

Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 10-0057.01 Esther van Mourik

HOUSE BILL 10-1119

HOUSE SPONSORSHIP

Ferrandino, Carroll T., Court, Fischer, Gagliardi, Hulinghorst, Kerr A., Labuda, Levy, Merrifield, Middleton, Pace, Pommer, Primavera, Rice, Scanlan, Schafer S., Solano, Todd, Weissmann

SENATE SPONSORSHIP

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House Committees

State, Veterans, & Military Affairs
Appropriations

Senate Committees

Finance
Appropriations

A BILL FOR AN ACT

101 **CONCERNING THE PROCESS BY WHICH THE STATE ANNUALLY**
102 **ALLOCATES MONEYS FOR ITS BUDGET AND, IN CONNECTION**
103 **THEREWITH, ANTICIPATING THE RECEIPT OF FEDERAL FUNDS TO**
104 **BE USED THEREFOR.**

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>.)

Section 1 of the bill sets forth that the bill shall be known and may be cited as the "State Measurements for Accountable, Responsive, and

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

SENATE
3rd Reading Unamended
May 3, 2010

SENATE
Amended 2nd Reading
April 30, 2010

HOUSE
3rd Reading Unamended
March 16, 2010

HOUSE
Amended 2nd Reading
March 12, 2010

Transparent (SMART) Government Act".

Section 2 of the bill requires the joint budget committee (JBC) to consider for recommendation to the general assembly any report approved by the office of state planning and budgeting from a department that suggests improved budgetary efficiency or administrative flexibility through line item consolidation in the annual general appropriation act. Section 2 also requires the JBC to prioritize requests for information in preparing any letter to the governor after passage of the annual general appropriation act.

Section 3 of the bill repeals and reenacts provisions requiring departmental presentations to legislative committees of reference (committees). The new provisions mainly make changes to the part of the law that specifies what the presentations must include and, in addition, implement a new performance-based budgeting program to work in cooperation with the committees.

The new performance-based budgeting program includes the following:

- ! For the state budget process for the state fiscal year 2012-13, and the state budget process for each fiscal year thereafter, each principal department of the executive branch and the judicial branch of state government (department) must develop a strategic plan.
- ! Like the existing law, each department must make a presentation to the assigned committees. The bill also requires that:
 - ! During the legislative session commencing January 2011, the presentation must at least include a presentation regarding the department's progress toward creating a strategic plan.
 - ! During the legislative session commencing January 2012, and during each legislative session thereafter, the presentation must at least include a presentation of the department's strategic plan, a review of the department's performance-based goals and performance measures, and a report on the actual outcomes.
- ! During the legislative session commencing January 2012, and during each legislative session thereafter, each committee must assign 2 members, one from each party, as liaisons with their assigned departments regarding the performance-based budgeting process. During the same sessions, the chair of the JBC must also assign one member of the JBC to serve as a liaison to work with the committee liaisons.
- ! Within 30 days after the department presentation, each

committee must provide any written recommendations to the department and to the office of state planning and budgeting. Each department may implement the recommendations in the following state fiscal year's strategic plan. If recommendations were not implemented, the department shall provide the committee a written explanation no later than the fifth day of the legislative session of that fiscal year.

- ! Prior to the legislative session commencing in January 2013, the state auditor must conduct a performance audit of one or more specific programs or services in at least 2 departments and must continue to conduct performance audits of one or more specific programs or services in at least 2 departments annually to audit all departments in a 10-year cycle. Performance audits of the programs or services selected for audit may include, but are not limited to, a review of the integrity of the performance measures audited, the accuracy and validity of reported results, and the overall cost and effectiveness of the audited programs or services in achieving legislative intent and the department's performance-based goals. After presenting the performance audit to the legislative audit committee and obtaining permission for the report to be released, the state auditor must present the audit report to the appropriate committee within the first 15 days of the legislative session. The state auditor must also present any other audit reports that he or she deems relevant for the committee of reference's review.
- ! During the legislative session commencing January 2012, and during each legislative session thereafter, each committee must consider the department's strategic plan, its presentation of the plan, and any performance audit and must report to the JBC its recommendations for priorities or any changes. The recommendations made by the committee are limited to the department's November 1 budget request for the upcoming state fiscal year. The JBC may take the committee's recommendations into account in preparing the annual general appropriation act. The JBC must report back to the committees its reasoning for following or not following the committee's recommendations.
- ! Starting December 1, 2012, and each December 1 thereafter, the office of state planning and budgeting must publish an annual performance report. The annual performance report is a summary of each department's

strategic plan. The report must be clearly written and easily understood, and limited in length. The report must be distributed to the members of the general assembly to assist members in making decisions related to the annual general appropriation act.

Sections 4 and 5 of the bill make adjustments to the duties of the legislative audit committee and the state auditor, respectively, to accommodate the requirements set forth in the bill.

Sections 6 and 7 of the bill make conforming amendments.

Section 8 of the bill requires the director of the office of state planning and budgeting to require that all state agency budget submissions be distributed in an electronic format.

Section 9 of the bill deals with intradepartmental transfers between appropriations. Limits for such types of transfers have not been adjusted since 1994. Section 9 increases the statewide limit from \$2 million to \$5 million but does not change any other parts of the structured approval process or change limits for specific agencies. Section 9 also eliminates the prohibition from departments using the intradepartmental transfer authority to:

- ! Transfer dollars from a nonpersonal services line item (such as operating) into a personal services line item;
- ! Transfer dollars between personal services line items; and
- ! Transfer dollars from an operating line into a utilities line or lease space line, or between utility line items.

Section 10 of the bill deals with the controller's authority to allow, upon approval of the governor, a department to make an expenditure in excess of the amount authorized in an appropriation. Current law limits such excess expenditures to \$1 million. Section 10 increases that amount to \$3 million.

Section 11 of the bill repeals the statutory section requiring the implementation of a zero-base budgeting system for the state.

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

2 **SECTION 1. Short title.** This act shall be known and may be
3 cited as the "State Measurement for Accountable, Responsive, and
4 Transparent (SMART) Government Act".

5 **SECTION 2.** 2-3-203, Colorado Revised Statutes, is amended BY
6 THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to
7 read:

1 (c) DEPARTMENTS SHOULD BE HELD ACCOUNTABLE FOR THE
2 PROGRAMS AND SERVICES THEY DELIVER IN ACCORDANCE WITH CLEARLY
3 DEFINED PERFORMANCE-BASED GOALS;

4 ==
5 (d) IN THE PROCESS OF PERFORMANCE-BASED BUDGETING, THE
6 HEAD OF EACH PRINCIPAL DEPARTMENT SHOULD INCLUDE IN THE
7 DEPARTMENT'S STRATEGIC PLAN A THOUGHTFUL CONSIDERATION OF ALL
8 MAJOR FUNCTIONS OF STATE GOVERNMENT MANAGED BY EACH PRINCIPAL
9 DEPARTMENT IN AN EFFORT TO PROPERLY PRIORITIZE SUCH MAJOR
10 FUNCTIONS.

