUIRED BY THE BILL.

13 (2) ANY BILL PASSED BY THE GENERAL ASSEMBLY ON OR AFTER
14 JANUARY 1, 2011, THAT INCLUDES A PROGRAM, SERVICE, STUDY, INTERIM
15 COMMITTEE, OR OTHER FUNCTION OF STATE GOVERNMENT AND THAT
16 RELIES ENTIRELY OR IN ANY PART ON GRANT MONEYS AS ITS FUNDING
17 SOURCE SHALL INCLUDE THE FOLLOWING PROVISIONS:

18 (a) A PROVISION REQUIRING NOTICE OF FUNDING THAT REQUIRES
19 THE STATE AGENCY THAT WILL OVERSEE THE PROGRAM, SERVICE, STUDY,
20 INTERIM COMMITTEE, OR OTHER FUNCTION OF STATE GOVERNMENT
21 PURSUANT TO THE BILL TO REPORT TO THE LEGISLATIVE COUNCIL STAFF
22 WHEN IT HAS RECEIVED ADEQUATE FUNDING FOR THE RELEVANT PORTIONS
23 OF THE BILL THROUGH GRANT MONEYS. IN THE EVENT THAT A
24 LEGISLATIVE INTERIM COMMITTEE IS CREATED THROUGH A RESOLUTION
25 AND IS DEPENDENT ON GRANTS TO FUND THE COMMITTEE, THE
26 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 (b) A REPEAL CLAUSE THAT IDENTIFIES EACH PROVISION OF THE
3 BILL THAT RELIES ENTIRELY OR IN ANY PART ON GRANT MONEYS AS ITS
4 FUNDING SOURCE AND THAT REQUIRES SUCH PROVISION TO BE REPEALED
5 EFFECTIVE UPON RECEIPT BY THE REVISOR OF STATUTES OF A NOTICE FROM
6 THE LEGISLATIVE COUNCIL STAFF PURSUANT TO SUBSECTION (5) OF THIS
7 SECTION.

8 (3) THE NOTICE TO THE LEGISLATIVE COUNCIL STAFF REQUIRED
9 PURSUANT TO PARAGRAPH (a) OF SUBSECTION (2) OF THIS SECTION SHALL
10 INCLUDE THE SAME INFORMATION REGARDING THE GRANT THAT THE
11 STATE AGENCY IS REQUIRED TO SUBMIT TO THE JOINT BUDGET COMMITTEE
12 PURSUANT TO SECTION 24-75-1303 (3).

13 (4) IF THE LEGISLATIVE COUNCIL STAFF DOES NOT RECEIVE NOTICE
14 OF FUNDING PURSUANT TO PARAGRAPH (a) OF SUBSECTION (2) OF THIS
15 SECTION WITHIN EIGHTEEN MONTHS AFTER THE EFFECTIVE DATE OF THE
16 BILL, THE LEGISLATIVE COUNCIL STAFF SHALL INCLUDE THE BILL NUMBER
17 ON THE LIST PROVIDED TO THE PRESIDENT OF THE SENATE, THE SPEAKER
18 OF THE HOUSE OF REPRESENTATIVES, AND THE REVISOR OF STATUTES
19 PURSUANT TO SUBSECTION (5) OF THIS SECTION.

20 (5) ON OR BEFORE THE OPENING DAY OF THE FIRST REGULAR
21 SESSION OF THE SIXTY-NINTH GENERAL ASSEMBLY COMMENCING IN
22 JANUARY 2013, AND ON OR BEFORE THE OPENING DAY OF EACH REGULAR
23 LEGISLATIVE SESSION THEREAFTER, THE LEGISLATIVE COUNCIL STAFF
24 SHALL SUBMIT TO THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE
25 HOUSE OF REPRESENTATIVES, AND THE REVISOR OF STATUTES A LIST OF
26 THE BILLS THAT HAVE NOT RECEIVED FUNDING FROM GRANTS IN AN
27 AMOUNT SUFFICIENT TO FUND THE PROGRAMS, SERVICES, STUDIES,

1 INTERIM COMMITTEES, OR OTHER FUNCTIONS OF STATE GOVERNMENT
2 CONTAINED IN SUCH BILLS AND A NOTICE TO THE REVISOR OF STATUTES TO
3 REPEAL THE SECTIONS SPECIFIED IN THE REPEAL PROVISIONS OF THE BILLS
4 INCLUDED ON THE LIST.

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