

First Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 11-0295.01 Nicole Myers

HOUSE BILL 11-1249

HOUSE SPONSORSHIP

Priola,

SENATE SPONSORSHIP

Tochtrop,

House Committees
Economic and Business Development

Senate Committees

A BILL FOR AN ACT

101 CONCERNING MODIFICATIONS TO CERTAIN ADMINISTRATIVE
102 FUNCTIONS OF THE DEPARTMENT OF PERSONNEL.

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 modifies various programs administered by the department of personnel (department) and makes changes to various administrative functions of the department as follows:

Appraisal of property to be purchased by the state. Currently, any state department, institution, or agency that plans to enter into an

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.

agreement to purchase real property is required to get an independent appraisal for an estimate of the value of the property before entering into the agreement. The bill changes this requirement so that a state department, institution, or agency may enter into an agreement to purchase real property before getting an appraisal, so long as the agreement is contingent on an appraisal supporting the purchase price or value given by the state.

Recovery audits. The state controller is required to contract for recovery audits to recoup overpayments by state agencies of state or federal tax dollars for the 2007-08 through 2009-10 fiscal years. The bill expands the recovery audits to include the authority to recoup overpayments of moneys from fees, fines, gifts, grants, donations, and other sources and requires the state controller to contract for recovery audits for the 2010-11 fiscal year and each fiscal year thereafter. In addition, the bill creates the recovery audit cash fund and specifies that the moneys recovered from the audits shall be credited to the fund and used to pay administrative costs and contract fees and to return the remaining overpayment amounts to the source from which the overpayment was originally made.

State public financing issuance and post-issuance compliance. The state is responsible for certain compliance activities in connection with the issuance of tax exempt financing (issuance). The state controller has the primary responsibility to comply with state and federal compliance obligations, but the state attorney general, the state treasurer, and other state agencies are often involved in the issuance and post-issuance compliance. Currently, there is not a dedicated revenue source to fund the necessary state expenditures in connection with the compliance activities. The bill requires, to the extent allowed by federal law, that any new contract for an issuance shall assess a fee to be held by the trustee of the issuance and used to reimburse the state for costs incurred in performing or overseeing issuance and post-issuance compliance responsibilities. The bill creates the state public financing issuance and post-issuance compliance cash fund and specifies the circumstances under which the moneys held by the trustee shall be transferred to the fund and used to reimburse the state for its costs in performing or overseeing the issuance and post-issuance compliance responsibilities. The fund is exempt from the limitations on cash funds that are specified by law.

Inventory of the state's capital assets. The department is required to maintain an inventory of all of the state's capital assets valued in excess of \$100,000 and a separate inventory of computer equipment. The bill eliminates the requirement that the department maintain an inventory of computer equipment.

State employee workers' compensation account. The state employee workers' compensation account (account) exists as a separate

account in the risk management fund. Currently, the moneys in the risk management fund are continuously appropriated while the moneys in the account are subject to annual appropriation by the general assembly. The bill changes the annual appropriation of moneys in the account to a continuous appropriation for the purpose of paying claims from the account.

Emergency services volunteers. A state employee who is certified as a disaster service volunteer of the American red cross is allowed a certain amount of paid leave for specialized disaster relief services. Currently, the leave is calculated based on a 12-month period. In addition, a state employee who is a qualified volunteer who is called into service by a volunteer organization is also allowed a certain amount of paid leave. Currently the leave for these volunteers is calculated based on a calendar year. The bill changes the calculation of leave for all such employees to the leave year established by the employer to be consistent with the leave provided to other emergency services volunteers.

Annual compensation report. The state personnel director (director) is required to submit an annual compensation report and recommendations and estimated costs to the governor and the joint budget committee for state employee compensation for the next fiscal year. The department does not have all of the required data necessary to formulate a comprehensive recommendation by the current August 1 submission date. The bill changes the reporting date for the annual report and recommendations to September 15, when more data is available.

Overtime pay for essential employees. Pursuant to current law, an employee who performs certain essential services earns overtime pay based on the combined work hours and paid leave hours that exceed the employee's maximum hour limit. The bill eliminates this practice so that only hours actually worked are included in the calculation of overtime for all state employees, regardless of the services they perform.

Professional center development cash fund. The director is responsible for maintaining a training program for employees in the state personnel system and is authorized to establish fees necessary to pay the direct and indirect costs of the training program. Any fees collected in connection with the training program are credited to the professional development center cash fund. A portion of the moneys in the fund are reappropriated funds, because state agencies use moneys that have been previously appropriated to the agency to pay the department for the costs of conducting training programs. The fund also consists of cash funds. Currently, the moneys in the fund are subject to annual appropriation, and the bill changes the appropriation to a continuous appropriation. In addition, the bill specifies that the joint budget committee may require periodic reports regarding fund balances and expenditures from the director.

Group benefit plans - definition of "dependent". The bill

modifies the definition of "dependent" for purposes of the state employee group benefit plans. Specifically, the bill clarifies the circumstances under which a state employee may include his or her spouse, common law spouse, or child as a dependent. In addition, the bill clarifies that an employee may include his or her domestic partner as a dependent.

The state employee group benefit plans currently allow a child to be a dependent of the employee for purposes of group benefit coverage until the child turns 25. The bill increases the age until which a child or person for whom the employee is the major source of financial support may be considered a dependent for these purposes to 26 to comply with the requirement of the recently enacted federal healthcare bill. The bill also makes a conforming amendment in connection with the change in the definition of "child". The bill specifies that if federal law no longer requires coverage of a child until the age of 26, the state's definition of dependent will return to a child until the child turns 25.

Group benefit plans - state contribution for part-time employees. The director has the authority to adopt procedures to determine benefit eligibility requirements and the percentage of the state contribution to the health benefits premium for part-time state employees who are hired on or after January 1, 2005. The bill removes the January 1, 2005, date, and thereby authorizes the director to adopt procedures for benefit eligibility requirements and the percentage of the state contribution to the health benefits premium for all part-time state employees, regardless of the date their state employment began.

State employees' ideas that improve state government operations. The state employee incentive program (incentive program) rewards state employees for innovative cost-saving ideas by allowing the employees to share the cost-savings resulting from the idea. Currently, the incentive program does not allow employees of the department of personnel to participate. The bill allows employees of the department to participate in the incentive program and specifies that any employee whose work assignment includes identifying efficiencies and cost reductions in government expenditures may not participate. In addition, the bill requires the executive directors to advertise the incentive program during orientation for new employees and to submit an annual report to the state auditor containing a summary of certain information regarding all submitted ideas for cost-saving measures. The bill specifies that idea applications that do not require legislation shall be implemented no later than 180 days following acceptance of the idea application. In addition, the bill addresses how savings from idea applications will be distributed to institutions of higher education that are not enterprises. The bill also repeals the state employee incentive program that was enacted prior to the enactment of the program regarding state employees' ideas that improve government operations.