11 (e) PERFORMANCE MEASURES FOR EVALUATING
12 PERFORMANCE-BASED GOALS SHOULD BE INTEGRATED INTO THE STATE
13 PLANNING AND BUDGETING PROCESS;

14 (f) PERFORMANCE-BASED GOALS, PERFORMANCE MEASURES, AND
15 PERFORMANCE EVALUATION METHODOLOGY SHOULD BE DEVELOPED WITH
16 THE INPUT OF THE GENERAL ASSEMBLY, EMPLOYEES OF DEPARTMENTS,
17 AND ANY CERTIFIED EMPLOYEE ORGANIZATIONS;

18 (g) PERFORMANCE-BASED BUDGETING WILL BE MORE USEFUL AND
19 RELIABLE FOR THE GENERAL ASSEMBLY AND THE PUBLIC IF PERFORMANCE
20 AUDITS OF THE DEPARTMENTS ARE COMPLETED; AND

21 (h) DEPARTMENTS NEED STATUTORY AUTHORITY AND FLEXIBILITY
22 TO USE THEIR RESOURCES IN THE BEST POSSIBLE WAY TO BETTER SERVE
23 THE PEOPLE OF COLORADO THROUGH THE EFFECTIVE ADMINISTRATION
24 AND DELIVERY OF GOVERNMENTAL PROGRAMS AND SERVICES.

25 **2-7-202. Definitions.** AS USED IN THIS PART 2, UNLESS THE
26 CONTEXT OTHERWISE REQUIRES:

27 (1) "COMMITTEE OF REFERENCE" MEANS THE HOUSE OR SENATE

1 COMMITTEE OF REFERENCE THAT IS ASSIGNED TO REVIEW THE PRIMARY
2 FUNCTIONS AND RESPONSIBILITIES OF A DEPARTMENT AS SPECIFIED IN
3 SECTION 2-7-203.

4 (2) "DEPARTMENT" MEANS THE JUDICIAL DEPARTMENT, THE
5 OFFICE OF STATE PUBLIC DEFENDER, THE OFFICE OF ALTERNATE DEFENSE
6 COUNSEL, THE OFFICE OF THE CHILD'S REPRESENTATIVE, AND THE
7 PRINCIPAL DEPARTMENTS OF THE EXECUTIVE BRANCH OF STATE
8 GOVERNMENT AS SPECIFIED IN SECTION 24-1-110, C.R.S., INCLUDING ANY
9 DIVISION, OFFICE, AGENCY, OR OTHER UNIT CREATED WITHIN A PRINCIPAL
10 DEPARTMENT.

11 (3) "JOINT BUDGET COMMITTEE" MEANS THE JOINT BUDGET
12 COMMITTEE ESTABLISHED IN SECTION 2-3-201.

13 (4) "LEGISLATIVE AUDIT COMMITTEE" MEANS THE LEGISLATIVE
14 AUDIT COMMITTEE CREATED IN SECTION 2-3-101 (1).

15 (5) "OFFICE OF ALTERNATE DEFENSE COUNSEL" MEANS THE OFFICE
16 OF ALTERNATE DEFENSE COUNSEL CREATED IN SECTION 21-2-101, C.R.S.

17 (6) "OFFICE OF STATE PLANNING AND BUDGETING" MEANS THE
18 OFFICE OF STATE PLANNING AND BUDGETING CREATED IN SECTION
19 24-37-102, C.R.S.

20 (7) "OFFICE OF STATE PUBLIC DEFENDER" MEANS THE OFFICE OF
21 STATE PUBLIC DEFENDER CREATED IN SECTION 21-1-101, C.R.S.

22 (8) "OFFICE OF THE CHILD'S REPRESENTATIVE" MEANS THE OFFICE
23 OF THE CHILD'S REPRESENTATIVE CREATED IN SECTION 13-91-104, C.R.S.

24 (9) "PERFORMANCE-BASED GOAL" MEANS A BROAD
25 POLICY-ORIENTED GOAL THAT INDICATES TO THE PUBLIC AND MEMBERS OF
26 THE GENERAL ASSEMBLY THE INTENDED PURPOSE OF A DEPARTMENT AND
27 ITS PROGRAMS AND SERVICES, WITH SECONDARY GOALS OF REALIZING

1 COST SAVINGS TO THE STATE AND SAVING TAXPAYERS' MONEY. A
2 "PERFORMANCE-BASED GOAL" SHOULD LEAD TO INCREASED EFFICIENCY
3 AND SUSTAINABILITY AND SHOULD ALLOW FOR LONG-RANGE PLANNING,
4 INCLUDING COLLABORATION AMONG THE VARIOUS DEPARTMENTS. A
5 "PERFORMANCE-BASED GOAL" SHOULD RECOGNIZE PREVENTIVE EFFORTS
6 THAT RESULT IN LONG-TERM COST-EFFECTIVENESS AND SHOULD
7 ENCOURAGE INVESTMENT IN EFFECTIVE STRATEGIES THAT LEAD TO
8 POSITIVE AND MEASURABLE OUTCOMES.

9 (10) "PERFORMANCE EVALUATION" MEANS AN ANNUAL REVIEW OF
10 A DEPARTMENT'S OUTCOMES AS COMPARED TO ITS BENCHMARKS STATED
11 IN ITS PERFORMANCE MEASURES. THE PERFORMANCE EVALUATION SHALL
12 BE CONDUCTED BY THE DEPARTMENT.

13 (11) "PERFORMANCE MEASURE" MEANS A QUANTITATIVE OR
14 QUALITATIVE INDICATOR USED TO ASSESS A DEPARTMENT'S PROGRESS
15 TOWARD PERFORMANCE-BASED GOALS USING BENCHMARKS WITHIN THE
16 DEPARTMENT. PERFORMANCE MEASURES SHOULD BE REASONABLY
17 UNDERSTANDABLE TO THE PUBLIC AND DEVELOPED WITH THE INPUT OF
18 DEPARTMENT EMPLOYEES AND ANY CERTIFIED EMPLOYEE
19 ORGANIZATIONS. A PERFORMANCE MEASURE SHALL BE INDEXED TO A
20 BASELINE AND SHALL SPECIFY THE PERIOD OVER WHICH SUCCESSFUL
21 PERFORMANCE SHALL BE MEASURED. FOR PURPOSES OF THIS SUBSECTION
22 (8), "BASELINE" MEANS EITHER THE FIRST YEAR OF PERFORMANCE
23 MEASURES RECORDED IN A DEPARTMENT'S STRATEGIC PLAN FOR THE
24 2010-11 STATE FISCAL YEAR THAT WAS SUBMITTED TO THE GENERAL
25 ASSEMBLY IN NOVEMBER 2009 OR THE FIRST YEAR NEW PERFORMANCE
26 MEASURES ARE RECORDED SUBSEQUENT TO THE 2010-11 STATE FISCAL
27 YEAR.

