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HOUSE BILL 19-1258

BY REPRESENTATIVE(S) Becker and McCluskie, Bird, Buckner, Buentello, Caraveo, Cutter, Esgar, Exum, Gonzales-Gutierrez, Hansen, Hooton, Jackson, Jaquez Lewis, Kennedy, Kipp, Lontine, McLachlan, Melton, Michaelson Jenet, Mullica, Roberts, Singer, Sirota, Snyder, Sullivan, Tipper, Valdez A., Weissman, Galindo, Arndt, Coleman, Duran, Froelich, Garnett, Gray, Herod, Titone;
also SENATOR(S) Court and Priola, Fenberg, Gonzales, Moreno, Rodriguez, Story, Todd, Williams A., Winter.

CONCERNING THE ALLOCATION OF MONEY THAT THE STATE KEEPS AND SPENDS AS A RESULT OF A VOTER-APPROVED REVENUE CHANGE AT THE 2019 STATEWIDE ELECTION.

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

SECTION 1. In Colorado Revised Statutes, **add** 24-77-104.7 as follows:

24-77-104.7. General fund exempt account - proposition CC revenue - allocation - definition. (1) MONEY IN THE GENERAL FUND EXEMPT ACCOUNT THAT CORRESPONDS TO THE REVENUE THAT THE STATE RETAINS AND SPENDS IN ACCORDANCE WITH THE VOTERS' APPROVAL OF

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

SECTION 24-77-103.6 (1)(c) IS ALLOCATED IN ONE-THIRD SHARES TO PROVIDE FUNDING FOR EACH OF THE FOLLOWING:

- (a) PUBLIC SCHOOLS;
- (b) HIGHER EDUCATION; AND

- (c) ROADS, BRIDGES, AND TRANSIT.

(2) FOR ANY STATE FISCAL YEAR IN WHICH THERE IS MONEY SUBJECT TO THE ALLOCATION IN SUBSECTION (1) OF THIS SECTION:

(a) THE STATE TREASURER SHALL TRANSFER ONE-THIRD OF THIS MONEY IN THE GENERAL FUND EXEMPT ACCOUNT FROM THE PRIOR FISCAL YEAR TO THE HIGHWAY USERS TAX FUND CREATED IN SECTION 43-4-201 TO BE ALLOCATED IN ACCORDANCE WITH SECTIONS 43-4-205 TO 43-4-208;

(b) THE GENERAL ASSEMBLY SHALL APPROPRIATE ONE-THIRD OF THIS MONEY IN THE GENERAL FUND EXEMPT ACCOUNT FOR HIGHER EDUCATION; AND

(c) THE GENERAL ASSEMBLY SHALL APPROPRIATE ONE-THIRD OF THIS MONEY IN THE GENERAL FUND EXEMPT ACCOUNT FOR PUBLIC SCHOOLS TO BE DISTRIBUTED ON A PER PUPIL BASIS AND USED ONLY FOR NONRECURRING EXPENSES FOR THE PURPOSE OF IMPROVING CLASSROOMS, INCLUDING, BUT NOT LIMITED TO, INITIATIVES THAT HELP ATTRACT AND RETAIN EDUCATORS, INITIATIVES TO IMPROVE TEACHER TRAINING, AND BOOKS AND TECHNOLOGY FOR STUDENT LEARNING. A DISTRICT SHALL NOT USE MONEY APPROPRIATED UNDER THIS SECTION AS PART OF A DISTRICT RESERVE.

(3) THE GENERAL ASSEMBLY SHALL APPROPRIATE MONEY AS REQUIRED BY SUBSECTION (2) OF THIS SECTION FOR THE STATE FISCAL YEAR FOLLOWING THE STATE FISCAL YEAR FOR WHICH THE STATE RETAINS AND SPENDS REVENUE IN ACCORDANCE WITH SECTION 24-77-103.6 (1)(c), AND THE STATE TREASURER SHALL TRANSFER MONEY AS REQUIRED BY SUBSECTION (2)(a) OF THIS SECTION WITHIN THREE BUSINESS DAYS AFTER RECEIVING THE CERTIFICATION FROM THE STATE AUDITOR IN ACCORDANCE WITH SECTION 24-77-106.5 (2) FOR THAT STATE FISCAL YEAR.

(4) AS USED IN THIS SECTION, "GENERAL FUND EXEMPT ACCOUNT" MEANS THE GENERAL FUND EXEMPT ACCOUNT CREATED IN SECTION

24-77-103.6 (2).

