

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 14-0842.01 Nicole Myers x4326

SENATE BILL 14-106

SENATE SPONSORSHIP

Lambert, Hodge, Steadman

HOUSE SPONSORSHIP

Gerou, Duran, May

Senate Committees
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE APPROPRIATION OF FEDERAL MINERAL LEASE**
102 **MONEYS FROM THE LOCAL GOVERNMENT PERMANENT FUND TO**
103 **THE DEPARTMENT OF LOCAL AFFAIRS, AND, IN CONNECTION**
104 **THEREWITH, MAKING AN APPROPRIATION.**

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>.)

Joint Budget Committee. An individual or company that leases federal land for mineral development pays a bonus payment to the federal

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
Amended 2nd Reading
February 11, 2014

government as consideration for the granting of a federal mineral lease. The bonus payment is ultimately received by the state treasurer and credited to the mineral leasing fund. Under current law, 50% of the bonus payments in the mineral leasing fund are transferred to the local government permanent fund (permanent fund). Moneys in the permanent fund generally remain in the permanent fund, but may be appropriated by the general assembly under certain circumstances.

Under current law, the general assembly may appropriate moneys from the permanent fund to the department of local affairs for distribution to certain local governments when the March revenue estimate in any fiscal year indicates that the total amount of moneys that will be deposited into the mineral leasing fund during that fiscal year is anticipated to be at least 10% less than the amount deposited in the preceding fiscal year.

Currently, the general assembly is authorized to make such appropriation only in the current fiscal year. The bill authorizes the general assembly to make such appropriation in either the current fiscal year or the next fiscal year. In addition, the bill changes the revenue estimate used to determine whether the total amount of moneys anticipated to be deposited into the mineral leasing fund during that fiscal year will be at least 10% less than the amount deposited in the preceding fiscal year from the March revenue estimate to the December revenue estimate.

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

2 **SECTION 1.** In Colorado Revised Statutes, 34-63-102, **amend**
3 (5.3) (a) (I) (B) as follows:

4 **34-63-102. Creation of mineral leasing fund - distribution -**
5 **advisory committee - local government permanent fund created -**
6 **definitions - repeal.** (5.3) (a) Bonus payments credited to the mineral
7 leasing fund created in subparagraph (II) of paragraph (a) of subsection
8 (1) of this section shall be distributed on a quarterly basis for each quarter
9 commencing on July 1, October 1, January 1, or April 1 of any state fiscal
10 year as follows:

11 (I) (B) Except as provided in sub-subparagraph (C) of this
12 subparagraph (I), if, based on the revenue estimate prepared by the staff
13 of the legislative council in ~~March~~ DECEMBER of any fiscal year, it is

1 anticipated that the total amount of moneys that will be deposited into the
2 mineral leasing fund pursuant to subparagraph (II) of paragraph (a) of
3 subsection (1) of this section during the fiscal year will be at least ten
4 percent less than the amount of moneys so deposited during the
5 immediately preceding fiscal year, the general assembly may appropriate
6 moneys from the local government permanent fund to the department of
7 local affairs for the current OR NEXT fiscal year. The maximum amount
8 that the general assembly may appropriate for the current OR NEXT fiscal
9 year pursuant to this sub-subparagraph (B) is an amount equal to the
10 difference between the total amount of moneys credited to the local
11 government mineral impact fund and directly distributed by the executive
12 director of the department pursuant to paragraph (c) of subsection (5.4)
13 of this section during the immediately preceding fiscal year and the
14 estimated total amount of moneys to be so credited and distributed for the
15 current fiscal year. The executive director of the department shall
16 distribute all moneys appropriated pursuant to this sub-subparagraph (B)
17 directly to counties and municipalities in combination with and using the
18 methodology set forth in subparagraphs (I) to (IV) of paragraph (c) of
19 subsection (5.4) of this section.

20 **SECTION 2. Appropriation.** In addition to any other
21 appropriation, there is hereby appropriated, out of any moneys in the
22 local government permanent fund created in section 34-63-102 (5.3) (a)
23 (I) (A), Colorado Revised Statutes, not otherwise appropriated, to the
24 department of local affairs, for the fiscal year beginning July 1, 2013, the
25 sum of \$4,304,072, for direct distribution to counties, federal mineral
26 lease districts, and municipalities pursuant to section 34-63-102 (5.4) (c),
27 Colorado Revised Statutes.

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