

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

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 11-0407.01 Troy Bratton

HOUSE BILL 11-1056

HOUSE SPONSORSHIP

Kerr A. and Conti, Beezley, Holbert, Kagan, Liston, Ramirez

SENATE SPONSORSHIP

Steadman,

House Committees

Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A REQUIREMENT THAT THE STATE TREASURER TRANSMIT**
102 **MONEYS APPROPRIATED TO DEPARTMENTS OF STATE**
103 **GOVERNMENT THAT ARE UNEXPENDED AND UNENCUMBERED AT**
104 **THE END OF A FISCAL YEAR TO SPECIFIED FUNDS SO THAT THE**
105 **MONEYS MAY BE USED TO PAY SALARIES IN JUNE FOR WORK**
106 **PERFORMED BY STATE EMPLOYEES DURING THE MONTH OF**
107 **JUNE.**

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

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.*

http://www.leg.state.co.us/bills/summaries.)

Currently, state employees are paid on the first working day in July of each year for work performed during the month of June. Unless general fund revenues are augmented with moneys from cash funds in a fiscal year, the bill requires the state treasurer to transfer any general fund moneys appropriated to all principal departments in the executive branch of state government and all offices and agencies in the judicial department that are unexpended and unencumbered at the end of the fiscal year to the state employee payday shift fund (payday shift fund) created in the bill.

Unless general fund revenues are augmented with moneys from cash funds in a fiscal year, the bill also requires the state treasurer to transfer any general fund moneys appropriated to the legislative branch that are unexpended and unencumbered at the end of the fiscal year to the legislative department cash fund.

The bill requires the office of state planning and budgeting to submit a budget request to the general assembly requesting an appropriation of moneys in the payday shift fund to the departments, offices, and agencies stated above. Any moneys appropriated pursuant to such a request and any moneys in the legislative department cash fund will first be used to pay the salaries for the month of June of state employees who are paid on a biweekly basis. Next, the remaining moneys in the payday shift fund and the legislative department cash fund will be used to pay the salaries for the month of June of state employees who are paid on a monthly basis. The general assembly may also appropriate moneys from the fund for any other purpose it deems necessary.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds and declares that:

4 (a) The 2003 payday shift contained in section 24-50-104 (8),
5 Colorado Revised Statutes, which requires salaries for positions in the
6 state personnel system for the month of June to be paid on the first
7 working day of July, presents a significant personal burden to state
8 employees, especially those employees who are paid on a biweekly basis;

9 (b) State employees who are paid on a biweekly basis typically are

1 the lowest-paid state employees and, as such, are the employees who can
2 least afford a significant delay in the receipt of their paychecks;

3 (c) The 2003 payday shift presents an administrative burden to
4 state departments and the state controller; and

5 (d) House Bill 11-____ will allow the state to begin reversing the
6 2003 payday shift over time, beginning with state employees who are paid
7 on a biweekly basis.

8 **SECTION 2.** The introductory portion to 24-50-104 (8) (a),
9 24-50-104 (8) (a) (I) and (8) (a.5), and the introductory portion to
10 24-50-104 (8) (a.6), Colorado Revised Statutes, are amended, and the said
11 24-50-104 (8) is further amended BY THE ADDITION OF THE
12 FOLLOWING NEW PARAGRAPHS, to read:

13 **24-50-104. Job evaluation and compensation. (8) Payroll -**
14 **fund created.** (a) EXCEPT AS PROVIDED IN PARAGRAPH (e) OF THIS
15 SUBSECTION (8), salaries for positions in the state personnel system paid
16 on a monthly basis shall be paid as of the last working day of the month;
17 except that:

18 (I) EXCEPT AS PROVIDED IN PARAGRAPH (e) OF THIS SUBSECTION
19 (8), salaries for the month of June shall be paid on the first working day
20 of July; and

21 (a.5) EXCEPT AS PROVIDED IN PARAGRAPH (e) OF THIS SUBSECTION
22 (8), for state employment positions that are not in the state personnel
23 system and that are not otherwise covered by paragraph (a) of this
24 subsection (8), salaries paid on a monthly basis for the month of June
25 shall be paid on the first working day of July.

26 (a.6) EXCEPT AS PROVIDED IN PARAGRAPH (e) OF THIS SUBSECTION
27 (8), for state employment positions that are not otherwise covered by

1 paragraph (a) or (a.5) of this subsection (8), whether or not such positions
2 are in the state personnel system:

3 (e) (I) NOTWITHSTANDING ANY OTHER PROVISION OF LAW,
4 EFFECTIVE JUNE 30 OF STATE FISCAL YEAR 2010-11 IF GENERAL FUND
5 REVENUES ARE NOT AUGMENTED BY TRANSFERS FROM CASH FUNDS, AND
6 ON JUNE 30 OF EACH STATE FISCAL YEAR THEREAFTER IF GENERAL FUND
7 REVENUES ARE NOT AUGMENTED BY TRANSFERS FROM CASH FUNDS, THE
8 STATE TREASURER SHALL TRANSFER AN AMOUNT EQUAL TO ANY
9 UNEXPENDED AND UNENCUMBERED GENERAL FUND MONEYS
10 APPROPRIATED BY THE GENERAL ASSEMBLY FOR THE STATE FISCAL YEAR
11 TO EACH PRINCIPAL DEPARTMENT, OFFICE, AGENCY, AND INSTITUTION OF
12 HIGHER EDUCATION IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT
13 AND TO EACH OFFICE AND AGENCY IN THE JUDICIAL DEPARTMENT FROM
14 THE GENERAL FUND TO THE STATE EMPLOYEE PAYDAY SHIFT FUND, WHICH
15 FUND IS HEREBY CREATED IN THE STATE TREASURY AND REFERRED TO IN
16 THIS PARAGRAPH (e) AS THE "FUND". IN NO INSTANCE SHALL THE
17 TRANSFER REQUIRED BY THIS PARAGRAPH (e) EXCEED THE AMOUNT OF
18 THE GENERAL FUND SURPLUS THAT REMAINS BEFORE THE TRANSFER
19 REQUIRED BY THIS PARAGRAPH (e) AND AFTER THE REQUIRED RESERVES
20 SPECIFIED IN SECTION 24-75-201.1 (1) (d).

21 (II) REQUESTS FOR THE APPROPRIATION OF MONEYS IN THE FUND
22 SHALL BE MADE IN THE FOLLOWING MANNER:

23 (A) BEGINNING WITH STATE FISCAL YEAR 2011-12 AND FOR EACH
24 STATE FISCAL YEAR THEREAFTER, THE OFFICE OF STATE PLANNING AND
25 BUDGETING SHALL SUBMIT A BUDGET REQUEST TO THE GENERAL
26 ASSEMBLY REQUESTING THE APPROPRIATION OF MONEYS IN THE FUND TO
27 SATISFY GENERAL FUND PAYROLL OBLIGATIONS OF THE DEPARTMENTS,

1 OFFICES, AGENCIES, AND INSTITUTIONS OF HIGHER EDUCATION IDENTIFIED
2 IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (e) FOR WORK PERFORMED
3 DURING A REGULAR BIWEEKLY WORK PERIOD BUT THAT HAVE NOT BEEN
4 PAID TO EMPLOYEES ON A REGULARLY SCHEDULED BIWEEKLY PAY DATE
5 DURING THE MONTH OF JUNE OF THE STATE FISCAL YEAR. THE GENERAL
6 ASSEMBLY MAY APPROPRIATE MONEYS IN THE FUND PURSUANT TO SUCH
7 A REQUEST OR MAY APPROPRIATE MONEYS IN THE FUND FOR ANY OTHER
8 PURPOSE DEEMED APPROPRIATE.