SECTION 2. In Colorado Revised Statutes, 24-77-104.5, **amend** (1) introductory portion and (1)(b) introductory portion as follows:

24-77-104.5. General fund exempt account - referendum C money - specification of uses for health care and education - definitions.

(1) The ~~moneys~~ MONEY in the general fund exempt account ~~created in section 24-77-103.6 (2)~~ AS A RESULT OF SECTION 24-77-103.6 (1)(b) shall be appropriated or transferred in the following manner:

(b) If there ~~are~~ IS any ~~moneys~~ MONEY in the account AS A RESULT OF SECTION 24-77-103.6 (1)(b) after the appropriations or transfers required by ~~paragraph (a) of this subsection (1)~~ SUBSECTION (1)(a) OF THIS SECTION are made, then all ~~moneys~~ MONEY remaining in the account AS A RESULT OF SECTION 24-77-103.6 (1)(b) shall be split equally for the following three purposes:

SECTION 3. In Colorado Revised Statutes, 24-77-106.5, **amend** (1)(b) and (2); and **add** (4) as follows:

24-77-106.5. Annual financial report - certification of excess state revenues. (1) (b) Notwithstanding section 24-1-136 (11)(a)(I), based upon the financial report prepared in accordance with subsection (1)(a) of this section for any given fiscal year, the controller shall certify to the governor, the general assembly, THE STATE TREASURER, and the executive director of the department of revenue no later than September 1 following the end of a fiscal year the amount of state revenues in excess of the limitation on state fiscal year spending imposed by section 20 (7)(a) of article X of the state constitution, if any, for such fiscal year and the state revenues in excess of such limitation that the state is authorized to retain and spend pursuant to voter approval of section 24-77-103.6.

(2) Any financial report prepared and certification of state excess revenues made pursuant to subsection (1) of this section shall be audited by the state auditor. No later than September 15 following the certification made by the state controller for any given fiscal year, the state auditor shall report and transmit to the governor, the joint budget committee, the finance committees of the house of representatives and the senate, THE STATE TREASURER, and the executive director of the department of revenue the

results of any audit conducted in accordance with this subsection (2).

(4) THE STATE REVENUES IN EXCESS OF THE LIMITATION ON STATE FISCAL YEAR SPENDING IMPOSED BY SECTION 20 (7)(a) OF ARTICLE X OF THE STATE CONSTITUTION THAT THE STATE IS AUTHORIZED TO RETAIN AND SPEND PURSUANT TO VOTER APPROVAL OF SECTION 24-77-103.6 INCLUDE THE AMOUNTS THAT THE VOTERS APPROVED AT THE NOVEMBER 2005 STATEWIDE ELECTION AND THE NOVEMBER 2019 STATEWIDE ELECTION, WHICH AMOUNTS MUST BE REPORTED SEPARATELY.

SECTION 4. In Colorado Revised Statutes, 43-4-205, **add** (6.2) as follows:

43-4-205. Allocation of fund. (6.2) MONEY TRANSFERRED TO THE HIGHWAY USERS TAX FUND IN ACCORDANCE WITH SECTION 24-77-104.5 (2)(a) IS ALLOCATED AND MUST BE EXPENDED IN ACCORDANCE WITH THE FORMULA SPECIFIED IN SUBSECTION (6)(b) OF THIS SECTION.

SECTION 5. In Colorado Revised Statutes, 43-4-206, **add** (2)(e) as follows:

43-4-206. State allocation. (2) (e) THE DEPARTMENT OF TRANSPORTATION SHALL EXPEND REVENUE CREDITED TO THE STATE HIGHWAY FUND PURSUANT TO SECTION 43-4-205 (6.2) FOR THE IMPLEMENTATION OF THE STRATEGIC TRANSPORTATION PROJECT INVESTMENT PROGRAM BASED ON THE FOLLOWING ALLOCATION:

(I) NO MORE THAN EIGHTY-FIVE PERCENT OF THE REVENUES FOR HIGHWAY PURPOSES OR HIGHWAY-RELATED CAPITAL IMPROVEMENTS, INCLUDING, BUT NOT LIMITED TO, HIGH OCCUPANCY VEHICLE LANES, PARK-AND-RIDE FACILITIES, AND TRANSPORTATION MANAGEMENT SYSTEMS; AND

(II) AT LEAST FIFTEEN PERCENT OF THE REVENUES FOR TRANSIT PURPOSES OR FOR TRANSIT-RELATED CAPITAL IMPROVEMENTS.

SECTION 6. Effective date. This act takes effect only if House Bill 19-1257 is approved by the voters at the 2019 statewide election and becomes law.

SECTION 7. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

KC Becker
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Leroy M. Garcia
PRESIDENT OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO