



**Colorado
Legislative
Council
Staff**

HB16-1352

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-1011
Prime Sponsor(s): Rep. Hamner
 Sen. Grantham

Date: March 15, 2016
Bill Status: House Appropriations
Fiscal Analyst: Anna Gerstle (303-866-4375)

BILL TOPIC: HISTORY COLORADO CASH FUND

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018	FY 2019-2020
State Revenue			
State Expenditures	<u>up to \$2.0 million</u>		
Cash Funds	up to \$2.0 million		
Appropriation Required: \$2,000,000 - Department of Higher Education (FY 2016-17).			
Future Year Impacts: Ongoing expenditures through FY 2019-20. Potential expenditures beginning in FY 2027-28.			

Summary of Legislation

Under current law, moneys in the State Museum Cash Fund (fund) can be appropriated to the State Historical Society for the design, construction, and provision of exhibits for the new state museum. The bill, **recommended by the Joint Budget Committee**, allows moneys in the fund to also be appropriated for exhibit planning, development, and build-out at other State Historical Society facilities, and, for FY 2016-17, appropriates \$2 million from the fund for those purposes. The State Historical Society has four years to spend the appropriation.

The bill requires that \$3.0 million, plus interest earned on that amount beginning on July 1, 2015, must be retained in the cash fund as a controlled maintenance reserve for the new museum. This amount is available for appropriation beginning in FY 2027-28.

Background

The State Historical Society, also known as History Colorado, is located within the Department of Higher Education. The society operates the state museum, which opened in 2012 and is located in Denver, and eight community museums around the state.

The fund was created in 2008 to hold money associated with construction of the new state history museum. Over the years, money was transferred to the fund from the Justice Center Cash Fund, for payment related to the relocation of the state history museum from the site it previously shared with the Judicial Department, and from the State Historical Fund. The State Historical Fund receives a share of limited gaming revenue pursuant to the state constitution and is the primary funding source for the State Historical Society. At the end of FY 2014-15, the fund had a balance of \$5,072,831.

Presentations to the Capital Development Committee and documents related to the bond issuance for the new museum committed that \$3.0 million plus interest would be reserved in the fund for controlled maintenance on the new state museum. Pursuant to the current practice of the State Architect's Office and the Capital Development Committee, controlled maintenance funding is not authorized for a new building in the first 15 years after its construction.

State Expenditures

For FY 2016-17, the bill appropriates \$2.0 million to the State Historical Society for exhibit planning, development, and build-out at the smaller community. Under current law, appropriations from the fund may be expended over four years, or through FY 2019-20.

Controlled maintenance. The bill requires that \$3 million, plus interest, be retained in the fund and designated for controlled maintenance of the state museum. Expenditures for controlled maintenance from the fund cannot occur prior to FY 2027-28.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2016-17, the bill includes an appropriation of \$2,000,000 to the Department of Higher Education from the State Museum Cash Fund.

State and Local Government Contacts

Higher Education