1 (12) "STATE AUDITOR" MEANS THE STATE AUDITOR DESCRIBED IN
2 SECTION 2-3-102.

3 (13) (a) "STRATEGIC PLAN" MEANS A DOCUMENT PREPARED BY A
4 DEPARTMENT THAT SHOWS THE IMPACT OF MANAGEMENT STRATEGIES AND
5 FUNDING AND LINKS FUNDING IN THE DEPARTMENT'S BUDGET TO THE
6 RESULTS OF THAT FUNDING. THE STRATEGIC PLAN SERVES AS AN
7 OVERARCHING GUIDE TO A DEPARTMENT'S CORE FUNCTIONS AND AS A
8 TOOL TO EVALUATE PERFORMANCE-BASED GOALS OVER TIME.

9 (b) A STRATEGIC PLAN SHALL INCLUDE THE FOLLOWING
10 COMPONENTS, WHICH MAY BE FURTHER DEFINED BY THE OFFICE OF STATE
11 PLANNING AND BUDGETING IN INSTRUCTIONS IT SHALL ANNUALLY
12 PUBLISH:

- 13 (I) THE DEPARTMENT'S FIVE-YEAR MISSION OR VISION;
- 14 (II) PERFORMANCE-BASED GOALS THAT CORRESPOND TO THE
15 DEPARTMENT'S MISSION OR VISION;
- 16 (III) PERFORMANCE MEASURES THAT CORRESPOND TO THE
17 PERFORMANCE-BASED GOALS;
- 18 (IV) STRATEGIES TO MEET THE PERFORMANCE-BASED GOALS; AND
- 19 (V) A PERFORMANCE EVALUATION.

20 **2-7-203. Departmental presentations to legislative committees**
21 **of reference.** (1) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND
22 THE PRESIDENT OF THE SENATE SHALL ASSIGN EACH DEPARTMENT TO A
23 HOUSE AND SENATE COMMITTEE OF REFERENCE FOR THEIR RESPECTIVE
24 HOUSES. IN MAKING THE ASSIGNMENTS, THE SPEAKER AND THE PRESIDENT
25 SHALL ENSURE THAT THE PRIMARY FUNCTIONS AND RESPONSIBILITIES OF
26 THE DEPARTMENT ARE WITHIN THE SUBJECT MATTER JURISDICTION OF THE
27 COMMITTEES OF REFERENCE TO WHICH IT IS ASSIGNED.

1 (2) (a) (I) EACH COMMITTEE OF REFERENCE SHALL CONDUCT
2 HEARINGS DURING THE FIRST FIFTEEN DAYS OF EACH LEGISLATIVE
3 SESSION, DURING WHICH HEARINGS THE COMMITTEE SHALL HEAR A
4 PRESENTATION FROM EACH DEPARTMENT THAT IS ASSIGNED TO SUCH
5 COMMITTEE PURSUANT TO SUBSECTION (1) OF THIS SECTION AND SHALL
6 ALLOW TIME FOR PUBLIC TESTIMONY REGARDING EACH SUCH DEPARTMENT
7 PRESENTATION.

8 (II) (A) FOR THE FIRST REGULAR SESSION OF THE SIXTY-EIGHTH
9 GENERAL ASSEMBLY, EACH HEARING SHALL INCLUDE A PRESENTATION BY
10 THE EXECUTIVE DIRECTOR OF EACH DEPARTMENT, OR THE EXECUTIVE
11 DIRECTOR'S DESIGNEE, REGARDING THE DEPARTMENT'S PROGRESS TOWARD
12 CREATING A STRATEGIC PLAN REQUIRED PURSUANT TO SECTION 2-7-204
13 (1) (a).

14 (B) COMMENCING WITH THE SECOND REGULAR SESSION OF THE
15 SIXTY-EIGHTH GENERAL ASSEMBLY AND DURING EACH REGULAR SESSION
16 THEREAFTER, EACH HEARING SHALL INCLUDE A PRESENTATION BY THE
17 EXECUTIVE DIRECTOR OF EACH DEPARTMENT, OR THE EXECUTIVE
18 DIRECTOR'S DESIGNEE, OF THE DEPARTMENT'S STRATEGIC PLAN REQUIRED
19 PURSUANT TO SECTION 2-7-204 (1) (a), A REVIEW OF THE DEPARTMENT'S
20 PERFORMANCE-BASED GOALS AND PERFORMANCE MEASURES, AND A
21 REPORT ON THE ACTUAL OUTCOMES WITH AN EXPLANATION OF ANY
22 PARTICULAR SUCCESSES OR FAILURES.

23 (III) (A) COMMENCING WITH THE SECOND REGULAR SESSION OF
24 THE SIXTY-EIGHTH GENERAL ASSEMBLY, AND DURING EACH REGULAR
25 SESSION THEREAFTER, THE CHAIR OF EACH COMMITTEE OF REFERENCE
26 SHALL ASSIGN TWO MEMBERS OF THE COMMITTEE, ONE FROM EACH MAJOR
27 POLITICAL PARTY, TO SERVE AS LIAISONS WITH THE DEPARTMENTS

1 ASSIGNED TO THEIR COMMITTEE OF REFERENCE REGARDING THE
2 PERFORMANCE-BASED BUDGETING PROCESS, FOR THE PURPOSE OF
3 TRACKING PERFORMANCE-BASED GOALS, PERFORMANCE MEASURES, AND
4 PERFORMANCE EVALUATIONS.

5 (B) COMMENCING WITH THE SECOND REGULAR SESSION OF THE
6 SIXTY-EIGHTH GENERAL ASSEMBLY, AND DURING EACH REGULAR SESSION
7 THEREAFTER, THE CHAIR OF THE JOINT BUDGET COMMITTEE SHALL ASSIGN
8 ONE MEMBER OF THE JOINT BUDGET COMMITTEE TO SERVE AS A LIAISON
9 FOR EACH DEPARTMENT. THE JOINT BUDGET COMMITTEE LIAISON SHALL
10 WORK WITH THE LIAISONS ASSIGNED PURSUANT TO SUB-SUBPARAGRAPH
11 (A) OF THIS SUBPARAGRAPH (III) TO INFORM THE COMMITTEE OF
12 REFERENCE REGARDING THE DEPARTMENT'S PROGRESS.

