

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Joint Budget Committee Members
FROM JBC Staff
DATE April 23, 2024
SUBJECT Potential Legislation Packet 23

This packet includes bill drafts and related memos for the Committee’s consideration. Each individual item has page numbers but also a packet page number to help navigate the whole document. The page numbers below refer to the packet page number.

POTENTIAL LEGISLATION

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Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

DRAFT
4/19/24

DRAFT

LLS NO. 24-1174.01 Nicole Myers x4326

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: State Funding to Relocate Two State Entities

A BILL FOR AN ACT

101 CONCERNING STATE FUNDING TO FACILITATE THE RELOCATION OF
102 TWO STATE ENTITIES TO DIFFERENT STATE BUILDINGS, AND, IN
103 CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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://leg.colorado.gov/>.)

Joint Budget Committee. The bill facilitates the department of revenue's (department) relocation from the state-owned building at 1881 Pierce Street, in Denver (Pierce Street building), to a vacant facility at the Auraria higher education center. In addition, the bill facilitates the relocation of the state historical society's (also known as history

*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words indicate deletions from existing law.*

Colorado) north storage facility, which houses the state's historic collection, to the Pierce Street building. Specifically, the bill:

- Requires the general assembly to reduce the general fund appropriation to the department in the executive director's office for the purpose of leased space by \$400,000 for the 2025-26 state fiscal year and each state fiscal year thereafter through the 2028-29 state fiscal year and requires the general assembly to make a corresponding increase in the general fund appropriation to the department in the executive director's office for the purpose of operating expenses for the same fiscal years;
- Increases the July 1, 2024, transfer from the general fund to the capital construction fund by \$1,933,931;
- Authorizes history Colorado to use up to \$1,600,000 from money in the state museum cash fund in the 2024-25 state fiscal year to provide a zero interest loan to the department to facilitate the department's relocation to the Auraria higher education center;
- Requires the department to repay any loan made by the state historical society in an amount equal to at least \$400,000 per year until the loan is repaid in full and to complete the loan repayments by June 30, 2029; and
- Beginning July 1, 2027, and continuing through June 30, 2029, allows the state historical society to reduce the required minimum cash fund balance in the state museum cash fund by the amount of the loan the state historical society has made to the department as authorized in the bill.

In addition, the bill appropriates the following for the 2024-25 state fiscal year and specifies that for each appropriation, any money not expended prior to July 1, 2025, is further appropriated to the same entity for the 2025-26 and 2026-27 state fiscal years for the same purpose:

- \$9,293,260 from the state museum cash fund to the department of higher education for use by history Colorado for capital construction related to the relocation of the history Colorado storage facility to and renovation of the Pierce Street building;
- \$1,600,000 from reappropriated funds received from history Colorado pursuant to the bill to the department for capital construction related to consolidation into a vacant facility on the Auraria higher education campus; and
- \$1,933,931 from the capital construction fund to the department for capital construction related to consolidation into a vacant facility on the Auraria higher education campus.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-75-116 as
3 follows:

4 **24-75-116. General fund appropriation for lease payments -**
5 **department of revenue - temporary reduction - repeal.** (1) (a) FOR
6 THE 2025-26 STATE FISCAL YEAR AND FOR EACH STATE FISCAL YEAR
7 THEREAFTER, THROUGH THE 2028-29 STATE FISCAL YEAR, THE GENERAL
8 ASSEMBLY SHALL REDUCE THE GENERAL FUND APPROPRIATION TO THE
9 DEPARTMENT OF REVENUE IN THE EXECUTIVE DIRECTOR'S OFFICE FOR THE
10 PURPOSE OF LEASED SPACE BY FOUR HUNDRED THOUSAND DOLLARS.

11 (b) FOR THE 2025-26 STATE FISCAL YEAR AND FOR EACH STATE
12 FISCAL YEAR THEREAFTER, THROUGH THE 2028-29 STATE FISCAL YEAR,
13 THE GENERAL ASSEMBLY SHALL INCREASE THE GENERAL FUND
14 APPROPRIATION TO THE DEPARTMENT OF REVENUE IN THE EXECUTIVE
15 DIRECTOR'S OFFICE FOR THE PURPOSE OF OPERATING EXPENSES BY FOUR
16 HUNDRED THOUSAND DOLLARS.

