

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

INTRODUCED

LLS NO. 01-0323.01 Gregg Fraser

HOUSE BILL 01-1280

HOUSE SPONSORSHIP

King,

SENATE SPONSORSHIP

Perlmutter,

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE DESIGNATION OF SPECIFIED STATE REVENUES TO BE**
102 **USED FOR SPECIFIED PURPOSES.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Appropriates moneys from the state education fund to the school capital construction expenditures reserve for the 2001-02 fiscal year. Modifies the statutory limitation prohibiting, in specified circumstances, the appropriation of general fund moneys to the school capital construction expenditures reserve and the school construction and renovation fund.

Commencing with the 2002-03 fiscal year, requires the state, in

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.

specified circumstances, to reserve an amount equal to a specified percentage of any excess state revenues for such year as estimated by legislative council staff. Designates such reserve the "TABOR excess revenue rainy day reserve". Allows the general assembly to expend moneys in the reserve in any fiscal year in which the amount of excess state revenues for such fiscal year is less than the amount of excess state revenues for the previous fiscal year, as estimated by legislative council staff.

Commencing with the 2002-03 fiscal year, increases the percentage of state sales and use tax revenues each year over a 5-year period that is transferred to the highway users trust fund.

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

2 **SECTION 1.** 24-75-201.1 (4) (b) (II), (4) (b) (III), (4) (c), and (4)
3 (d), Colorado Revised Statutes, are amended to read:

4 **24-75-201.1. Restriction on state appropriations - legislative**
5 **declaration - definitions.** (4) (b) (II) For the fiscal year 2001-02, the
6 general assembly shall continue to appropriate five million dollars to the
7 school capital construction expenditures reserve, which appropriation will
8 be included in the calculation of the maximum level of state general fund
9 appropriations pursuant to said paragraph (a). The general assembly shall
10 appropriate an additional five million dollars to the reserve which shall be
11 ~~a general fund appropriation that exceeds the limitation on state general~~
12 ~~fund appropriations established by paragraph (a) of subsection (1) of this~~
13 ~~section in the fiscal year in which first made but will be included in the~~
14 ~~calculation of the maximum level of state general fund appropriations~~
15 ~~pursuant to said paragraph (a) in the following fiscal year~~ FROM THE STATE
16 EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE
17 CONSTITUTION.

18 (III) For the fiscal year 2002-03, the general assembly shall
19 continue to appropriate ~~ten~~ FIVE million dollars to the school capital

1 construction expenditures reserve which appropriation will be included in
2 the calculation of the maximum level of state general fund appropriations
3 pursuant to said paragraph (a). The general assembly shall appropriate an
4 additional FIVE MILLION DOLLARS TO THE SCHOOL CAPITAL CONSTRUCTION
5 EXPENDITURES RESERVE AND AN ADDITIONAL five million dollars to the
6 school construction and renovation fund established in section
7 22-43.7-103, C.R.S. Said additional ~~amount~~ AMOUNTS shall be a general
8 fund ~~appropriation~~ APPROPRIATIONS that ~~exceeds~~ EXCEED the limitation
9 on state general fund appropriations established by paragraph (a) of
10 subsection (1) of this section in the fiscal year in which first made but will
11 be included in the calculation of the maximum level of state general fund
12 appropriations pursuant to said paragraph (a) in the following fiscal year.

13 (c) Notwithstanding the provisions of paragraph (b) of this
14 subsection (4), in any fiscal year 2000-01 through 2010-11, no
15 appropriation shall be made in such fiscal year if general fund revenues
16 for the applicable fiscal year ~~do not exceed~~ ARE NOT SUFFICIENT TO FUND
17 general fund obligations and the moneys required to be allocated to the
18 highway users tax fund pursuant to section 39-26-123 (2), C.R.S., for the
19 applicable fiscal year ~~by more than eighty million dollars~~ as determined
20 by the general assembly as of the time any conference committee report
21 is adopted on the general appropriation bill enacted for the applicable
22 fiscal year.

23 (d) ~~For purposes of paragraph (c) of this subsection (4), "general~~
24 ~~fund obligations" include:~~

25 (I) ~~General fund appropriations required by permanent statute or~~
26 ~~constitutional provision;~~

27 (II) ~~General fund appropriations up to the limitation established by~~

1 paragraph (a) of subsection (1) of this section and general fund
2 appropriations that are exceptions to said limitation;

3 (III) The general fund transfer to the capital construction fund
4 provided in section 24-75-302 (2) including any additional transfers
5 necessary to fund capital construction priorities for the applicable fiscal
6 year;

7 (IV) Any transfer to the controlled maintenance trust fund
8 pursuant to the provisions of section 24-75-302.5;

9 (V) Any refunds required to be made by section 20 of article X of
10 the state constitution; and

11 (VI) The reserve required to be maintained pursuant to paragraph
12 (d) of subsection (1) of this section.