13 (C) THE EXECUTIVE DIRECTOR OF EACH DEPARTMENT, OR THE
14 EXECUTIVE DIRECTOR'S DESIGNEE, AND ANY APPROPRIATE STAFF OF THE
15 DEPARTMENT SHALL WORK WITH THE LIAISONS AS NECESSARY.

16 (b) THE HEARINGS MAY BE HELD JOINTLY BY THE HOUSE AND
17 SENATE COMMITTEES OF REFERENCE. A DEPARTMENT MAY MAKE THE
18 PRESENTATION REQUIRED BY THIS SUBSECTION (2) IN CONJUNCTION WITH
19 ANY HEARING OR OTHER GENERAL PRESENTATION THAT THE DEPARTMENT
20 MAKES BY THE FIFTEENTH LEGISLATIVE DAY TO THE SAME COMMITTEE OF
21 REFERENCE PURSUANT TO LAW OR LEGISLATIVE RULE.

22 (c) ALL LOCAL GOVERNMENT ENTITIES ARE ENCOURAGED TO
23 ATTEND THE HEARINGS DESCRIBED IN THIS SUBSECTION (2) TO PROVIDE
24 TESTIMONY OR TO SUBMIT AN OFFICIAL POSITION LETTER TO THE
25 COMMITTEES OF REFERENCE REGARDING ANY LOCAL IMPACT OF A
26 DEPARTMENT'S STRATEGIC PLAN DEVELOPED PURSUANT TO SECTION
27 2-7-204 (1) (a).

1 (d) PRIOR TO THE COMMENCEMENT OF THE SECOND REGULAR
2 SESSION OF THE SIXTY-EIGHTH GENERAL ASSEMBLY AND PRIOR TO THE
3 COMMENCEMENT OF EACH LEGISLATIVE SESSION THEREAFTER, EACH
4 COMMITTEE OF REFERENCE MAY HOLD MEETINGS OUTSIDE OF THE DENVER
5 METRO AREA TO HEAR PUBLIC TESTIMONY REGARDING LEGISLATIVE
6 PRIORITIES AND THE DEPARTMENT'S STRATEGIC PLAN REQUIRED PURSUANT
7 TO SECTION 2-7-204 (1) (a). IF A COMMITTEE OF REFERENCE WISHES TO
8 HOLD SUCH MEETINGS, PERMISSION FOR INCURRING ANY EXPENSES FOR
9 WHICH REIMBURSEMENT MAY BE CLAIMED SHALL BE SOUGHT AS SPECIFIED
10 IN SECTION 2-2-307 (4) PRIOR TO SCHEDULING ANY SUCH MEETINGS.

11 **2-7-204. Performance-based budgeting - program description.**

12 (1) (a) COMMENCING WITH THE STATE BUDGET PROCESS FOR THE STATE
13 FISCAL YEAR 2012-13, AND THE STATE BUDGET PROCESS FOR EACH STATE
14 FISCAL YEAR THEREAFTER, EACH DEPARTMENT SHALL DEVELOP A
15 STRATEGIC PLAN.

16 (b) EACH DEPARTMENT'S STRATEGIC PLAN SHALL BE POSTED ON
17 THE OFFICIAL WEB SITES OF THE DEPARTMENT AND THE OFFICE OF STATE
18 PLANNING AND BUDGETING. THE STATE TREASURER, THE ATTORNEY
19 GENERAL, THE SECRETARY OF STATE, _____ THE STATE COURT
20 ADMINISTRATOR FOR THE JUDICIAL DEPARTMENT, THE OFFICE OF STATE
21 PUBLIC DEFENDER, THE OFFICE OF ALTERNATE DEFENSE COUNSEL, AND THE
22 OFFICE OF THE CHILD'S REPRESENTATIVE SHALL ENSURE THE OFFICE OF
23 STATE PLANNING AND BUDGETING RECEIVES THE INFORMATION REQUIRED
24 TO BE POSTED ON THE OFFICE OF STATE PLANNING AND BUDGETING'S
25 WEBSITE PURSUANT TO THIS PARAGRAPH (b). THE OFFICE OF STATE
26 PLANNING AND BUDGETING SHALL NOT HAVE ACCESS TO EDIT ANY
27 INFORMATION PROVIDED BY THE STATE TREASURER, THE ATTORNEY

1 GENERAL, THE SECRETARY OF STATE, _____ THE STATE COURT
2 ADMINISTRATOR FOR THE JUDICIAL DEPARTMENT, THE OFFICE OF STATE
3 PUBLIC DEFENDER, THE OFFICE OF ALTERNATE DEFENSE COUNSEL, OR THE
4 OFFICE OF THE CHILD'S REPRESENTATIVE.

5 (2) EACH DEPARTMENT SHALL PRESENT ITS STRATEGIC PLAN TO
6 THE ASSIGNED COMMITTEES OF REFERENCE AS SPECIFIED IN SECTION
7 2-7-203 (2).

8 (3) (a) (I) FOR EACH DEPARTMENT EXCEPT THE DEPARTMENT OF
9 STATE, THE DEPARTMENT OF THE TREASURY, THE DEPARTMENT OF LAW,
10 THE JUDICIAL DEPARTMENT, THE OFFICE OF STATE PUBLIC DEFENDER, THE
11 OFFICE OF ALTERNATE DEFENSE COUNSEL, AND THE OFFICE OF THE CHILD'S
12 REPRESENTATIVE, WITHIN THIRTY DAYS AFTER THE PRESENTATION
13 SPECIFIED IN SECTION 2-7-203 (2) (a) (II) (B), EACH COMMITTEE OF
14 REFERENCE SHALL PROVIDE TO THE DEPARTMENT ANY WRITTEN
15 RECOMMENDATIONS REGARDING THE STRATEGIC PLAN,
16 PERFORMANCE-BASED GOALS, AND PERFORMANCE MEASURES PRESENTED
17 BY THE DEPARTMENT AND SHALL PROVIDE A COPY OF THE WRITTEN
18 RECOMMENDATIONS TO THE OFFICE OF STATE PLANNING AND BUDGETING.

19 (II) FOR THE DEPARTMENTS OF STATE, TREASURY, AND LAW, AND
20 FOR THE JUDICIAL DEPARTMENT, THE OFFICE OF STATE PUBLIC DEFENDER,
21 THE OFFICE OF ALTERNATE DEFENSE COUNSEL, AND THE OFFICE OF THE
22 CHILD'S REPRESENTATIVE, WITHIN THIRTY DAYS AFTER THE PRESENTATION
23 SPECIFIED IN SECTION 2-7-203 (2) (a) (II) (B), EACH COMMITTEE OF
24 REFERENCE SHALL PROVIDE TO THE SECRETARY OF STATE, STATE
25 TREASURER, ATTORNEY GENERAL, _____ THE STATE COURT ADMINISTRATOR,
26 THE OFFICE OF STATE PUBLIC DEFENDER, THE OFFICE OF ALTERNATE
27 DEFENSE COUNSEL, AND THE OFFICE OF THE CHILD'S REPRESENTATIVE.