Fallen heroes memorial construction fund. The fallen heroes

memorial commission (commission) was established to erect memorials to commemorate the lives of Coloradans who died during specific military conflicts. All general fund appropriations and gifts, grants, and donations for such purpose are credited to the fallen heroes memorial construction fund. Currently, the moneys in the fund are subject to annual appropriation. The bill changes the appropriation to a continuous appropriation to the commission to be used for the purposes of the commission.

Electronic procurement program account in the supplier database cash fund. The department maintains a centralized database of businesses that are interested in providing goods and services to the state, and certain fees collected in connection with the database are deposited into the supplier database cash fund. In addition, the department maintains a statewide centralized electronic procurement system to create a more efficient delivery of state procurement services, and fees collected in connection with the procurement system are deposited into the electronic procurement program account, which was created within the supplier database cash fund. The bill eliminates the electronic procurement program account and requires that fees collected in connection with the electronic procurement system be deposited in the supplier database cash fund.

Procurement card program. The procurement card (p-card) program provides a rebate to the state on purchases that governmental bodies make with a p-card. The state controller allocates the total amount of the rebates received to each governmental body that made p-card purchases in proportion to the governmental body's contribution to the statewide p-card expenditures. Such allocations are applied as a reduction in the governmental bodies' administrative costs owed to the department. Currently, institutions of higher education are allowed to forgo participation in the p-card program. The bill allows such institutions of higher education, as well as political subdivisions of the state, to choose to participate in the p-card program as an affiliate. An affiliate is subject to the state's master agreement but may negotiate additional contract terms. The bill also requires the bank that issues the p-card to pay any rebates attributable to the institution or political subdivision directly to the institution or political subdivision. In addition, the bill requires such institutions of higher education to pay their indirect costs through alternate methods.

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

2 **SECTION 1.** 24-30-202 (5) (b), Colorado Revised Statutes, is
3 amended to read:

1 **24-30-202. Procedures - vouchers and warrants - rules -**
2 **penalties.** (5) (b) ~~Before~~ Any state department, institution, or agency
3 ~~enters into any~~ option CONTRACT or agreement to purchase any real
4 property or any interest therein that has a total purchase price of more
5 than one hundred thousand dollars SHALL CONTAIN A PROVISION MAKING
6 THE AGREEMENT CONTINGENT ON AN APPRAISAL SUPPORTING THE
7 PURCHASE PRICE OR VALUE GIVEN BY THE STATE. Such department,
8 institution, or agency shall contract with at least one but not more than
9 three independent appraisers for an estimate of the value of such property.
10 Such appraiser shall be qualified with respect to the subject matter of the
11 appraisal and shall be instructed to determine the fair market value of the
12 real property by using sound, fair, and recognized appraisal practices
13 ~~which~~ THAT are consistent with the laws of Colorado. ~~One copy of each~~
14 ~~such appraisal shall be attached to the option or contract for said purchase~~
15 ~~prior to the controller's approving the option or contract.~~ This paragraph
16 (b) shall not apply to the acquisition of property by the department of
17 transportation for the construction, maintenance, or supervision of the
18 public highways of this state, nor shall it apply to any additional
19 lease-purchase agreement entered into pursuant to the master lease
20 program authorized by part 7 of article 82 of this title.

21 **SECTION 2.** 24-30-203.5 (1) (a) (II), (1) (b) (I), (1) (b) (II), (3)
22 (a), (4) (b), and (6) (c), Colorado Revised Statutes, are amended, and the
23 said 24-30-203.5 is further amended BY THE ADDITION OF THE
24 FOLLOWING NEW SUBSECTIONS, to read:

25 **24-30-203.5. Recovery audits - legislative declaration -**
26 **contracting - reporting - definitions - recovery audit cash fund.**

27 (1) (a) The general assembly hereby finds and declares that:

1 (II) Overpayments waste ~~tax dollars~~ STATE AND FEDERAL MONEYS
2 and detract from the efficiency and effectiveness of state agency
3 operations by diverting resources from their intended uses;

4 (b) The general assembly further finds and declares that:

5 (I) Recovery audits are a nationally recognized best practice for
6 disbursements management and provide insight for improving operational
7 efficiency and internal controls in the disbursement of ~~tax dollars~~ STATE
8 AND FEDERAL MONEYS;

9 (II) In order to improve the economy and efficiency of state
10 agency operations, it is necessary, appropriate, and in the best interests of
11 the state to require the state controller to contract for recovery audits to
12 recoup overpayments by state agencies of state or federal tax dollars,
13 FEES, GIFTS, GRANTS, DONATIONS, AND OTHER STATE AND FEDERAL
14 MONEYS NOT SPECIFICALLY EXCLUDED BY LAW OR RULE; and

15 (3) (a) On or before July 1, 2011, the state controller shall contract
16 with one or more experienced consultants to conduct recovery audits for
17 the 2007-08, 2008-09, and 2009-10 fiscal years. ON OR BEFORE JULY 1,
18 2011, AND ON OR BEFORE JULY 1 OF EACH YEAR THEREAFTER, THE STATE
19 CONTROLLER SHALL CONTRACT WITH ONE OR MORE EXPERIENCED
20 CONSULTANTS TO CONDUCT RECOVERY AUDITS FOR THE FISCAL YEAR
21 ENDING ON THE JUNE 30 IMMEDIATELY PRECEDING THE JULY 1
22 CONTRACTING REQUIREMENT.

23 (4) (b) FOR RECOVERY AUDITS FOR THE 2007-08, 2008-09, AND
24 2009-10 FISCAL YEARS, the state controller shall provide the state auditor
25 and the legislative audit and joint budget committees with a report by
26 March 1, 2011, that details any exemptions from recovery audits proposed
27 to be allowed by the state controller. FOR THE 2010-11 FISCAL YEAR AND

1 ANY FISCAL YEAR THEREAFTER IN WHICH THE STATE CONTROLLER
2 PROPOSES TO CHANGE THE EXEMPTIONS FROM RECOVERY AUDITS, THE
3 STATE CONTROLLER SHALL PROVIDE A REPORT OF THE PROPOSED CHANGES
4 TO THE STATE AUDITOR AND THE LEGISLATIVE AUDIT AND JOINT BUDGET
5 COMMITTEES BY THE MARCH 1 THAT IMMEDIATELY PRECEDES THE
6 EXECUTION OF A RECOVERY AUDIT CONTRACT FOR THE APPLICABLE FISCAL
7 YEAR. The legislative audit and joint budget committees may veto any
8 exemption from recovery audits proposed by the state controller by
9 majority votes of the members of each of the committees taken before
10 May 1, 2011, AND TAKEN BEFORE MAY 1 OF EACH YEAR THEREAFTER IN
11 WHICH THE STATE CONTROLLER PROPOSES A CHANGE IN THE EXEMPTIONS
12 FROM RECOVERY AUDITS.