17 (2) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2029.

18 **SECTION 2.** In Colorado Revised Statutes, 24-75-302, **amend**
19 **as added by House Bill 24-1425** (2)(uu) as follows:

20 **24-75-302. Capital construction fund - capital assessment fees**
21 **- calculation - information technology capital account.** (2) The
22 controller shall transfer a sum as specified in this subsection (2) from the
23 general fund to the capital construction fund as money becomes available
24 in the general fund during the fiscal year beginning on July 1 of the fiscal
25 year in which the transfer is made or on the date otherwise specified for
26 the transfer. Transfers between funds pursuant to this subsection (2) are

1 not appropriations subject to the limitations of section 24-75-201.1. The
2 amounts transferred pursuant to this subsection (2) are as follows:

3 (uu) On July 1, 2024, ~~one hundred sixty million eight hundred~~
4 ~~forty-four thousand three hundred fifty-four~~ ONE HUNDRED SIXTY-TWO
5 MILLION SEVEN HUNDRED SEVENTY-EIGHT THOUSAND TWO HUNDRED
6 EIGHTY-FIVE dollars.

7 **SECTION 3.** In Colorado Revised Statutes, **amend** 24-80-214 as
8 follows:

9 **24-80-214. State museum cash fund - repeal.** (1) There is
10 hereby created in the state treasury the state museum cash fund, referred
11 to in this section as the "cash fund". The cash fund ~~shall consist~~ CONSISTS
12 of all money transferred to the cash fund from the state historical fund
13 pursuant to section 44-30-1201 (5); money transferred from the justice
14 center cash fund pursuant to section 13-32-101 (7)(b)(II), as said
15 subsection existed prior to its repeal in 2015; and any other money
16 appropriated to the cash fund by the general assembly.

17 (2) (a) Money in the cash fund shall be subject to annual
18 appropriation by the general assembly to the state historical society to pay
19 for the planning, design, acquisition, and construction of and relocation
20 to a new state museum, exhibits for the museum, and for exhibit planning,
21 development, and build-out at other facilities owned and operated by the
22 historical society.

23 (b) IN ADDITION TO THE PURPOSES FOR WHICH THE STATE
24 HISTORICAL SOCIETY MAY USE MONEY IN THE CASH FUND PURSUANT TO
25 SUBSECTION (2)(a) OF THIS SECTION, IN THE 2024-25 STATE FISCAL YEAR,
26 THE STATE HISTORICAL SOCIETY MAY USE UP TO ONE MILLION SIX
27 HUNDRED THOUSAND DOLLARS OF MONEY IN THE CASH FUND TO PROVIDE

1 A ZERO INTEREST LOAN TO THE DEPARTMENT OF REVENUE TO FACILITATE
2 THE DEPARTMENT OF REVENUE'S CO-LOCATION AND CONSOLIDATION TO
3 THE AURARIA HIGHER EDUCATION CENTER. THE DEPARTMENT OF REVENUE
4 SHALL REPAY ANY LOAN MADE BY THE STATE HISTORICAL SOCIETY
5 PURSUANT TO THIS SUBSECTION (2)(b) IN AN AMOUNT EQUAL TO AT LEAST
6 FOUR HUNDRED THOUSAND DOLLARS PER YEAR UNTIL THE LOAN IS REPAYED
7 IN FULL AND SHALL COMPLETE THE LOAN REPAYMENTS BY JUNE 30, 2029.

8 (3) (a) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3)(b) OF
9 THIS SECTION, THE STATE HISTORICAL SOCIETY SHALL RETAIN three
10 million dollars and compounding interest earned on this amount
11 beginning July 1, 2015, ~~shall be retained~~ in the cash fund as a controlled
12 maintenance reserve for the new state museum. ~~and will be~~ THE
13 CONTROLLED MAINTENANCE RESERVE IS available for appropriation for
14 controlled maintenance at the museum beginning in the ~~fiscal year that~~
15 ~~begins July 1, 2027~~ 2027-28 STATE FISCAL YEAR.