1 RESPECTIVELY, ANY WRITTEN RECOMMENDATIONS REGARDING THE
2 STRATEGIC PLAN, PERFORMANCE-BASED GOALS, AND PERFORMANCE
3 MEASURES PRESENTED BY SUCH DEPARTMENT OR BRANCH.

4 (b) EACH DEPARTMENT MAY IMPLEMENT THE RECOMMENDATIONS,
5 IF ANY, IN THE FOLLOWING STATE FISCAL YEAR'S STRATEGIC PLAN. IF ANY
6 RECOMMENDATIONS WERE NOT IMPLEMENTED, THE DEPARTMENT SHALL
7 PROVIDE A WRITTEN EXPLANATION NO LATER THAN THE FIFTH DAY OF THE
8 LEGISLATIVE SESSION OF THAT FISCAL YEAR.

9 (4) (a) PRIOR TO THE FIRST REGULAR SESSION OF THE SIXTY-NINTH
10 GENERAL ASSEMBLY, THE STATE AUDITOR SHALL, WITHIN EXISTING
11 RESOURCES, CONDUCT OR CAUSE TO BE CONDUCTED PERFORMANCE
12 AUDITS OF ONE OR MORE SPECIFIC PROGRAMS OR SERVICES IN AT LEAST
13 TWO DEPARTMENTS, AND SHALL CONTINUE TO CONDUCT OR CAUSE TO BE
14 CONDUCTED PERFORMANCE AUDITS OF ONE OR MORE SPECIFIC PROGRAMS
15 OR SERVICES IN AT LEAST TWO DEPARTMENTS ANNUALLY THEREAFTER SO
16 AS TO AUDIT ALL DEPARTMENTS IN A NINE-YEAR CYCLE.

17 (b) IN SELECTING BOTH DEPARTMENTS AND SPECIFIC PROGRAMS OR
18 SERVICES WITHIN THOSE DEPARTMENTS FOR PERFORMANCE AUDITS, THE
19 STATE AUDITOR SHALL CONSIDER RISK, AUDIT COVERAGE, RESOURCES
20 REQUIRED TO CONDUCT THE PERFORMANCE AUDITS, AND THE IMPACT OF
21 THE AUDITED PROGRAMS OR SERVICES ON A DEPARTMENT'S
22 PERFORMANCE-BASED GOALS.

23 (c) PERFORMANCE AUDITS OF THE PROGRAMS OR SERVICES
24 SELECTED FOR AUDIT MAY INCLUDE, BUT SHALL NOT BE LIMITED TO, THE
25 REVIEW OF THE FOLLOWING:

- 26 (I) THE INTEGRITY OF THE PERFORMANCE MEASURES AUDITED;
- 27 (II) THE ACCURACY AND VALIDITY OF REPORTED RESULTS; AND

1 (III) THE OVERALL COST AND EFFECTIVENESS OF THE AUDITED
2 PROGRAMS OR SERVICES IN ACHIEVING LEGISLATIVE INTENT AND THE
3 DEPARTMENTS' PERFORMANCE-BASED GOALS.

4 (d) THE STATE AUDITOR SHALL PRESENT THE PERFORMANCE AUDIT
5 REPORT TO THE LEGISLATIVE AUDIT COMMITTEE.

6 (e) AFTER THE PERFORMANCE AUDIT REPORT IS RELEASED BY THE
7 LEGISLATIVE AUDIT COMMITTEE, THE STATE AUDITOR SHALL PRESENT THE
8 PERFORMANCE AUDIT REPORT OF THOSE DEPARTMENTS WITH SERVICES OR
9 PROGRAMS AUDITED IN THE PREVIOUS YEAR TO THE APPROPRIATE
10 COMMITTEES OF REFERENCE WITHIN THE FIRST FIFTEEN DAYS OF THE
11 LEGISLATIVE SESSION. THE STATE AUDITOR SHALL ALSO PRESENT ANY
12 OTHER AUDIT REPORTS THAT HE OR SHE DEEMS RELEVANT FOR THE
13 COMMITTEE OF REFERENCE'S REVIEW. THE STATE AUDITOR'S
14 PRESENTATION MAY OCCUR AT THE SAME TIME THAT THE APPLICABLE
15 DEPARTMENT PRESENTS ITS STRATEGIC PLAN TO THE COMMITTEE OF
16 REFERENCE AS SPECIFIED IN SECTION 2-7-203 (2) (a) (II) (B).

17 (f) THE OFFICE OF THE STATE AUDITOR SHALL ENSURE THAT NONE
18 OF THE COSTS OF THE AUDITS DESCRIBED IN THIS SUBSECTION (4) SHALL BE
19 BORNE BY THE DEPARTMENTS.

20 (5) (a) (I) COMMENCING WITH THE SECOND REGULAR SESSION OF
21 THE SIXTY-EIGHTH GENERAL ASSEMBLY, AND DURING EACH REGULAR
22 SESSION THEREAFTER, EACH COMMITTEE OF REFERENCE SHALL CONSIDER
23 THE STRATEGIC PLAN PREPARED BY EACH ASSIGNED DEPARTMENT, THE
24 PRESENTATION OF THE STRATEGIC PLAN AS SPECIFIED IN SUBSECTION (2)
25 OF THIS SECTION, ANY PUBLIC TESTIMONY REGARDING DEPARTMENT
26 PRESENTATIONS HEARD AS SPECIFIED IN SECTION 2-7-203 (2) (a), ANY
27 LOCAL IMPACT OF A DEPARTMENT'S STRATEGIC PLAN AS PRESENTED OR

1 SUBMITTED BY ANY LOCAL GOVERNMENT ENTITY AS SPECIFIED IN SECTION
2 2-7-203 (2) (c), ANY PUBLIC TESTIMONY THE COMMITTEES OF REFERENCE
3 MAY HAVE RECEIVED AS A RESULT OF ANY MEETINGS HELD BY THE
4 COMMITTEES OF REFERENCE OUTSIDE OF THE DENVER METRO AREA AS
5 ALLOWED IN SECTION 2-7-203 (2) (d), AND ANY PERFORMANCE AUDIT OF
6 A DEPARTMENT PERFORMED PURSUANT TO SUBSECTION (4) OF THIS
7 SECTION AND MAY REPORT TO THE JOINT BUDGET COMMITTEE AS
8 SPECIFIED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (a) ITS
9 RECOMMENDED PRIORITIES FOR EACH DEPARTMENT OR ANY
10 RECOMMENDED CHANGES SUBJECT TO THE LIMIT SPECIFIED IN PARAGRAPH
11 (b) OF THIS SUBSECTION (5).

