

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

REVISED

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

LLS NO. 14-1000.01 Ed DeCecco x4216

HOUSE BILL 14-1337

HOUSE SPONSORSHIP

Duran and Gerou, May

SENATE SPONSORSHIP

Steadman, Hodge, Lambert

House Committees
Appropriations

Senate Committees
Appropriations

A BILL FOR AN ACT

101 CONCERNING AN INCREASE IN THE GENERAL FUND RESERVE.

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. The general fund reserve is currently equal to 5% of the amounts appropriated for expenditure from the general fund for the fiscal year. After a personal income trigger is met, the reserve percentage annually increases in half percent increments up to 6.5%. Beginning with the 2014-15 fiscal year, the bill increases the general fund reserve to 6.5% of the amounts appropriated for that fiscal year and repeals the mechanism that would have eventually raised the reserve

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
2nd Reading Unamended
April 3, 2014

HOUSE
3rd Reading Unamended
March 28, 2014

HOUSE
2nd Reading Unamended
March 27, 2014

requirement to that same level.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-75-201.1, **amend**
3 (1) (d) introductory portion and (1) (d) (XIV); and **repeal** (1) (d) (XV),
4 (1) (d) (XVI), and (1) (e) as follows:

5 **24-75-201.1. Restriction on state appropriations - legislative**
6 **declaration - definitions - repeal.** (1) (d) ~~Except as otherwise provided~~
7 ~~in paragraph (e) of this subsection (1);~~ For each fiscal year, unrestricted
8 general fund year-end balances shall be retained as a reserve in the
9 following amounts:

10 (XIV) For the fiscal year 2014-15 ~~five~~ AND EACH FISCAL YEAR
11 THEREAFTER, SIX and one-half percent of the amount appropriated for
12 expenditure from the general fund for that fiscal year.

13 (XV) ~~For the fiscal year 2015-16, six percent of the amount~~
14 ~~appropriated for expenditure from the general fund for that fiscal year;~~

15 (XVI) ~~For the fiscal year 2016-17 and each fiscal year thereafter,~~
16 ~~at least six and one-half percent of the amount appropriated for~~
17 ~~expenditure from the general fund for that fiscal year.~~

18 (e) (I) ~~The initial reserve requirement is suspended and does not~~
19 ~~apply until the third fiscal year that begins after the personal income~~
20 ~~trigger occurs. The reserve requirement is five percent of the amount~~
21 ~~appropriated for expenditure for each fiscal year that the initial reserve~~
22 ~~requirement is suspended.~~

23 (I.5) ~~For purposes of determining whether the personal income~~
24 ~~trigger occurs, the following estimates reported by the bureau of~~
25 ~~economic analysis in the United States department of commerce are used:~~

1 ~~(A) For the later calendar year, the first available estimate~~
2 ~~reported by the bureau after the end of the calendar year; and~~

3 ~~(B) For the earlier calendar year, the revised estimate that is~~
4 ~~available at the same time as the estimate set forth in sub-subparagraph~~
5 ~~(A) of this subparagraph (I.5).~~

6 ~~(H) The reserve requirements set forth in subparagraphs (XV) and~~
7 ~~(XVI) of paragraph (d) of this subsection (1) are each suspended by the~~
8 ~~same number of fiscal years that the initial reserve requirement is~~
9 ~~suspended pursuant to subparagraph (I) of this paragraph (e).~~

10 ~~(HH) As used in this paragraph (e), unless the context otherwise~~
11 ~~requires:~~

12 ~~(A) "Colorado personal income" means the total personal income~~
13 ~~for Colorado, as defined and officially reported by the bureau of~~
14 ~~economic analysis in the United States department of commerce.~~

15 ~~(B) "Initial reserve requirement" means the reserve requirement~~
16 ~~set forth in subparagraph (XIV) of paragraph (d) of this subsection (1).~~

17 ~~(C) "Personal income trigger" means an increase in annual~~
18 ~~Colorado personal income from one calendar year, starting with 2011, to~~
19 ~~the next calendar year thereafter by an amount equal to five percent or~~
20 ~~more.~~

21 ~~(D) "Reserve requirement" means the minimum unrestricted~~
22 ~~general fund year-end balance for the fiscal year.~~

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