16 (b) (I) BEGINNING JULY 1, 2027, AND CONTINUING THROUGH JUNE
17 30, 2029, THE STATE HISTORICAL SOCIETY MAY REDUCE THE MINIMUM
18 CASH FUND BALANCE REQUIRED PURSUANT TO SUBSECTION (3)(a) OF THIS
19 SECTION BY THE AMOUNT OF THE LOAN THE STATE HISTORICAL SOCIETY
20 HAS MADE TO THE DEPARTMENT OF REVENUE PURSUANT TO SUBSECTION
21 (2)(b) OF THIS SECTION.

22 (II) THIS SUBSECTION (3)(b) IS REPEALED, EFFECTIVE JULY 1, 2029.

23 (4) Appropriations from the cash fund ~~shall~~ remain available to
24 the state historical society for a period of four years.

25 (5) THE STATE TREASURER SHALL INVEST any money in the cash
26 fund not expended for the purpose of this section ~~may be invested by the~~
27 ~~state treasurer~~ as provided by law. All interest and income derived from

1 the investment and deposit of money in the cash fund ~~shall be~~ IS credited
2 to the cash fund.

3 (6) Any unexpended and unencumbered money remaining in the
4 cash fund at the end of a fiscal year ~~shall remain~~ REMAINS in the cash
5 fund and ~~shall~~ IS not ~~be~~ credited or transferred to the general fund or
6 another fund.

7 **SECTION 4. Capital Construction Appropriation.** (1) For the
8 2024-25 state fiscal year, \$9,293,260 is appropriated to the department of
9 higher education for use by History Colorado. This appropriation is from
10 the state museum cash fund created in section 24-80-214, C.R.S. To
11 implement this act, History Colorado may use this appropriation for
12 capital construction related to the relocation of the History Colorado
13 storage facility to and renovation of the state-owned facility at 1881
14 Pierce Street in Denver, Colorado. Any money appropriated in this
15 subsection (1) not expended prior to July 1, 2025, is further appropriated
16 to History Colorado for the 2025-26 and 2026-27 state fiscal years for the
17 same purpose.

18 (2) For the 2024-25 state fiscal year, \$1,600,000 is appropriated
19 to the department of revenue. This appropriation is from reappropriated
20 funds received from History Colorado under subsection (1) of this
21 section. To implement this act, the department of revenue may use this
22 appropriation for capital construction related to consolidation into a
23 vacant facility on the Auraria Higher Education Campus. Any money
24 appropriated in this subsection (2) not expended prior to July 1, 2025, is
25 further appropriated to the department for the 2025-26 and 2026-27 state
26 fiscal years for the same purpose.

27 (3) For the 2024-25 state fiscal year, \$1,933,931 is appropriated

1 to the department of revenue. This appropriation is from the capital
2 construction fund created in section 24-75-302 (1)(a), C.R.S. To
3 implement this act, the department may use this appropriation for capital
4 construction related to consolidation into a vacant facility on the Auraria
5 Higher Education Campus. Any money appropriated in this subsection (3)
6 not expended prior to July 1, 2025, is further appropriated to the
7 department for the 2025-26 and 2026-27 state fiscal years for the same
8 purpose.

9 **SECTION 5. Safety clause.** The general assembly finds,
10 determines, and declares that this act is necessary for the immediate
11 preservation of the public peace, health, or safety or for appropriations for
12 the support and maintenance of the departments of the state and state
13 institutions.

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

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4/19/24

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LLS NO. 24-1086.01 Nicole Myers x4326

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Mitigate Future State Technology Debt

A BILL FOR AN ACT

101 **CONCERNING MECHANISMS TO MITIGATE THE CREATION OF FUTURE**
102 **STATE TECHNOLOGY DEBT.**

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://leg.colorado.gov/>.)