9 (B) BEGINNING WITH STATE FISCAL YEAR 2011-12 AND FOR EACH
10 STATE FISCAL YEAR THEREAFTER, THE OFFICE OF STATE PLANNING AND
11 BUDGETING SHALL SUBMIT A BUDGET REQUEST TO THE GENERAL
12 ASSEMBLY REQUESTING THE APPROPRIATION OF MONEYS REMAINING IN
13 THE FUND AFTER ANY APPROPRIATION MADE PURSUANT TO
14 SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (II) TO SATISFY ANY
15 EXISTING GENERAL FUND PAYROLL OBLIGATIONS OF THE DEPARTMENTS,
16 OFFICES, AGENCIES, AND INSTITUTIONS OF HIGHER EDUCATION IDENTIFIED
17 IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (e) FOR SALARIES PAID ON A
18 MONTHLY BASIS TO STATE EMPLOYEES FOR ANY WORK PERFORMED
19 DURING THE MONTH OF JUNE OF THE STATE FISCAL YEAR. THE GENERAL
20 ASSEMBLY MAY APPROPRIATE MONEYS IN THE FUND PURSUANT TO SUCH
21 A REQUEST OR MAY APPROPRIATE MONEYS IN THE FUND FOR ANY OTHER
22 PURPOSE DEEMED APPROPRIATE.

23 (III) ANY REMAINING PAYROLL OBLIGATIONS OF A DEPARTMENT,
24 OFFICE, AGENCY, OR INSTITUTION OF HIGHER EDUCATION THAT ARE NOT
25 PAID WITH UNEXPENDED AND UNENCUMBERED MONEYS PURSUANT TO THIS
26 PARAGRAPH (e) ON THE LAST WORKING DAY IN JUNE SHALL CONTINUE TO
27 BE PAID BY THE DEPARTMENT, OFFICE, AGENCY, OR INSTITUTION OF

1 HIGHER EDUCATION ON THE FIRST WORKING DAY IN JULY OF THE NEXT
2 STATE FISCAL YEAR.

3 (IV) IF A DEPARTMENT, OFFICE, AGENCY, OR INSTITUTION OF
4 HIGHER EDUCATION TYPICALLY PAYS A PORTION OF ITS PAYROLL
5 OBLIGATIONS WITH MONEYS FROM A FUND OTHER THAN THE GENERAL
6 FUND, THE DEPARTMENT, OFFICE, AGENCY, OR INSTITUTION OF HIGHER
7 EDUCATION SHALL PAY SUCH PORTION OF THE PAYROLL OBLIGATIONS AT
8 THE SAME TIME IT PAYS PAYROLL OBLIGATIONS FROM MONEYS IN THE
9 GENERAL FUND.

10 (V) IF A DEPARTMENT, OFFICE, AGENCY, OR INSTITUTION OF
11 HIGHER EDUCATION PAYS ALL OF ITS PAYROLL OBLIGATIONS WITH MONEYS
12 FROM A FUND OTHER THAN THE GENERAL FUND, THE DEPARTMENT, OFFICE,
13 AGENCY, OR INSTITUTION OF HIGHER EDUCATION SHALL CONTINUE TO PAY
14 ITS EMPLOYEES FOR WORK PERFORMED DURING THE MONTH OF JUNE ON
15 THE SAME SCHEDULE THAT THE DEPARTMENT, OFFICE, AGENCY, OR
16 INSTITUTION OF HIGHER EDUCATION TYPICALLY FOLLOWS FOR MONTHS
17 OTHER THAN JUNE.

18 (VI) ANY MONEYS IN THE FUND NOT EXPENDED FOR THE PURPOSE
19 OF THIS PARAGRAPH (e) MAY BE INVESTED BY THE STATE TREASURER AS
20 PROVIDED BY LAW. ALL INTEREST AND INCOME DERIVED FROM THE
21 INVESTMENT AND DEPOSIT OF MONEYS IN THE FUND SHALL BE CREDITED
22 TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS
23 REMAINING IN THE FUND AT THE END OF A STATE FISCAL YEAR SHALL
24 REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO
25 THE GENERAL FUND OR ANY OTHER FUND.