13 **SECTION 2.** Article 77 of title 24, Colorado Revised Statutes, is
14 amended BY THE ADDITION OF A NEW SECTION to read:

15 **24-77-108. Rainy day reserve for refunding excess state**
16 **revenues.** (1) COMMENCING WITH THE 2002-03 FISCAL YEAR AND EACH
17 FISCAL YEAR THEREAFTER, AN AMOUNT OF UNRESTRICTED GENERAL FUND
18 YEAR-END BALANCES FOR THAT FISCAL YEAR AS DETERMINED PURSUANT
19 TO SUBSECTION (2) OF THIS SECTION SHALL BE RETAINED AS A RESERVE TO
20 BE KNOWN AS THE "TABOR EXCESS REVENUE RAINY DAY RESERVE" IF:

21 (a) THE ESTIMATE PREPARED BY THE LEGISLATIVE COUNCIL STAFF
22 IN MARCH OF SUCH FISCAL YEAR INDICATES THAT THE AMOUNT OF STATE
23 REVENUES FOR SUCH FISCAL YEAR EXCEEDS THE LIMITATION ON STATE
24 FISCAL YEAR SPENDING IMPOSED BY SECTION 20 (7) (a) OF ARTICLE X OF
25 THE STATE CONSTITUTION AND THE VOTERS STATEWIDE EITHER HAVE NOT
26 AUTHORIZED THE STATE TO RETAIN AND SPEND ALL OF THE EXCESS STATE
27 REVENUES OR HAVE AUTHORIZED THE STATE TO RETAIN AND SPEND ONLY

1 A PORTION OF THE EXCESS STATE REVENUES FOR THAT FISCAL YEAR; AND

2 (b) THE AMOUNT ESTIMATED BY THE LEGISLATIVE COUNCIL STAFF
3 IN MARCH OF SUCH FISCAL YEAR TO BE REFUNDED FOR SUCH FISCAL YEAR
4 EXCEEDS THE AMOUNT REQUIRED TO BE REFUNDED FOR THE PRECEDING
5 FISCAL YEAR.

6 (2) (a) THE AMOUNT TO BE RESERVED SHALL BE AS FOLLOWS:

7 (I) IN ANY FISCAL YEAR IN WHICH NO RESERVE WAS REQUIRED
8 PURSUANT TO THIS SECTION IN THE PRECEDING FISCAL YEAR, AN AMOUNT
9 EQUAL TO FIVE PERCENT OF THE AMOUNT REQUIRED TO BE REFUNDED IN
10 THE NEXT FISCAL YEAR, AS ESTIMATED BY THE LEGISLATIVE COUNCIL
11 STAFF;

12 (II) IN ANY FISCAL YEAR IN WHICH A RESERVE WAS REQUIRED
13 PURSUANT TO THIS SECTION IN THE PRECEDING FISCAL YEAR, AN AMOUNT
14 EQUAL TO TEN PERCENT OF THE AMOUNT REQUIRED TO BE REFUNDED IN THE
15 NEXT FISCAL YEAR, AS ESTIMATED BY THE LEGISLATIVE COUNCIL STAFF;

16 (III) IN ANY FISCAL YEAR IN WHICH A RESERVE WAS REQUIRED
17 PURSUANT TO THIS SECTION IN THE TWO PRECEDING FISCAL YEARS, AN
18 AMOUNT EQUAL TO FIFTEEN PERCENT OF THE AMOUNT REQUIRED TO BE
19 REFUNDED IN THE NEXT FISCAL YEAR, AS ESTIMATED BY THE LEGISLATIVE
20 COUNCIL STAFF;

21 (IV) IN ANY FISCAL YEAR IN WHICH A RESERVE WAS REQUIRED
22 PURSUANT TO THIS SECTION IN THE THREE PRECEDING FISCAL YEARS, AN
23 AMOUNT EQUAL TO TWENTY PERCENT OF THE AMOUNT REQUIRED TO BE
24 REFUNDED IN THE NEXT FISCAL YEAR, AS ESTIMATED BY THE LEGISLATIVE
25 COUNCIL STAFF; AND

26 (V) IN ANY FISCAL YEAR IN WHICH A RESERVE WAS REQUIRED
27 PURSUANT TO THIS SECTION IN THE FOUR OR MORE PRECEDING FISCAL

1 YEARS, AN AMOUNT EQUAL TO TWENTY-FIVE PERCENT OF THE AMOUNT
2 REQUIRED TO BE REFUNDED IN THE NEXT FISCAL YEAR, AS ESTIMATED BY
3 THE LEGISLATIVE COUNCIL STAFF.