Joint Budget Committee. On or before December 31, 2024, the governor's office of information technology (office) is required to promulgate rules that define technology debt. In defining technology debt, the office may describe technology debt as an information technology system or asset characterized by information security risk, infrastructure risk, operating cost misalignment, productivity cost misalignment, or

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Dashes through the words indicate deletions from existing law.*

talent depreciation.

For every appropriation for an information technology capital project in the information technology capital section of the annual general appropriation act for the 2025-26 state fiscal year and each state fiscal year thereafter, the bill requires the general assembly to set aside additional funding for information technology annual depreciation-lease equivalent payments.

On or before November 1, 2025, and on or before November 1 of each year thereafter, the office is required to submit a report to the joint budget committee and the joint technology committee that provides an estimate of the state's technology debt, as defined by rules promulgated by the office pursuant to the bill.

For each cash fund from which money is appropriated for an information technology capital project, the principal department responsible for the accounting related to the fund is required to identify in the fund balance report an information technology capital reserve, which consists of an amount equal to the depreciation of the depreciable components of the information technology capital project, based on the depreciation period.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-37.5-124 and
3 24-37.5-125 as follows:

4 **24-37.5-124. Promulgation of rules to define technology debt.**

5 ON OR BEFORE DECEMBER 31, 2024, THE OFFICE SHALL PROMULGATE
6 RULES THAT DEFINE TECHNOLOGY DEBT. IN DEFINING TECHNOLOGY DEBT,
7 THE OFFICE MAY DESCRIBE TECHNOLOGY DEBT AS AN INFORMATION
8 TECHNOLOGY SYSTEM OR ASSET CHARACTERIZED BY INFORMATION
9 SECURITY RISK, INFRASTRUCTURE RISK, OPERATING COST MISALIGNMENT,
10 PRODUCTIVITY COST MISALIGNMENT, OR TALENT DEPRECIATION.

11 **24-37.5-125. Funding for technology debt - information**
12 **technology annual depreciation-lease equivalent payments - fiscal**
13 **impact analysis - definitions.** (1) AS USED IN THIS SECTION, UNLESS THE
14 CONTEXT OTHERWISE REQUIRES:

1 (a) "APPROPRIATION" MEANS AN APPROPRIATION FROM THE
2 INFORMATION TECHNOLOGY CAPITAL ACCOUNT IN THE CAPITAL
3 CONSTRUCTION FUND TO ANY STATE AGENCY FOR AN INFORMATION
4 TECHNOLOGY CAPITAL PROJECT IN THE CAPITAL CONSTRUCTION SECTION
5 OF THE ANNUAL GENERAL APPROPRIATION ACT.

6 (b) "CAPITAL CONSTRUCTION FUND" MEANS THE CAPITAL
7 CONSTRUCTION FUND CREATED IN SECTION 24-75-302.

8 (c) "DEPRECIATION OR AMORTIZATION" MEANS AN AMOUNT
9 CALCULATED AND RECORDED IN ACCORDANCE WITH GENERALLY
10 ACCEPTED ACCOUNTING PRINCIPLES.

11 (d) "DEPRECIATION OR AMORTIZATION PERIOD" MEANS A PERIOD
12 DETERMINED IN FISCAL PROCEDURES ISSUED BY THE STATE CONTROLLER
13 OR THE STATE INSTITUTION OF HIGHER EDUCATION.

14 (e) "INFORMATION TECHNOLOGY ANNUAL DEPRECIATION-LEASE
15 EQUIVALENT PAYMENT" MEANS AN AMOUNT EQUIVALENT TO THE
16 RECORDED DEPRECIATION OR AMORTIZATION OF THE INFORMATION
17 TECHNOLOGY ASSET ACQUIRED, REPAIRED, IMPROVED, REPLACED,
18 RENOVATED, OR CONSTRUCTED WITH AN APPROPRIATION FROM THE
19 INFORMATION TECHNOLOGY CAPITAL ACCOUNT IN THE CAPITAL
20 CONSTRUCTION FUND BASED ON THE DEPRECIATION PERIOD, AS
21 CALCULATED BY THE STATE AGENCY OR THE STATE INSTITUTION OF
22 HIGHER EDUCATION, WHICH CALCULATION A STATE INSTITUTION OF
23 HIGHER EDUCATION SHALL REPORT TO THE DEPARTMENT OF HIGHER
24 EDUCATION. THE AMOUNT IS CALCULATED FROM THE DATE OF
25 ACQUISITION OR THE DATE OF COMPLETION OF THE REPAIR, IMPROVEMENT,
26 REPLACEMENT, RENOVATION, OR CONSTRUCTION TO JUNE 30 OF THE
27 FISCAL YEAR OF ACQUISITION OR COMPLETION. THE AMOUNT CONTINUES