12 (II) AFTER THE COMPLETION OF A DEPARTMENT'S PRESENTATION
13 OF ITS STRATEGIC PLAN AND THE PRESENTATION OF THE STATE AUDITOR'S
14 PERFORMANCE AUDIT REPORT TO THE COMMITTEE OF REFERENCE, BUT NO
15 LATER THAN THE TWENTY-FIFTH DAY OF THE LEGISLATIVE SESSION, THE
16 COMMITTEE OF REFERENCE SHALL HOLD A JOINT HEARING WITH THE JOINT
17 BUDGET COMMITTEE. THE JOINT HEARING MAY INCLUDE A PRESENTATION
18 BY THE COMMITTEE OF REFERENCE OF ANY RECOMMENDATIONS
19 DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (a). THE JOINT
20 BUDGET COMMITTEE MAY TAKE THE COMMITTEE OF REFERENCE
21 RECOMMENDATIONS INTO ACCOUNT IN PREPARING THE ANNUAL GENERAL
22 APPROPRIATION ACT. THE JOINT BUDGET COMMITTEE SHALL REPORT BACK
23 TO THE COMMITTEES OF REFERENCE EITHER THROUGH A PRESENTATION OR
24 IN WRITING ITS REASONING FOR FOLLOWING OR NOT FOLLOWING THE
25 COMMITTEE OF REFERENCE'S RECOMMENDATIONS DESCRIBED IN
26 SUBPARAGRAPH (I) OF THIS PARAGRAPH (a).

27 (b) THE AMOUNT OF ANY COMMITTEE OF REFERENCE

1 RECOMMENDATION FOR A DEPARTMENT SHALL NOT EXCEED THE AMOUNT
2 OF THE DEPARTMENT'S NOVEMBER 1 REQUEST FOR THE UPCOMING STATE
3 FISCAL YEAR.

4 **2-7-205. Annual performance report.** (1) (a) ON DECEMBER 1,
5 2012, AND EACH DECEMBER 1 THEREAFTER, THE OFFICE OF STATE
6 PLANNING AND BUDGETING SHALL PUBLISH AN ANNUAL PERFORMANCE
7 REPORT FOR EACH DEPARTMENT EXCEPT THE DEPARTMENT OF STATE, THE
8 DEPARTMENT OF THE TREASURY, THE DEPARTMENT OF LAW, THE
9 JUDICIAL DEPARTMENT, THE OFFICE OF STATE PUBLIC DEFENDER, THE
10 OFFICE OF ALTERNATE DEFENSE COUNSEL, AND THE OFFICE OF THE CHILD'S
11 REPRESENTATIVE. THE ANNUAL PERFORMANCE REPORT SHALL INCLUDE
12 A SUMMARY OF EACH DEPARTMENT'S STRATEGIC PLAN. THE ANNUAL
13 PERFORMANCE REPORT SHALL BE CLEARLY WRITTEN AND EASILY
14 UNDERSTOOD AND SHALL BE LIMITED TO A MAXIMUM OF FOUR PAGES PER
15 DEPARTMENT.

16 (b) ON DECEMBER 1, 2012, AND EACH DECEMBER 1 THEREAFTER,
17 THE DEPARTMENT OF STATE, THE DEPARTMENT OF THE TREASURY, THE
18 DEPARTMENT OF LAW, THE JUDICIAL DEPARTMENT, THE OFFICE OF STATE
19 PUBLIC DEFENDER, THE OFFICE OF ALTERNATE DEFENSE COUNSEL, AND THE
20 OFFICE OF THE CHILD'S REPRESENTATIVE SHALL EACH PUBLISH AN ANNUAL
21 PERFORMANCE REPORT INCLUDING A SUMMARY OF ITS STRATEGIC PLAN.
22 THE ANNUAL PERFORMANCE REPORTS SHALL BE CLEARLY WRITTEN AND
23 EASILY UNDERSTOOD AND SHALL EACH BE LIMITED TO A MAXIMUM OF
24 FOUR PAGES.

25 (2) (a) THE ANNUAL PERFORMANCE REPORTS SHALL BE POSTED ON
26 THE OFFICIAL WEB SITES OF THE STATE OF COLORADO AND THE OFFICE OF
27 THE GOVERNOR. THE ANNUAL PERFORMANCE REPORTS SHALL INCLUDE A

1 HYPERLINK TO EACH DEPARTMENT'S STRATEGIC PLAN POSTED ON THE
2 OFFICIAL WEB SITE OF EACH DEPARTMENT PURSUANT TO SECTION 2-7-204
3 (1) (b).

4 (b) THE ANNUAL PERFORMANCE REPORTS SHALL BE DISTRIBUTED
5 TO ALL MEMBERS OF THE GENERAL ASSEMBLY PURSUANT TO SECTION
6 24-1-136 (9), C.R.S., FOR MEMBERS TO USE TO MAKE DECISIONS RELATED
7 TO THE ANNUAL GENERAL APPROPRIATION ACT.

8 **SECTION 4.** 2-3-101 (3), Colorado Revised Statutes, is amended
9 BY THE ADDITION OF A NEW PARAGRAPH to read:

10 **2-3-101. Legislative audit committee - membership - meetings**
11 **- powers and duties.** (3) It is the function of the committee:

12 (h) TO REVIEW THE ACTIVITIES AND REPORTS OF THE STATE
13 AUDITOR RELATED TO PERFORMANCE AUDITS HE OR SHE IS REQUIRED TO
14 CONDUCT OR CAUSE TO BE CONDUCTED PURSUANT TO SECTION 2-3-103
15 (9).

16 **SECTION 5.** 2-3-103, Colorado Revised Statutes, is amended BY
17 THE ADDITION OF A NEW SUBSECTION to read:

18 **2-3-103. Duties of state auditor.** (9) IT IS THE DUTY OF THE
19 STATE AUDITOR TO CONDUCT OR CAUSE TO BE CONDUCTED PERFORMANCE
20 AUDITS AS SPECIFIED IN SECTION 2-7-204 (4).

21 **SECTION 6.** 24-34-101 (13), Colorado Revised Statutes, is
22 amended to read:

23 **24-34-101. Department created - executive director.** (13) The
24 executive director shall include in the presentation to the legislative
25 committee of reference pursuant to ~~section 2-7-201~~ SECTION 2-7-203,
26 C.R.S., the number of confidential letters of concern issued in the twelve
27 months prior to the presentation by the director of the division of

1 registrations and any board pursuant to title 12, C.R.S.

2 **SECTION 7.** 24-37-103 (1) (d), Colorado Revised Statutes, is
3 amended to read:

4 **24-37-103. Director - duties.** (1) The director shall:

5 (d) ~~Assist state agencies in complying with, and the joint budget~~
6 ~~committee in administering, the provisions of section 2-3-207, C.R.S.,~~
7 ~~concerning a zero-base budgeting program review~~ PUBLISH AN ANNUAL
8 PERFORMANCE REPORT AS SPECIFIED IN SECTION 2-7-205, C.R.S.;

9 **SECTION 8.** 24-37-302, Colorado Revised Statutes, is amended
10 BY THE ADDITION OF A NEW SUBSECTION to read:

11 **24-37-302. Responsibilities of the office of state planning and**

12 **budgeting.** (3) (a) NOTWITHSTANDING ANY OTHER PROVISION OF LAW
13 TO THE CONTRARY, THE DIRECTOR OF THE OFFICE OF STATE PLANNING AND
14 BUDGETING SHALL REQUIRE THAT ALL STATE AGENCY BUDGET
15 SUBMISSIONS BE DISTRIBUTED IN AN ELECTRONIC FORMAT EITHER BY
16 DELIVERY OF A COMPACT DISC OR BY THE SENDING OF AN ELECTRONIC
17 NOTIFICATION THAT INCLUDES AN ATTACHED BUDGET SUBMISSION OR A
18 HYPERLINK TO THE WEB SITE WHERE THE BUDGET SUBMISSION IS POSTED.

19 (b) THE DEPARTMENT OF STATE, THE DEPARTMENT OF THE
20 TREASURY, THE DEPARTMENT OF LAW, THE JUDICIAL DEPARTMENT, THE
21 OFFICE OF STATE PUBLIC DEFENDER, THE OFFICE OF ALTERNATE DEFENSE
22 COUNSEL, AND THE OFFICE OF THE CHILD'S REPRESENTATIVE SHALL USE
23 THE STATE AGENCY BUDGET SUBMISSIONS DESCRIBED IN PARAGRAPH (a)
24 OF THIS SUBSECTION (3) AS A GUIDELINE FOR THE SUBMISSION OF THEIR
25 BUDGETS TO THE JOINT BUDGET COMMITTEE.

26 **SECTION 9.** 24-37.5-105, Colorado Revised Statutes, is
27 amended BY THE ADDITION OF A NEW SUBSECTION to read:

1 **24-37.5-105. Office - responsibilities - rules.** (10) (a) BY
2 NOVEMBER 1, 2010, THE OFFICE SHALL CONDUCT A FEASIBILITY AND
3 REQUIREMENTS STUDY TO DETERMINE THE COST TO BUILD AN ELECTRONIC
4 BUDGETING SYSTEM FOR THE STATE.

5 (b) THE ELECTRONIC BUDGETING SYSTEM SHOULD, AT MINIMUM:

6 (I) ALLOW ACCESS BY THE PRINCIPAL DEPARTMENTS OF THE
7 EXECUTIVE BRANCH OF STATE GOVERNMENT, AS SPECIFIED IN SECTION
8 24-1-110, THE _____ LEGISLATIVE BRANCH AGENCIES, THE JUDICIAL
9 DEPARTMENT, THE OFFICE OF STATE PUBLIC DEFENDER CREATED IN
10 SECTION 21-1-101, C.R.S., THE OFFICE OF ALTERNATE DEFENSE COUNSEL
11 CREATED IN SECTION 21-2-101, C.R.S., AND THE OFFICE OF THE CHILD'S
12 REPRESENTATIVE CREATED IN SECTION 13-91-104, C.R.S., THE OFFICE OF
13 STATE PLANNING AND BUDGETING, AND THE JOINT BUDGET COMMITTEE
14 STAFF;

15 (II) ALLOW FOR THE CONFIDENTIAL DEVELOPMENT OF THE
16 GOVERNOR'S ANNUAL BUDGET REQUEST AND THE ANNUAL BUDGET
17 REQUESTS OF THE LEGISLATIVE BRANCH AGENCIES, THE JUDICIAL
18 DEPARTMENT, THE OFFICE OF STATE PUBLIC DEFENDER CREATED IN
19 SECTION 21-1-101, C.R.S., THE OFFICE OF ALTERNATE DEFENSE COUNSEL
20 CREATED IN SECTION 21-2-101, C.R.S., AND THE OFFICE OF THE CHILD'S
21 REPRESENTATIVE CREATED IN SECTION 13-91-104, C.R.S.;

22 (III) ALLOW FOR THE CONFIDENTIAL ELECTRONIC COMMUNICATION
23 OF BUDGET REQUESTS FROM EACH PRINCIPAL DEPARTMENT OF THE
24 EXECUTIVE BRANCH OF STATE GOVERNMENT TO THE OFFICE OF STATE
25 PLANNING AND BUDGETING;

26 (IV) ALLOW FOR THE ELECTRONIC COMMUNICATION OF THE
27 GOVERNOR'S ANNUAL BUDGET REQUEST AND THE ANNUAL BUDGET

1 REQUESTS OF THE LEGISLATIVE BRANCH AGENCIES, THE JUDICIAL
2 DEPARTMENT, THE OFFICE OF STATE PUBLIC DEFENDER CREATED IN
3 SECTION 21-1-101, C.R.S., THE OFFICE OF ALTERNATE DEFENSE COUNSEL
4 CREATED IN SECTION 21-2-101, C.R.S., AND THE OFFICE OF THE CHILD'S
5 REPRESENTATIVE CREATED IN SECTION 13-91-104, C.R.S., TO THE JOINT
6 BUDGET COMMITTEE STAFF;

7 (V) ALLOW THE OFFICE OF STATE PLANNING AND BUDGETING TO
8 CONFIDENTIALLY EDIT AND FINALIZE THE BUDGET REQUESTS OF THE
9 PRINCIPAL DEPARTMENTS OF THE EXECUTIVE BRANCH OF STATE
10 GOVERNMENT;

11 (VI) ALLOW THE JOINT BUDGET COMMITTEE STAFF TO VIEW THE
12 FINAL VERSION OF THE GOVERNOR'S ANNUAL BUDGET REQUESTS AND THE
13 BUDGET REQUESTS OF THE LEGISLATIVE BRANCH AGENCIES, THE JUDICIAL
14 DEPARTMENT, THE OFFICE OF STATE PUBLIC DEFENDER CREATED IN
15 SECTION 21-1-101, C.R.S., THE OFFICE OF ALTERNATE DEFENSE COUNSEL
16 CREATED IN SECTION 21-2-101, C.R.S., AND THE OFFICE OF THE CHILD'S
17 REPRESENTATIVE CREATED IN SECTION 13-91-104, C.R.S.;