13 (6) (c) Not later than June 30, 2012, AND NOT LATER THAN JUNE
14 30 EACH YEAR THEREAFTER, the state controller shall issue a report to the
15 general assembly summarizing the contents of all reports received from
16 consultants that performed recovery audits contracted for pursuant to this
17 section. The report shall also be posted on the web site of the state
18 controller.

19 (8) ANY MONEYS COLLECTED FROM A RECOVERY AUDIT PURSUANT
20 TO THIS SECTION SHALL BE TRANSMITTED TO THE STATE TREASURER AND
21 CREDITED TO THE RECOVERY AUDIT CASH FUND, WHICH FUND IS HEREBY
22 CREATED IN THE STATE TREASURY. THE MONEYS IN THE FUND SHALL
23 CONSIST OF ANY MONEYS CREDITED TO THE FUND PURSUANT TO THIS
24 SUBSECTION (8) AND ANY MONEYS APPROPRIATED OR TRANSFERRED FROM
25 OTHER SOURCES BY THE GENERAL ASSEMBLY. THE DIRECT AND INDIRECT
26 COSTS OF CONDUCTING THE RECOVERY AUDITS SHALL BE ANNUALLY
27 APPROPRIATED. THE REMAINING MONEYS IN THE FUND SHALL BE

1 CONTINUOUSLY APPROPRIATED TO THE STATE CONTROLLER FOR THE
2 PURPOSES OF PAYING CONTINGENT CONTRACTOR FEES, STATE AGENCY
3 RECOVERY AUDIT COSTS, AND AMOUNTS DUE TO THE FEDERAL
4 GOVERNMENT FOR MONEYS COLLECTED FROM RECOVERY AUDITS. ALL
5 INTEREST EARNED FROM THE INVESTMENT OF THE MONEYS IN THE FUND
6 SHALL BE CREDITED TO THE FUND. AT THE COMPLETION OF EACH
7 RECOVERY AUDIT CYCLE FOR ONE OR MORE FISCAL YEARS, THE STATE
8 CONTROLLER SHALL TRANSFER ANY MONEYS REMAINING IN THE
9 RECOVERY AUDIT CASH FUND TO THE FUND FROM WHICH THE
10 OVERPAYMENT WAS ORIGINALLY MADE, AFTER ALL DIRECT AND INDIRECT
11 COSTS OF THE RECOVERY AUDIT HAVE BEEN PAID.

12 (9) THE STATE CONTROLLER IS RESPONSIBLE FOR MANAGING ALL
13 STATE AGENCY RECOVERY AUDITS.

14 **SECTION 3.** Part 2 of article 30 of title 24, Colorado Revised
15 Statutes, is amended BY THE ADDITION OF A NEW SECTION to
16 read:

17 **24-30-209. State public financing issuance compliance -**
18 **post-issuance compliance - state public financing issuance and**
19 **post-issuance compliance cash fund.** (1) (a) ON AND AFTER JULY 1,
20 2011, ANY STATE PUBLIC FINANCING ISSUANCE SHALL ASSESS A FEE
21 CONSISTING OF THE LESSER OF ONE HUNDRED THOUSAND DOLLARS OR FIVE
22 PERCENT OF THE PRINCIPAL PROCEEDS OF THE ISSUANCE TO THE EXTENT
23 ALLOWED PURSUANT TO THE FEDERAL "INTERNAL REVENUE CODE OF
24 1986", AS AMENDED. THE FEE ASSESSED PURSUANT TO THIS PARAGRAPH
25 (a) SHALL BE DEPOSITED INTO AN ADMINISTRATIVE EXPENSE ACCOUNT
26 HELD BY A TRUSTEE OF THE ISSUANCE AND SHALL BE USED PURSUANT TO
27 THE TERMS OF THE TRUST INDENTURE OR OTHER GOVERNING INSTRUMENT

1 FOR THE PURPOSES SPECIFIED IN PARAGRAPH (b) OF THIS SUBSECTION (1).

2 (b) THE FEE ASSESSED PURSUANT TO PARAGRAPH (a) OF THIS
3 SUBSECTION (1) SHALL BE USED TO REIMBURSE THE STATE CONTROLLER,
4 THE ATTORNEY GENERAL, OR ANY OTHER STATE ENTITY FOR VERIFIABLE
5 COSTS INCURRED IN PERFORMING OR OVERSEEING THE STATE'S ISSUANCE
6 COMPLIANCE AND POST-ISSUANCE COMPLIANCE RESPONSIBILITIES OVER
7 THE LIFE OF THE ISSUANCE, INCLUDING COMPLYING WITH OR MONITORING
8 COMPLIANCE WITH THE FEDERAL INTERNAL REVENUE CODE
9 REQUIREMENTS, MAKING PUBLIC DISCLOSURES REQUIRED PURSUANT TO
10 FEDERAL SECURITIES LAW OR ENSURING THAT SUCH DISCLOSURES ARE
11 MADE, AND PERFORMING OR COORDINATING STATE OBLIGATIONS IN
12 CONNECTION WITH THE ISSUANCE.