1 TO BE ANNUALLY CALCULATED ON A FISCAL YEAR BASIS UNTIL THE
2 DEPRECIATION FOR THE INFORMATION TECHNOLOGY ASSET IS NO LONGER
3 RECORDED.

4 (f) "PROJECT COST" MEANS THE DEPRECIABLE COMPONENTS OF
5 THE TOTAL PROJECT COST AS REFLECTED IN THE APPROPRIATION; EXCEPT
6 THAT, IF THE PROJECT IS FINANCED, THE TOTAL PROJECT COST DOES NOT
7 INCLUDE ANY FINANCING COSTS.

8 (g) "STATE AGENCY" MEANS ANY DEPARTMENT, COMMISSION,
9 COUNCIL, BOARD, BUREAU, COMMITTEE, INSTITUTION OF HIGHER
10 EDUCATION, AGENCY, OR OTHER GOVERNMENTAL UNIT OF THE EXECUTIVE,
11 LEGISLATIVE, OR JUDICIAL BRANCH OF STATE GOVERNMENT THAT
12 RECEIVES AN APPROPRIATION OR IS OTHERWISE INCLUDED IN THE ANNUAL
13 GENERAL APPROPRIATION ACT OR THE ANNUAL LEGISLATIVE
14 APPROPRIATION ACT.

15 (h) "TECHNOLOGY RISK PREVENTION AND RESPONSE FUND" MEANS
16 THE TECHNOLOGY RISK PREVENTION AND RESPONSE FUND CREATED IN
17 SECTION 24-37.5-120 (2).

18 (2) FOR EVERY INITIAL APPROPRIATION FOR AN INFORMATION
19 TECHNOLOGY CAPITAL PROJECT IN THE CAPITAL CONSTRUCTION SECTION
20 OF THE 2025-26 ANNUAL GENERAL APPROPRIATION ACT AND EVERY
21 APPROPRIATION FOR AN INFORMATION TECHNOLOGY CAPITAL PROJECT IN
22 THE CAPITAL CONSTRUCTION SECTION OF EACH ANNUAL GENERAL
23 APPROPRIATION ACT THEREAFTER, ADDITIONAL FUNDING MUST BE SET
24 ASIDE AS FOLLOWS:

25 (a) IF THE FUNDING SOURCE FOR THE APPROPRIATION IS FROM A
26 CASH FUND, THE STATE AGENCY SHALL ANNUALLY CALCULATE AN
27 AMOUNT EQUAL TO THE RECORDED DEPRECIATION OF THE INFORMATION

1 TECHNOLOGY ASSETS ACQUIRED, REPAIRED, IMPROVED, REPLACED,
2 RENOVATED, OR CONSTRUCTED WITH THE APPROPRIATION BASED ON THE
3 DEPRECIATION PERIOD, THE GENERAL ASSEMBLY SHALL INCLUDE AN
4 INFORMATION TECHNOLOGY ANNUAL DEPRECIATION-LEASE EQUIVALENT
5 PAYMENT LINE ITEM PAYABLE FROM THE CASH FUND IN THE OPERATING
6 SECTION OF THE ANNUAL GENERAL APPROPRIATION ACT FOR THE STATE
7 AGENCY, AND, ON JULY 1 OF THE STATE FISCAL YEAR TO WHICH THE ACT
8 APPLIES, THE STATE CONTROLLER SHALL CREDIT SUCH AMOUNT FROM THE
9 CASH FUND THAT WAS THE SOURCE OF THE FUNDING FOR THE
10 APPROPRIATION TO AN INFORMATION TECHNOLOGY CAPITAL RESERVE
11 ACCOUNT ESTABLISHED BY THE STATE AGENCY IN THAT CASH FUND AS
12 SPECIFIED IN SECTION 24-75-403 (2.5).