4 (b) FOR PURPOSES OF PARAGRAPH (a) OF THIS SUBSECTION (2), THE
5 2001-02 FISCAL YEAR SHALL CONSTITUTE A FISCAL YEAR IN WHICH NO
6 RESERVE WAS REQUIRED PURSUANT TO THIS SECTION.

7 (3) ANY AMOUNTS RETAINED IN RESERVE PURSUANT TO THIS
8 SECTION MAY BE TRANSFERRED, APPROPRIATED, OR OTHERWISE EXPENDED
9 BY THE GENERAL ASSEMBLY IN ANY FISCAL YEAR FOR WHICH THE AMOUNT
10 OF EXCESS STATE REVENUES TO BE REFUNDED IS LESS THAN THE AMOUNT
11 TO BE REFUNDED FOR THE PRECEDING FISCAL YEAR AS ESTIMATED BY THE
12 STAFF OF THE LEGISLATIVE COUNCIL NO EARLIER THAN MARCH OF THE
13 PRECEDING FISCAL YEAR.

14 **SECTION 3.** 39-26-123 (2) (a) (I) (A), Colorado Revised
15 Statutes, as it will become effective July 1, 2001, is amended to read:

16 **39-26-123. Receipts - disposition.** (2) (a) (I) (A) Eighty-five
17 percent of all receipts collected under the provisions of this article shall
18 be credited to the old age pension fund. For the fiscal year commencing
19 ~~July 1, 1997, and for each fiscal year thereafter, except for the fiscal year~~
20 ~~commencing July 1, 2000~~ JULY 1, 2002, THROUGH THE FISCAL YEAR
21 COMMENCING JULY 1, 2005, the remaining fifteen percent shall be
22 allocated between and credited to the general fund and the highway users
23 tax fund, as a portion of the sales and use taxes attributable to sales or use
24 of vehicles and related items, as follows: ~~Except as otherwise provided~~
25 ~~in sub-subparagraph (A.8) of this subparagraph (I), ten~~ FOR THE STATE
26 FISCAL YEAR COMMENCING JULY 1, 2002, ELEVEN percent of net revenue
27 from sales and use tax to the highway users tax fund and ~~five~~ FOUR

1 percent thereof to the general fund; ~~except that, for the state fiscal year~~
2 ~~2001-2002, the amount of the net revenue allocated to the highway users~~
3 ~~tax fund shall be increased and the amount allocated to the general fund~~
4 ~~shall be decreased by the amount of sixty-seven thousand dollars~~ FOR THE
5 FISCAL YEAR COMMENCING JULY 1, 2003, TWELVE PERCENT OF NET
6 REVENUE FROM SALES AND USE TAX TO THE HIGHWAY USERS TAX FUND
7 AND THREE PERCENT THEREOF TO THE GENERAL FUND; FOR THE FISCAL
8 YEAR COMMENCING JULY 1, 2004, THIRTEEN PERCENT OF NET REVENUE
9 FROM SALES AND USE TAX TO THE HIGHWAY USERS TAX FUND AND TWO
10 PERCENT THEREOF TO THE GENERAL FUND; AND FOR THE FISCAL YEAR
11 COMMENCING JULY 1, 2005, FOURTEEN PERCENT OF NET REVENUE FROM
12 SALES AND USE TAX TO THE HIGHWAY USERS TAX FUND AND ONE PERCENT
13 THEREOF TO THE GENERAL FUND. FOR THE FISCAL YEAR COMMENCING
14 JULY 1, 2006, AND EACH FISCAL YEAR THEREAFTER, THE REMAINING
15 FIFTEEN PERCENT SHALL BE CREDITED TO THE HIGHWAY USERS TAX FUND.

16 **SECTION 4.** 39-26-123 (2) (a) (I), Colorado Revised Statutes, is
17 amended BY THE ADDITION OF A NEW SUB-SUBPARAGRAPH to
18 read:

19 **39-26-123. Receipts - disposition - repeal.**
20 (2) (a) (I) (A.9) SUB-SUBPARAGRAPHS (A.5), (A.6), (A.7), AND (A.8) OF
21 THIS SUBPARAGRAPH (I) AND THIS SUB-SUBPARAGRAPH (A.9) ARE
22 REPEALED, EFFECTIVE JULY 1, 2002.

23 **SECTION 5. Effective date.** Section 3 of this act shall take
24 effect July 1, 2002, and the remainder of this act shall take effect upon
25 passage.

26 **SECTION 6. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.