13 (2) AS PERMITTED BY THE TRUST INDENTURE OR OTHER
14 GOVERNING INSTRUMENT, THE STATE MAY FILE, ON A COST
15 REIMBURSEMENT BASIS, A CLAIM WITH THE TRUSTEE AGAINST THE
16 ADMINISTRATIVE EXPENSE ACCOUNT OF THE ISSUANCE PURSUANT TO
17 SUBSECTION (1) OF THIS SECTION. ANY COSTS INCURRED BY THE STATE
18 CONTROLLER, THE STATE ATTORNEY GENERAL, THE STATE TREASURER, OR
19 ANY OTHER STATE ENTITY IN CONNECTION WITH THE POST-ISSUANCE
20 COMPLIANCE OBLIGATIONS SHALL BE PAID BY THE APPLICABLE STATE
21 ENTITY. THE STATE ENTITY SHALL THEN PROVIDE THE STATE CONTROLLER
22 WITH APPROPRIATE DOCUMENTATION THAT THE EXPENSE WAS INCURRED
23 AND PAID, AND THE STATE CONTROLLER SHALL THEN PROVIDE THE
24 DOCUMENTATION TO THE APPLICABLE TRUSTEE FOR REIMBURSEMENT
25 FROM THE MONEYS IN THE ADMINISTRATIVE EXPENSE ACCOUNT. UPON
26 RECEIPT OF SUCH DOCUMENTATION THE TRUSTEE SHALL, WITH THE
27 ASSISTANCE OF THE STATE CONTROLLER, CAUSE THE APPROPRIATE

1 AMOUNT FOR THE REIMBURSEMENT TO BE DEPOSITED INTO THE STATE
2 PUBLIC FINANCING ISSUANCE AND POST-ISSUANCE COMPLIANCE CASH
3 FUND, CREATED IN SUBSECTION (3) OF THIS SECTION.

4 (3) THERE IS HEREBY CREATED IN THE STATE TREASURY THE STATE
5 PUBLIC FINANCING ISSUANCE AND POST-ISSUANCE COMPLIANCE CASH
6 FUND. THE FUND SHALL CONSIST OF MONEYS DEPOSITED INTO THE FUND
7 PURSUANT TO SUBSECTION (2) OF THIS SECTION AND SHALL BE USED ONLY
8 TO REIMBURSE THE COSTS INCURRED BY THE STATE CONTROLLER, THE
9 STATE ATTORNEY GENERAL, THE STATE TREASURER, OR ANY OTHER STATE
10 ENTITY IN PERFORMING OR OVERSEEING THE STATE'S ISSUANCE
11 COMPLIANCE AND POST-ISSUANCE COMPLIANCE RESPONSIBILITIES OVER
12 THE LIFE OF THE ISSUANCE, AS SPECIFIED IN SUBSECTION (1) OF THIS
13 SECTION. THE MONEYS IN THE FUND SHALL BE CONTINUOUSLY
14 APPROPRIATED TO THE STATE CONTROLLER TO BE USED FOR THE PURPOSES
15 SPECIFIED IN THIS SUBSECTION (3). ALL MONEYS NOT EXPENDED OR
16 ENCUMBERED AND ALL INTEREST EARNED ON THE DEPOSIT OR
17 INVESTMENT OF MONEYS IN THE FUND SHALL REMAIN IN THE FUND AND
18 SHALL NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND AT THE
19 END OF A FISCAL YEAR. IN ORDER TO COMPLY WITH FEDERAL INTERNAL
20 REVENUE CODE REQUIREMENTS, THE STATE CONTROLLER SHALL MAINTAIN
21 INDIVIDUAL ACCOUNTS WITHIN THE STATE PUBLIC FINANCING ISSUANCE
22 AND POST-ISSUANCE COMPLIANCE CASH FUND FOR EACH ISSUANCE. THE
23 ISSUANCE AND POST-ISSUANCE COMPLIANCE COSTS OF INDIVIDUAL
24 ISSUANCES SHALL BE PAID ONLY FROM THE RELATED ACCOUNT WITHIN THE
25 STATE PUBLIC FINANCING ISSUANCE AND POST-ISSUANCE COMPLIANCE
26 CASH FUND.

27 (4) THIS SECTION SHALL NOT APPLY TO INSTITUTIONS OF HIGHER

1 EDUCATION.

2 (5) NO MONEYS IN THE STATE PUBLIC FINANCING ISSUANCE AND
3 POST-ISSUANCE COMPLIANCE CASH FUND SHALL BE USED FOR ANY
4 PURPOSE OTHER THAN FOR ISSUANCE AND POST-ISSUANCE COMPLIANCE OF
5 THE STATE PUBLIC FINANCING FROM WHICH THE FUND'S REVENUES WERE
6 RECEIVED.

7 **SECTION 4.** 24-30-1303.5 (5), Colorado Revised Statutes, is
8 amended to read:

9 **24-30-1303.5. Department to prepare and maintain inventory**
10 **of state property - vacant facilities.** (5) In addition to obtaining and
11 maintaining a correct and current inventory of all real property, with
12 improvements thereon, the department shall also establish a separate
13 inventory of ~~computer equipment~~ and all other capital assets valued in
14 excess of one hundred thousand dollars, owned by or held in trust for the
15 state of Colorado or any state department, agency, or institution, including
16 state institutions of higher education. Such capital assets inventory shall
17 be maintained and kept current in the same manner as specified by
18 subsections (3) and (4) of this section for real property and improvements
19 thereon.

20 **SECTION 5.** 24-30-1510.7 (1) (a), Colorado Revised Statutes, is
21 amended to read:

22 **24-30-1510.7. Workers' compensation for state employees.**
23 (1) (a) (I) There is hereby created, as a separate account in the risk
24 management fund, the state employee workers' compensation account,
25 ~~which~~ THAT shall consist of all moneys which may be appropriated
26 thereto by the general assembly and ~~which~~ THAT may be otherwise made
27 available to it by the general assembly for the purpose of establishing a

1 workers' compensation self-insurance program for state employees or for
2 the procurement of commercial workers' compensation insurance
3 therefor, in accordance with subsection (2) of this section. As of May 24,
4 1990, the state controller shall also transfer any moneys appropriated to
5 pay workers' compensation premiums for the 1989-90 fiscal year to the
6 state employee workers' compensation account. Moneys "otherwise made
7 available" shall be deemed to include transfers of moneys to the account
8 authorized in the general appropriation act. All interest earned from the
9 investment of moneys in the state employee workers' compensation
10 account pursuant to this section shall be credited to the account and
11 become a part thereof. Moneys in the state employee workers'
12 compensation account shall be ~~subject to annual appropriation by the~~
13 ~~general assembly~~ CONTINUOUSLY APPROPRIATED for purposes of this
14 section OTHER THAN THE DIRECT AND INDIRECT ADMINISTRATIVE COSTS
15 OF OPERATING THE RISK MANAGEMENT SYSTEM. THE GENERAL ASSEMBLY
16 SHALL MAKE ANNUAL APPROPRIATIONS FROM THE FUND FOR THE DIRECT
17 AND INDIRECT ADMINISTRATIVE COSTS OF OPERATING THE RISK
18 MANAGEMENT SYSTEM THAT ARE ATTRIBUTABLE TO THE OPERATION OF
19 THE STATE EMPLOYEE WORKERS' COMPENSATION ACCOUNT. ALL
20 UNEXPENDED AND UNENCUMBERED MONEYS IN THE ACCOUNT AT THE END
21 OF ANY FISCAL YEAR SHALL REMAIN IN THE ACCOUNT AND SHALL NOT BE
22 CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND.