13 (b) IF THE FUNDING SOURCE FOR THE APPROPRIATION IS FROM THE
14 GENERAL FUND OR THE INFORMATION TECHNOLOGY CAPITAL ACCOUNT IN
15 THE CAPITAL CONSTRUCTION FUND, THE GENERAL ASSEMBLY SHALL
16 INCLUDE AN INFORMATION TECHNOLOGY ANNUAL DEPRECIATION-LEASE
17 EQUIVALENT PAYMENT LINE ITEM PAYABLE FROM THE GENERAL FUND IN
18 THE OPERATING SECTION OF THE ANNUAL GENERAL APPROPRIATION ACT
19 FOR EACH STATE AGENCY, INCLUDING THE DEPARTMENT OF HIGHER
20 EDUCATION. ON JULY 1 OF THE STATE FISCAL YEAR TO WHICH THE ACT
21 APPLIES, THE STATE CONTROLLER SHALL CREDIT THE INFORMATION
22 TECHNOLOGY ANNUAL DEPRECIATION-LEASE EQUIVALENT PAYMENT LINE
23 ITEM TO THE INFORMATION TECHNOLOGY CAPITAL ACCOUNT; EXCEPT
24 THAT, OF THAT PAYMENT, AN AMOUNT EQUAL TO ONE PERCENT OF THE
25 PROJECT COST MUST BE DEDUCTED FROM THE PAYMENT AND CREDITED TO
26 THE PRINCIPAL OF THE TECHNOLOGY RISK PREVENTION AND RESPONSE
27 FUND.

1 (c) IF THE FUNDING SOURCE FOR THE APPROPRIATION IS A
2 FINANCING ARRANGEMENT, INCLUDING A FINANCED PURCHASE OF AN
3 ASSET OR CERTIFICATE OF PARTICIPATION AGREEMENT ALLOWED
4 PURSUANT TO SECTION 24-82-801, AND THE SOURCE OF THE FUNDING FOR
5 THE FINANCING PAYMENT IS:

6 (I) FROM A CASH FUND, THEN THE STATE AGENCY SHALL
7 ANNUALLY CALCULATE AN AMOUNT EQUAL TO ONE PERCENT OF THE
8 PROJECT COST AND THE GENERAL ASSEMBLY SHALL INCLUDE AN
9 INFORMATION TECHNOLOGY ANNUAL CONTROLLED MAINTENANCE LINE
10 ITEM PAYABLE FROM THE CASH FUND IN THE OPERATING SECTION OF THE
11 ANNUAL GENERAL APPROPRIATION ACT FOR EACH STATE AGENCY EQUAL
12 TO SUCH AMOUNT. ON JULY 1 OF THE STATE FISCAL YEAR TO WHICH THE
13 ACT APPLIES, THE STATE CONTROLLER SHALL CREDIT THAT AMOUNT TO AN
14 INFORMATION TECHNOLOGY CAPITAL RESERVE ACCOUNT ESTABLISHED BY
15 THE STATE AGENCY IN THE CASH FUND AS SPECIFIED IN SECTION 24-75-403
16 (2.5).

17 (II) FROM THE GENERAL FUND OR THE CAPITAL CONSTRUCTION
18 FUND, THEN THE GENERAL ASSEMBLY SHALL INCLUDE AN INFORMATION
19 TECHNOLOGY ANNUAL CONTROLLED MAINTENANCE LINE ITEM PAYABLE
20 FROM THE GENERAL FUND IN THE OPERATING SECTION OF THE ANNUAL
21 GENERAL APPROPRIATION ACT FOR EACH STATE AGENCY, INCLUDING THE
22 DEPARTMENT OF HIGHER EDUCATION, EQUAL TO ONE PERCENT OF THE
23 PROJECT COST, AS CALCULATED BY THE STATE AGENCY OR THE STATE
24 INSTITUTION OF HIGHER EDUCATION, WHICH CALCULATION A STATE
25 INSTITUTION OF HIGHER EDUCATION SHALL REPORT TO THE DEPARTMENT
26 OF HIGHER EDUCATION. ON JULY 1 OF THE STATE FISCAL YEAR TO WHICH
27 THE ACT APPLIES, THE STATE CONTROLLER SHALL CREDIT SUCH AMOUNT