18 (VII) INCLUDE SECURITY FEATURES THAT LOCK CERTAIN USERS
19 FROM ACCESSING THE SYSTEM AT CERTAIN POINTS DURING THE BUDGET
20 PREPARATION CYCLE;

21 (VIII) ALLOW THE JOINT BUDGET COMMITTEE STAFF TO USE THE
22 SYSTEM TO TRACK SUPPLEMENTAL APPROPRIATION BILLS, THE ANNUAL
23 GENERAL APPROPRIATION ACT, AND ANY SUBSTANTIVE BUDGET
24 LEGISLATION BEING CONSIDERED BY THE GENERAL ASSEMBLY; AND

25 (IX) ALLOW THE OFFICE OF STATE PLANNING AND BUDGETING TO
26 USE THE SYSTEM TO TRACK SUPPLEMENTAL APPROPRIATION BILLS, THE
27 ANNUAL GENERAL APPROPRIATION ACT, AND ANY SUBSTANTIVE BUDGET

1 LEGISLATION BEING CONSIDERED FOR SIGNATURE BY THE GOVERNOR.

2 (c) THE FEASIBILITY AND REQUIREMENTS STUDY SHOULD ALSO
3 ASSESS THE COST AND FEASIBILITY TO IMPLEMENT THE FOLLOWING
4 POTENTIAL SYSTEM COMPONENTS:

5 (I) A WEB-BASED INTERFACE THAT WILL ALLOW THE PRINCIPAL
6 DEPARTMENTS OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT TO
7 UPLOAD AND SUBMIT BUDGET DOCUMENTS AND REQUESTS TO THE OFFICE
8 OF STATE PLANNING AND BUDGETING;

9 (II) A WEB-BASED INTERFACE THAT WILL ALLOW THE _____
10 LEGISLATIVE BRANCH AGENCIES, THE JUDICIAL DEPARTMENT, THE OFFICE
11 OF STATE PUBLIC DEFENDER CREATED IN SECTION 21-1-101, C.R.S., THE
12 OFFICE OF ALTERNATE DEFENSE COUNSEL CREATED IN SECTION 21-2-101,
13 C.R.S., AND THE OFFICE OF THE CHILD'S REPRESENTATIVE CREATED IN
14 SECTION 13-91-104, C.R.S., TO UPLOAD AND SUBMIT BUDGET DOCUMENTS
15 AND REQUESTS TO THE JOINT BUDGET COMMITTEE STAFF;

16 (III) THE ABILITY TO PRODUCE A DRAFT AND FINAL ANNUAL
17 GENERAL APPROPRIATION ACT BY THE JOINT BUDGET COMMITTEE STAFF;

18 (IV) COMPATIBILITY WITH THE JOINT BUDGET COMMITTEE'S
19 CURRENT BUDGET PREPARATION SYSTEM; AND

20 (V) POTENTIAL INCORPORATION OF OR INTERACTION WITH OTHER
21 STATE HUMAN RESOURCES AND FINANCIAL SYSTEMS FOR DATA
22 COLLECTION AND TRACKING, INCLUDING BUT NOT LIMITED TO THE
23 COLORADO FINANCIAL REPORTING SYSTEM.

24 (d) THE OFFICE SHALL PROVIDE A COPY OF ITS FEASIBILITY AND
25 REQUIREMENTS STUDY TO THE JOINT BUDGET COMMITTEE NO LATER THAN
26 NOVEMBER 15, 2010. THE OFFICE SHALL MAKE A REQUEST FOR FUNDING
27 TO THE JOINT BUDGET COMMITTEE, IF NECESSARY, BY NOVEMBER 1, 2010.

1 **SECTION 10.** 24-75-108 (2) (a), (2) (b), (3) (a), (8), and (11),
2 Colorado Revised Statutes, are amended to read:

3 **24-75-108. Intradepartmental transfers between**
4 **appropriations - repeal.** (2) None of the following transfers shall be
5 deemed to be between like purposes within the meaning of subsection (1)
6 of this section:

7 (a) ~~Transfers from a nonpersonal services item into a personal~~
8 ~~services item; except that transfers from a nonpersonal services item into~~
9 ~~a personal services item shall be allowed for temporary personal services~~
10 ~~as provided in section 24-50-110 (1) (c);~~

11 (b) ~~Transfers from one program's personal services item to another~~
12 ~~program's personal services item;~~

13 (3) (a) ~~Transfers within a principal department from an operating~~
14 ~~expense item to a utilities item, from an operating expense item to a~~
15 ~~leased space item, or from a utilities item to a utilities item, which are~~
16 ~~made on or after May 1 and before the forty-fifth day after the close of~~
17 ~~each fiscal year, shall be deemed to be between like purposes within the~~
18 ~~meaning of subsection (1) of this section.~~

19 (8) The total amount of moneys transferred between items of
20 appropriation made to principal departments of state government and to
21 the office of the governor pursuant to this section, other than transfers
22 within a principal department from an operating expense item to a utilities
23 item, from a utilities item to an operating expense item pursuant to
24 paragraph (b) of subsection (3) of this section, or from a utilities item to
25 a utilities item, shall not exceed ~~two~~ FIVE million dollars.

26 (11) This section is repealed, effective ~~September 1, 2014~~
27 SEPTEMBER 1, 2020.

1 **SECTION 11.** 24-75-109 (1) (c), Colorado Revised Statutes, is
2 amended to read:

3 **24-75-109. Controller may allow expenditures in excess of**
4 **appropriations - limitations - appropriations for subsequent fiscal**
5 **year restricted - repeal.** (1) For the purpose of closing the state's books,
6 and subject to the provisions of this section, the controller may, on or
7 after May 1 of any fiscal year and before the forty-fifth day after the close
8 thereof, upon approval of the governor, allow any department, institution,
9 or agency of the state, including any institution of higher education, to
10 make an expenditure in excess of the amount authorized by an item of
11 appropriation for such fiscal year if:

12 (c) The overexpenditure is for any purpose of a department,
13 institution, or agency of the executive branch other than the department
14 of human services, but the total of all overexpenditures allowed pursuant
15 to this paragraph (c) shall not exceed ~~one~~ THREE million dollars in any
16 fiscal year; or

17 **SECTION 12. Repeal.** 2-3-207, Colorado Revised Statutes, is
18 repealed.

19 **SECTION 13. Federal funds.** The general assembly anticipates
20 that, for the fiscal year beginning July 1, 2010, the office of the governor,
21 for allocation to the office of information technology, will receive the
22 sum of sixty-five thousand dollars (\$65,000) in federal funds for the
23 implementation of this act. Although these funds are not appropriated in
24 this act, they are noted for the purpose of indicating the assumptions used
25 relative to these funds.

26 **SECTION 14. Act subject to petition - effective date.** This act
27 shall take effect at 12:01 a.m. on the day following the expiration of the

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