23 (II) THE JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY
24 MAY REQUIRE PERIODIC REPORTS FROM THE DEPARTMENT OF PERSONNEL
25 REGARDING EXPENDITURES FROM THE STATE EMPLOYEE WORKERS'
26 COMPENSATION ACCOUNT, PROJECTED EXPENDITURES FROM THE
27 ACCOUNT, ACCOUNT BALANCES, AND OTHER INFORMATION DEEMED

1 NECESSARY BY THE COMMITTEE TO OVERSEE THE CONTINUOUS
2 APPROPRIATION OF THE MONEYS IN THE ACCOUNT.

3 **SECTION 6.** 24-30-2225 (1), Colorado Revised Statutes, is
4 amended to read:

5 **24-32-2225. Qualified volunteers - leave of absence - public**
6 **employees.** (1) Any qualified volunteer who is an officer or employee
7 of the state or of any political subdivision, municipal corporation, or other
8 public agency of the state and who is called into service by a volunteer
9 organization is entitled to a leave of absence from the qualified
10 volunteer's employment for the time when the qualified volunteer is
11 serving, without loss of pay, seniority, status, efficiency rating, vacation,
12 sick leave, or other benefits. The leave without loss of pay that is allowed
13 pursuant to this section shall not exceed a total of fifteen work days in any
14 ~~calendar year~~ LEAVE YEAR ESTABLISHED BY THE EMPLOYER; except that
15 such leave without loss of pay shall be allowed only if the required
16 volunteer service is satisfactorily performed, which shall be presumed
17 unless the contrary is established.

18 **SECTION 7.** 24-50-104 (4) (c) and (7) (d), Colorado Revised
19 Statutes, are amended to read:

20 **24-50-104. Job evaluation and compensation.** (4) **Annual**
21 **compensation process.** (c) By August 1, 2003, and by August 1 of each
22 year thereafter THROUGH AUGUST 1, 2010, AND BY SEPTEMBER 15, 2011,
23 AND BY SEPTEMBER 15 OF EACH YEAR THEREAFTER, the state personnel
24 director shall submit the annual compensation report and
25 recommendations and estimated costs for state employee compensation
26 for the next fiscal year, covering salaries, state contributions for group
27 benefit plans, and performance awards, to the governor and the joint

1 budget committee of the general assembly. The recommendations shall
2 reflect a consideration of the results of the annual compensation survey,
3 fiscal constraints, the ability to recruit and retain state employees,
4 appropriate adjustments with respect to state employee compensation, and
5 those costs resulting from implementation of section 24-50-110 (1) (a).
6 The recommendations for state contributions for group benefit plans shall
7 specify the annual group benefit plan year established pursuant to section
8 24-50-604 (1) (m). The annual compensation report shall include the
9 results of the surveys of public or private employers and jobs for
10 prevailing total compensation and the reasons for any deviation from
11 prevailing total compensation in the recommendations submitted to the
12 governor and the joint budget committee. The state personnel director
13 shall also publish such report.

14 (7) **Leaves.** (d) An employee certified as a disaster service
15 volunteer of the American red cross may be granted paid leave for
16 specialized disaster relief services. Such leave shall not exceed ~~five days~~
17 ~~for a local disaster~~ or fifteen days for a national disaster in a
18 ~~twelve-month period~~ FISCAL YEAR. Such leave may not be accumulated.
19 During this period of leave, an employee shall not be deemed to be an
20 employee for purposes of the "Workers' Compensation Act of Colorado",
21 as provided in articles 40 to 47 of title 8, C.R.S. The leave authorized by
22 this paragraph (d) shall run concurrent with and shall not be in addition
23 to any paid leave of absence required by law for service by a member in
24 a Colorado civil air patrol mission as provided in section 28-1-104,
25 C.R.S., or for qualified volunteer service in a disaster as provided in
26 section 24-32-2225.

27 **SECTION 8.** 24-50-104.5 (1), Colorado Revised Statutes, is

1 amended to read:

2 **24-50-104.5. Compliance with federal laws.** (1) The state
3 personnel director shall establish the general criteria and processes
4 necessary for the state personnel system to fully comply with all
5 applicable federal employment laws. ~~Holidays and periods of authorized~~
6 ~~paid leave falling within a regularly scheduled workweek shall be counted~~
7 ~~as work time in determining overtime for employees performing essential~~
8 ~~law enforcement, highway maintenance, and other support services~~
9 ~~directly necessary for the health, safety, and welfare of patients, residents,~~
10 ~~and inmates of state institutions or state facilities.~~

11 **SECTION 9.** 24-50-122 (2), Colorado Revised Statutes, is
12 amended to read:

13 **24-50-122. Opportunities for training - professional**
14 **development center cash fund - creation - rules.** (2) (a) The ~~executive~~
15 ~~director of the department of STATE~~ personnel DIRECTOR shall establish
16 any fees necessary to pay for the direct and indirect costs of the training
17 programs specified in subsection (1) of this section. All moneys collected
18 shall be transmitted to the state treasurer, who shall credit the same to the
19 professional development center cash fund, which fund is hereby created.
20 The moneys in the fund shall be ~~subject to annual appropriation by the~~
21 ~~general assembly~~ CONTINUOUSLY APPROPRIATED for the PURPOSE OF
22 PAYING THE direct and indirect costs of establishing and maintaining the
23 training programs specified in subsection (1) of this section. All interest
24 derived from the deposit and investment of moneys in the fund shall be
25 credited to the fund. Any unexpended and unencumbered moneys
26 remaining in the fund at the end of a fiscal year shall remain in the fund
27 and shall not be credited or transferred to the general fund or any other

1 fund.

2 (b) THE JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY
3 MAY REQUIRE THE STATE PERSONNEL DIRECTOR TO SUBMIT PERIODIC
4 REPORTS OF EXPENDITURES FROM THE PROFESSIONAL DEVELOPMENT
5 CENTER CASH FUND, PROJECTED EXPENDITURES FROM THE FUND, FUND
6 BALANCES, AND OTHER INFORMATION NECESSARY TO MONITOR THE
7 MONEYS IN THE FUND.

