

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

Date

February 11, 2019

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

SB19-006 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend reengrossed bill, page 3, strike lines 18 through 27.

2 Page 4, strike lines 1 through 6 and substitute:

3 "SECTION 2. In Colorado Revised Statutes, 39-26-123, **amend**
4 (3) as follows:

5 **39-26-123. Receipts - disposition - transfers of general fund**
6 **surplus - sales tax holding fund - creation - definitions.** (3) For any
7 state fiscal year commencing on or after July 1, 2013, the state treasurer
8 shall credit eighty-five percent of all net revenue collected under ~~the~~
9 ~~provisions of this article~~ ARTICLE 26 to the old age pension fund created
10 in section 1 of article XXIV of the state constitution. The state treasurer
11 shall credit to the general fund the remaining fifteen percent of the net
12 revenue, less:

13 (a) Ten million dollars, which the state treasurer shall credit to the
14 older Coloradans cash fund created in section 26-11-205.5 (5); ~~C.R.S.~~

15 (b) TEN MILLION DOLLARS FOR THE 2019-20 STATE FISCAL YEAR,
16 WHICH THE STATE TREASURER SHALL CREDIT TO THE ELECTRONIC SALES
17 AND USE TAX SIMPLIFICATION SYSTEM CASH FUND CREATED IN SECTION
18 39-26-802.7 (3); AND

19 (c) EIGHT MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS
20 FOR THE 2020-21 STATE FISCAL YEAR, WHICH THE STATE TREASURER
21 SHALL CREDIT TO THE ELECTRONIC SALES AND USE TAX SIMPLIFICATION
22 SYSTEM CASH FUND CREATED IN SECTION 39-26-802.7 (3).".

1 Page 4, line 10, after "**implementation -**" insert "**cash fund -**".

2 Page 5, after line 20 insert:

3 "(3) (a) THE ELECTRONIC SALES AND USE TAX SIMPLIFICATION
4 SYSTEM CASH FUND IS HEREBY CREATED IN THE STATE TREASURY. THE
5 FUND CONSISTS OF MONEY CREDITED TO THE FUND PURSUANT TO SECTION
6 39-26-123 (3) AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY
7 MAY APPROPRIATE OR TRANSFER TO THE FUND.

8 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
9 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
10 ELECTRONIC SALES AND USE TAX SIMPLIFICATION SYSTEM CASH FUND TO
11 THE FUND.

12 (c) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL
13 ASSEMBLY, THE OFFICE OF INFORMATION TECHNOLOGY MAY EXPEND
14 MONEY FROM THE FUND FOR THE INITIAL FUNDING AND ONGOING
15 MAINTENANCE OF THE ELECTRONIC SALES AND USE TAX SIMPLIFICATION
16 SYSTEM. ANY CONTRACT ENTERED INTO FOR THE SYSTEM MUST PROVIDE
17 THAT INITIAL FUNDING PAYMENTS TO THE VENDOR ARE MADE ON A
18 QUARTERLY BASIS."

19 Renumber succeeding subsection accordingly.

20 Page 5, after line 25 insert:

21 "**SECTION 4.** In Colorado Revised Statutes, 24-75-402, **add**
22 (5)(qq) as follows:

23 **24-75-402. Cash funds - limit on uncommitted reserves -**
24 **reduction in the amount of fees - exclusions - repeal.**
25 (5) Notwithstanding any provision of this section to the contrary, the
26 following cash funds are excluded from the limitations specified in this
27 section:

28 (qq) THE ELECTRONIC SALES AND USE TAX SIMPLIFICATION SYSTEM
29 CASH FUND CREATED IN SECTION 39-26-802.7 (3).

30 **SECTION 5. Appropriation.** (1) For the 2019-20 state fiscal
31 year, \$9,183,000 is appropriated to the Office of the Governor for use by
32 the Office of Information Technology. This appropriation is from the
33 electronic sales and use tax simplification system cash fund created in
34 section 39-26-802.7 (3), C.R.S. To implement this act, the office of
35 information technology may use this appropriation for the initial funding

1 of the electronic sales and use tax simplification system.

2 (2) (a) For the 2019-20 state fiscal year, \$817,000 is appropriated
3 to the department of revenue. This appropriation is from the electronic
4 sales and use tax simplification system cash fund created in section
5 39-26-802.7 (3), C.R.S. To implement this act, the department may use
6 this appropriation for the purchase of information technology services,
7 specifically a global information system (GIS) database to maintain
8 jurisdictional boundaries of sales tax districts and to calculate appropriate
9 sales and use tax rates for individual addresses.

10 (b) For the 2019-20 state fiscal year, \$817,000 is appropriated to
11 the office of the governor for use by the office of information technology.
12 This appropriation is from reappropriated funds received from the
13 department of revenue under subsection (2)(a) of this section. To
14 implement this act, the office may use this appropriation to provide
15 information technology services for the department of revenue as
16 specified in subsection (2)(a) of this section."

17 Renumber succeeding section accordingly.

18 Page 1, line 109, strike "JURISDICTIONS." and substitute "JURISDICTIONS,
19 AND MAKING AN APPROPRIATION."

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