26 (f) (I) EFFECTIVE JUNE 30 OF STATE FISCAL YEAR 2010-11 IF
27 GENERAL FUND REVENUES ARE NOT AUGMENTED BY TRANSFERS FROM

1 CASH FUNDS, AND ON JUNE 30 OF EACH STATE FISCAL YEAR THEREAFTER
2 IF GENERAL FUND REVENUES ARE NOT AUGMENTED BY TRANSFERS FROM
3 CASH FUNDS, THE STATE TREASURER SHALL TRANSFER AN AMOUNT EQUAL
4 TO ANY UNEXPENDED AND UNENCUMBERED GENERAL FUND MONEYS
5 APPROPRIATED BY THE GENERAL ASSEMBLY FOR THE STATE FISCAL YEAR
6 TO THE LEGISLATIVE DEPARTMENT, AND EACH SERVICE AGENCY THEREOF,
7 FROM THE GENERAL FUND TO THE LEGISLATIVE DEPARTMENT CASH FUND
8 CREATED IN SECTION 2-2-1601, C.R.S.; EXCEPT THAT MONEYS OTHERWISE
9 RESERVED OR PREVIOUSLY TRANSFERRED BY THE ANNUAL GENERAL
10 APPROPRIATION ACT FOR THE LEGISLATIVE DEPARTMENT SHALL NOT BE
11 SUBJECT TO SUCH A TRANSFER.

12 (II) ANY MONEYS TRANSFERRED TO THE LEGISLATIVE
13 DEPARTMENT CASH FUND PURSUANT TO SUBPARAGRAPH (I) OF THIS
14 PARAGRAPH (f) SHALL BE USED WITHIN THE LEGISLATIVE DEPARTMENT
15 FOR THE SAME PURPOSES AND IN THE SAME MANNER AS ANY MONEYS
16 TRANSFERRED PURSUANT TO PARAGRAPH (e) OF THIS SUBSECTION (8).

17 (III) ANY MONEYS IN THE LEGISLATIVE DEPARTMENT CASH FUND
18 NOT EXPENDED PURSUANT TO THIS PARAGRAPH (f) AND REMAINING IN THE
19 FUND AT THE END OF A STATE FISCAL YEAR SHALL REMAIN IN THE FUND
20 AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR
21 ANY OTHER FUND. ONCE THE PAYROLL PURPOSES HAVE BEEN
22 ACCOMPLISHED, ANY MONEYS REMAINING IN THE FUND MAY BE EXPENDED
23 BY THE LEGISLATIVE DEPARTMENT AS SPECIFIED IN SECTION 2-2-1601,
24 C.R.S.

25 (g) UPON A DETERMINATION BY THE STATE TREASURER THAT
26 SUFFICIENT MONEYS HAVE BEEN TRANSFERRED TO PAY ALL GENERAL FUND
27 PAYROLL OBLIGATIONS OF A STATE FISCAL YEAR IN THE SAME STATE

1 FISCAL YEAR, THE STATE TREASURER SHALL CEASE THE TRANSFERS
2 REQUIRED BY PARAGRAPHS (e) AND (f) OF THIS SUBSECTION (8) AND
3 SHALL TRANSFER ANY MONEYS REMAINING IN THE STATE EMPLOYEE
4 PAYDAY SHIFT FUND TO THE GENERAL FUND. AFTER ALL MONEYS HAVE
5 BEEN TRANSFERRED OUT OF THE STATE EMPLOYEE PAYDAY SHIFT FUND,
6 THE STATE EMPLOYEE PAYDAY SHIFT FUND SHALL BE ABOLISHED.

7 **SECTION 3. Safety clause.** The general assembly hereby finds,
8 determines, and declares that this act is necessary for the immediate
9 preservation of the public peace, health, and safety.