8 **SECTION 10.** 24-50-603 (5) and (6.5), Colorado Revised
9 Statutes, are amended to read:

10 **24-50-603. Definitions.** As used in this part 6, unless the context
11 otherwise requires:

12 (5) "Dependent" means:

13 (a) An employee's CURRENT legal spouse WHO IS THE OPPOSITE
14 GENDER OF THE EMPLOYEE;

15 (b) AN EMPLOYEE'S DOMESTIC PARTNER, AS AUTHORIZED BY THE
16 DIRECTOR'S RULES ADOPTED IN ACCORDANCE WITH ARTICLE 4 OF THIS
17 TITLE, WHO HAS SUBMITTED DOCUMENTATION DEMONSTRATING THAT HE
18 OR SHE IS THE EMPLOYEE'S DOMESTIC PARTNER AS REQUIRED BY SUCH
19 RULES. THE DOMESTIC PARTNER MUST BE AN ADULT, AT LEAST EIGHTEEN
20 YEARS OF AGE:

21 (I) WHO IS OF THE SAME GENDER AS THE EMPLOYEE;

22 (II) WITH WHOM THE EMPLOYEE HAS SHARED AN EXCLUSIVE,
23 COMMITTED RELATIONSHIP FOR AT LEAST ONE YEAR WITH THE INTENT FOR
24 THE RELATIONSHIP TO LAST INDEFINITELY;

25 (III) WHO IS NOT RELATED TO THE EMPLOYEE BY BLOOD TO A
26 DEGREE THAT WOULD PROHIBIT MARRIAGE PURSUANT TO SECTION
27 14-2-110, C.R.S.; AND

1 (IV) WHO IS NOT MARRIED TO ANOTHER PERSON.

2 (c) (I) EXCEPT AS OTHERWISE PROVIDED IN SUBPARAGRAPH (II) OF
3 THIS PARAGRAPH (c), each ~~unmarried child, including adopted children,~~
4 ~~stepchildren, and foster children,~~ through the end of the month in which
5 the child turns ~~nineteen~~ TWENTY-SIX years of age, ~~for whom the employee~~
6 ~~is the major source of financial support or for whom the employee is~~
7 ~~directed by court order to provide coverage; each unmarried child~~
8 ~~nineteen years of age, through the end of the month in which that child is~~
9 ~~no longer a full-time student in an educational or vocational institution,~~
10 ~~but no longer than through the end of the month in which the full-time~~
11 ~~student turns twenty-four years of age, and for whom the employee is the~~
12 ~~major source of financial support or for whom the employee is directed~~
13 ~~by court order to provide coverage; or an unmarried child of any age WHO~~
14 IS:

15 (A) THE EMPLOYEE'S BIOLOGICAL CHILD;

16 (B) THE EMPLOYEE'S ADOPTED CHILD, OR A CHILD WHO HAS BEEN
17 LEGALLY PLACED FOR ADOPTION WITH THE EMPLOYEE;

18 (C) THE EMPLOYEE'S STEPCHILD, SO LONG AS THE EMPLOYEE AND
19 THE PARENT OF THE STEPCHILD ARE MARRIED OR IN A SAME-GENDER
20 DOMESTIC PARTNERSHIP AS DESCRIBED IN PARAGRAPH (b) OF THIS
21 SUBSECTION (5);

22 (D) A CHILD LEGALLY PLACED IN FOSTER CARE WITH THE
23 EMPLOYEE; OR

24 (E) A CHILD FOR WHOM THE EMPLOYEE, PURSUANT TO A COURT
25 ORDER, IS REQUIRED TO PROVIDE COVERAGE.

26 (II) IF FEDERAL LAW NO LONGER REQUIRES COVERAGE OF A CHILD
27 AS A DEPENDENT UNTIL THE CHILD TURNS TWENTY-SIX, THE PROVISIONS

1 OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (c) SHALL APPLY; EXCEPT THAT
2 THE PROVISIONS OF SAID SUBPARAGRAPH (I) SHALL ONLY APPLY TO EACH
3 UNMARRIED CHILD THROUGH THE END OF THE MONTH IN WHICH THE CHILD
4 TURNS TWENTY-FIVE YEARS OF AGE.

5 (d) (I) EXCEPT AS OTHERWISE PROVIDED IN SUBPARAGRAPH (II) OF
6 THIS PARAGRAPH (d), AN UNMARRIED PERSON THROUGH THE END OF THE
7 MONTH IN WHICH THE PERSON TURNS TWENTY-SIX YEARS OF AGE FOR
8 WHOM THE EMPLOYEE IS THE MAJOR SOURCE OF FINANCIAL SUPPORT.

9 (II) IF FEDERAL LAW NO LONGER REQUIRES COVERAGE OF AN
10 UNMARRIED PERSON FOR WHOM THE EMPLOYEE IS THE MAJOR SOURCE OF
11 FINANCIAL SUPPORT UNTIL THE PERSON TURNS TWENTY-SIX, THE
12 PROVISIONS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (d) SHALL APPLY;
13 EXCEPT THAT THE PROVISIONS OF SAID SUBPARAGRAPH (I) SHALL ONLY
14 APPLY TO SUCH UNMARRIED PERSON THROUGH THE END OF THE MONTH IN
15 WHICH THE PERSON TURNS TWENTY-FIVE YEARS OF AGE.

16 (e) A CHILD WHO IS TWENTY-SIX YEARS OF AGE OR OLDER who has
17 either a physical or mental disability, as defined by the carrier OR
18 THIRD-PARTY ADMINISTRATOR, not covered under other government
19 programs, and for whom the employee is the major source of financial
20 support or for whom the employee is directed by court order to provide
21 coverage; EXCEPT THAT, IF FEDERAL LAW NO LONGER REQUIRES
22 COVERAGE OF A CHILD AS A DEPENDENT UNTIL THE CHILD TURNS
23 TWENTY-SIX, THE PROVISIONS OF THIS SECTION SHALL APPLY IF THE CHILD
24 IS TWENTY-FOUR YEARS OF AGE OR OLDER.

25 ~~(b) Any person authorized by the director to be a dependent in~~
26 ~~response to statutory changes made to mandated coverage for group~~
27 ~~benefits insurance pursuant to title 10, C.R.S.;~~

1 (c) ~~An employee's domestic partner, as authorized by the director~~
2 ~~by rule adopted in accordance with article 4 of this title, who has~~
3 ~~submitted documentation demonstrating a domestic partnership with an~~
4 ~~employee as required by such rules;~~

5 (d) ~~Any additional dependents specified by the director by rule~~
6 ~~adopted in accordance with article 4 of this title.~~

7 (6.5) ~~"Domestic partner" means an adult, at least eighteen years~~
8 ~~of age:~~

9 (a) ~~Who is of the same gender as the employee;~~

10 (b) ~~With whom the employee has shared an exclusive, committed~~
11 ~~relationship for at least one year with the intent for the relationship to last~~
12 ~~indefinitely;~~

13 (c) ~~Who is not related to the employee by blood to a degree that~~
14 ~~would prohibit marriage pursuant to section 14-2-110, C.R.S.; and~~

15 (d) ~~Who is not married to another person.~~

16 **SECTION 11.** 24-50-604 (3), Colorado Revised Statutes, is
17 amended to read:

18 **24-50-604. Powers and duties of the director.** (3) The director
19 shall have the authority to adopt ~~procedures~~ RULES to determine benefit
20 eligibility requirements and the percentage of the state contribution to
21 health benefits for all employees, as defined in section 24-50-603 (7),
22 who work less than full time AND are governed by the rules established
23 pursuant to subsection (2) of this section. ~~and are hired on or after January~~
24 ~~1, 2005.~~ SUCH RULES SHALL BE PROMULGATED IN ACCORDANCE WITH THE
25 "STATE ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF THIS TITLE.
26 The director shall include any proposed changes to the group benefits
27 policy in the annual compensation report and recommendations submitted

1 to the governor and the joint budget committee of the general assembly
2 pursuant to section 24-50-104 (4) (c).

3 **SECTION 12.** 24-50-608 (4), Colorado Revised Statutes, is
4 amended to read:

5 **24-50-608. Dependents - eligibility - election of coverage.**

6 (4) (a) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (b) OF THIS
7 SUBSECTION (4), if a dependent is no longer eligible for coverage because
8 the dependent turned ~~twenty-five~~ TWENTY-SIX years old, the director shall
9 remove the dependent from the group benefit plan by the end of the
10 month in which the dependent turned ~~twenty-five~~ TWENTY-SIX years old.
11 If the director fails to remove the ineligible dependent, the employee and
12 the employee's department shall not be directly financially liable for the
13 premiums paid for the dependent coverage if no claims have been paid for
14 the ineligible dependent. If the director fails to remove the ineligible
15 dependent and a claim has been paid for the ineligible dependent, the
16 employee and the employee's department shall not be directly financially
17 liable for the paid claim. The costs for premiums and claims paid may be
18 paid from the group benefit plans reserve fund established in section
19 24-50-613.

20 (b) IF FEDERAL LAW NO LONGER REQUIRES COVERAGE OF A CHILD
21 AS A DEPENDENT UNTIL THE CHILD TURNS TWENTY-SIX YEARS OF AGE, THE
22 PROVISIONS OF THIS SUBSECTION (4) SHALL APPLY IF A DEPENDENT IS NO
23 LONGER ELIGIBLE FOR COVERAGE BECAUSE THE DEPENDENT TURNED
24 TWENTY-FIVE YEARS OLD.

25 **SECTION 13.** 24-50-609 (2) (b) (I), Colorado Revised Statutes,
26 is amended to read:

27 **24-50-609. State contributions - supplemental state**

1 **contribution fund - creation.** (2) (b) (I) The total premium for each
2 particular group benefit plan offered to state employees pursuant to this
3 part 6 and for each tier of said plan shall be the same for all eligible
4 employees. The amount of the state contribution for each tier shall be
5 determined by the director in accordance with ~~section 24-50-104 (4)~~
6 SECTIONS 24-50-104 (4) AND 24-50-604 (3), and shall be the same for all
7 eligible employees within the state personnel system; except that,
8 beginning with the 2008-09 state fiscal year, the state contribution shall
9 be supplemented for eligible state employees, as defined in section
10 24-50-609.5 (2) (a), in accordance with section 24-50-609.5. For
11 purposes of this section, "tier" means the particular coverage options
12 offered to eligible employees, including, BUT NOT NECESSARILY LIMITED
13 TO, single employee, employee with one covered dependent, and
14 employee with two or more covered dependents.

15 **SECTION 14.** 24-50-902 (1) (b), Colorado Revised Statutes, is
16 amended to read:

17 **24-50-902. Definitions.** As used in this part 9, unless the context
18 otherwise requires:

19 (1) (b) "Employee" does not include:

20 (I) An employee of the office of state planning and budgeting, the
21 office of the state auditor, OR the joint budget committee; ~~or the~~
22 ~~department of personnel;~~

23 (II) An elected official or member of the general assembly; ~~or~~

24 (III) The executive director, program manager, division director,
25 or budget officer of a principal department, the president of a college or
26 university, or a deputy of such director, officer, or president; OR

27 (IV) ANY OTHER EMPLOYEE WHOSE WORK ASSIGNMENT INCLUDES

1 IDENTIFYING EFFICIENCIES AND COST REDUCTIONS IN GOVERNMENT
2 EXPENDITURES.

3 **SECTION 15.** 24-50-903 (1) (c) (III) (C) and (2) and the
4 introductory portion to 24-50-903 (4) (d) (II), Colorado Revised Statutes,
5 are amended, and the said 24-50-903 (1) (c) is further amended BY THE
6 ADDITION OF A NEW SUBPARAGRAPH, to read:

7 **24-50-903. State employee idea application.**

8 (1) (c) (III) (C) The executive director shall respond with a decision
9 either approving or denying the employee's idea application within sixty
10 business days after the date of submission of the idea application. For
11 any idea application that is approved, the executive director, or his or her
12 designee, shall identify, to the extent possible, any state laws or rules that
13 would need to be changed as part of the review and approval process.
14 The executive director, or his or her designee, shall submit a request for
15 legislation to the committee of reference assigned to such executive
16 director's state agency regarding any approved idea application that
17 requires legislation for implementation. Idea applications that do not
18 require legislation for implementation shall be implemented by the state
19 agency as soon as reasonably possible, and no later than ~~July 1 of the~~
20 ~~fiscal year~~ ONE HUNDRED EIGHTY DAYS following acceptance of the idea
21 application.

22 (VI) ON OR BEFORE JANUARY 31, 2012, AND ON OR BEFORE
23 JANUARY 31 EACH YEAR THEREAFTER, THE EXECUTIVE DIRECTOR OR THE
24 DIRECTOR'S DESIGNEE SHALL SUBMIT A REPORT TO THE STATE AUDITOR
25 THAT SUMMARIZES THE INFORMATION COLLECTED PURSUANT TO
26 SUBPARAGRAPH (V) OF THIS PARAGRAPH (C) FOR THE PREVIOUS CALENDAR
27 YEAR.

1 (2) Commencing on or after October 1, 2010, all state agencies
2 shall advertise that the idea application is available on the department of
3 personnel's web site on any type of electronic payroll statements issued
4 to employees and in any electronic broadcast communication made to
5 employees, so long as the advertisement for the idea application occurs
6 at least monthly. IN ADDITION, COMMENCING ON JULY 1, 2011, EACH
7 STATE AGENCY SHALL ADVERTISE THAT THE IDEA APPLICATION IS
8 AVAILABLE DURING ANY ORIENTATION FOR NEW EMPLOYEES.

9 (4) (d) (II) For a state agency that constitutes an enterprise for
10 purposes of section 20 of article X of the state constitution AND FOR AN
11 INSTITUTION OF HIGHER EDUCATION THAT IS NOT AN ENTERPRISE, the
12 savings realized as verified by the state auditor as specified in paragraph
13 (b) of this subsection (4) shall be distributed, no later than the last day of
14 the eighteenth month following the implementation of the innovative
15 idea, as follows:

16 **SECTION 16.** 24-75-402 (5), Colorado Revised Statutes, is
17 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

18 **24-75-402. Cash funds - limit on uncommitted reserves -**
19 **reduction in amount of fees - exclusions.** (5) Notwithstanding any
20 provision of this section to the contrary, the following cash funds are
21 excluded from the limitations specified in this section:

22 (aa) THE STATE PUBLIC FINANCING ISSUANCE AND POST-ISSUANCE
23 COMPLIANCE CASH FUND CREATED IN SECTION 24-30-209.

24 **SECTION 17.** The introductory portion to 24-80-1402 (3) (a),
25 Colorado Revised Statutes, is amended to read:

26 **24-80-1402. Fallen heroes memorial commission - fund -**
27 **repeal.** (3) (a) There is hereby created in the state treasury the fallen

1 heroes memorials construction fund, referred to in this section as the
2 "fund". THE MONEYS IN THE FUND SHALL BE CONTINUOUSLY
3 APPROPRIATED TO THE COMMISSION TO BE USED FOR THE PURPOSES OF
4 THIS PART 14. The fund shall consist of:

5 **SECTION 18.** 24-102-202.5 (2) (a) and (2.5), Colorado Revised
6 Statutes, are amended to read:

7 **24-102-202.5. Supplier database - fees - cash fund - program**
8 **account.** (2) (a) Each business that wishes to be included in the database
9 created pursuant to subsection (1) of this section shall pay a registration
10 fee as determined by the executive director. The executive director shall
11 set and collect such fees as are necessary to cover the direct and indirect
12 costs that are incurred in implementing the provisions of this section. The
13 revenue from such fees shall be transmitted to the state treasurer, who
14 shall credit the same to the supplier database cash fund, which fund is
15 hereby created. THE FUND SHALL ALSO CONSIST OF MONEYS
16 TRANSFERRED TO THE FUND PURSUANT TO SUBSECTION (2.5) OF THIS
17 SECTION. The general assembly shall make appropriations from such
18 fund as necessary to implement the provisions of this section. In
19 accordance with section 24-36-114, all interest derived from the deposit
20 and investment of this fund shall be credited to the general fund.

21 (2.5) The executive director shall develop and implement a
22 statewide centralized electronic procurement system to allow the
23 utilization of technology to create a more efficient delivery of state
24 procurement services. The executive director shall set and collect fees
25 from vendors with cooperative purchasing agreements and from local
26 public procurement units, as defined in section 24-110-101 (3), and that
27 are participating in the electronic procurement system, as necessary to

1 cover the direct and indirect costs of implementing and maintaining the
2 electronic procurement system. In addition, the executive director may
3 collect moneys from cooperative purchasing organizations for
4 procurement support. The revenue from the fees and any moneys
5 received from cooperative purchasing organizations shall be transmitted
6 to the state treasurer, who shall credit the same to the ~~electronic~~
7 ~~procurement program account, which is hereby created within the~~
8 supplier database cash fund created in paragraph (a) of subsection (2) of
9 this section. ~~The moneys in the account shall be annually appropriated by~~
10 ~~the general assembly for the purposes of implementing and maintaining~~
11 ~~the electronic procurement system. All moneys not expended or~~
12 ~~encumbered and all interest earned on the investment or deposit of the~~
13 ~~moneys in the account shall remain in the account and shall not revert to~~
14 ~~the general fund or any other fund at the end of any fiscal year.~~

15 **SECTION 19.** 24-102-207, Colorado Revised Statutes, is
16 amended BY THE ADDITION OF A NEW SUBSECTION to read:

17 **24-102-207. Statewide procurement card agreement.** (4) ANY
18 INSTITUTION OF HIGHER EDUCATION THAT HAS ELECTED TO BE EXCLUDED
19 FROM THE DEFINITION OF "GOVERNMENTAL BODY" PURSUANT TO SECTION
20 24-101-301 (10) (a) AND ANY POLITICAL SUBDIVISION OF THE STATE MAY
21 CHOOSE TO PARTICIPATE IN THE PROCUREMENT CARD PROGRAM AS AN
22 AFFILIATE. ANY REVENUES RESULTING FROM THE PROCUREMENT CARD
23 PROGRAM THAT ARE ATTRIBUTABLE TO SUCH INSTITUTION OR POLITICAL
24 SUBDIVISION SHALL BE PAID TO THE INSTITUTION OR POLITICAL
25 SUBDIVISION, AS APPLICABLE, DIRECTLY FROM THE BANK THAT ISSUES THE
26 PROCUREMENT CARD. STATE INSTITUTIONS OF HIGHER EDUCATION THAT
27 OPT TO PARTICIPATE IN THE PROCUREMENT CARD PROGRAM PURSUANT TO

1 THIS SUBSECTION (4) SHALL PAY ANY INDIRECT COST ASSESSMENTS, AS
2 DEFINED IN SECTION 24-75-112 (1) (f), THROUGH A SUPPLEMENTAL
3 TRANSFER FROM THE INSTITUTION'S APPROPRIATION OR FROM OTHER
4 SOURCES, AS APPLICABLE, OR THROUGH AN ALTERNATE METHOD
5 ESTABLISHED BY THE JOINT BUDGET COMMITTEE OF THE GENERAL
6 ASSEMBLY.

7 **SECTION 20. Repeal.** Part 8 of article 50 of title 24, Colorado
8 Revised Statutes, is repealed.

9 **SECTION 21. Effective date.** This act shall take effect July 1,
10 2011; except that this section and sections 2, 18, 19, and 22 of this act
11 shall take effect upon passage.

12 **SECTION 22. Safety clause.** The general assembly hereby finds,
13 determines, and declares that this act is necessary for the immediate
14 preservation of the public peace, health, and safety.