1 TO THE TECHNOLOGY RISK PREVENTION AND RESPONSE FUND.

2 (d) IF THE FUNDING SOURCE FOR THE APPROPRIATION IS A
3 COMBINATION OF THE FUNDING SOURCES DESCRIBED IN SUBSECTIONS
4 (2)(a), (2)(b), AND (2)(c) OF THIS SECTION, THEN THE ANNUAL SET ASIDE
5 REQUIRED PURSUANT TO THIS SUBSECTION (2) MUST BE MADE IN
6 PROPORTION TO THE FUNDING SOURCE.

7 (3) ON JUNE 15, 2025, AND ON EACH JUNE 15 THEREAFTER, THE
8 OFFICE SHALL SUBMIT A FISCAL IMPACT ANALYSIS TO THE OFFICE OF STATE
9 PLANNING AND BUDGETING THAT MUST INCLUDE BUT NEED NOT BE
10 LIMITED TO THE FOLLOWING:

11 (a) THE ESTIMATED AMOUNT OF GENERAL FUND MONEY REQUIRED
12 TO MAKE THE INFORMATION TECHNOLOGY ANNUAL DEPRECIATION-LEASE
13 EQUIVALENT PAYMENTS FOR THE UPCOMING FISCAL YEAR; AND

14 (b) THE CURRENT INFORMATION TECHNOLOGY ASSETS TO WHICH
15 THE INFORMATION TECHNOLOGY ANNUAL DEPRECIATION-LEASE
16 EQUIVALENT PAYMENTS ARE BEING APPLIED.

17 **SECTION 2.** In Colorado Revised Statutes, **add 24-37.5-805** as
18 follows:

19 **24-37.5-805. Technology debt - annual report.** ON OR BEFORE
20 NOVEMBER 1, 2025, AND ON OR BEFORE NOVEMBER 1 OF EACH YEAR
21 THEREAFTER, THE OFFICE SHALL SUBMIT A REPORT TO THE JOINT BUDGET
22 COMMITTEE AND THE JOINT TECHNOLOGY COMMITTEE THAT PROVIDES AN
23 ESTIMATE OF THE STATE'S TECHNOLOGY DEBT, AS DEFINED BY RULES
24 PROMULGATED BY THE OFFICE PURSUANT TO SECTION 24-37.5-124.

25 **SECTION 3.** In Colorado Revised Statutes, **24-75-403, add (2.5)**
26 as follows:

27 **24-75-403. Capital reserve - creation - annual appropriation**

1 **- definitions.** (2.5) FOR EACH CASH FUND FROM WHICH MONEY IS
2 APPROPRIATED FOR AN INFORMATION TECHNOLOGY CAPITAL PROJECT, THE
3 PRINCIPAL DEPARTMENT RESPONSIBLE FOR THE ACCOUNTING RELATED TO
4 THE CASH FUND SHALL IDENTIFY IN THE CASH FUND BALANCE REPORT AN
5 INFORMATION TECHNOLOGY CAPITAL RESERVE, WHICH CONSISTS OF AN
6 AMOUNT EQUAL TO THE DEPRECIATION OF THE DEPRECIABLE COMPONENTS
7 OF THE INFORMATION TECHNOLOGY CAPITAL PROJECT, BASED ON THE
8 DEPRECIATION PERIOD.

9 **SECTION 4. Safety clause.** The general assembly finds,
10 determines, and declares that this act is necessary for the immediate
11 preservation of the public peace, health, or safety or for appropriations for
12 the support and maintenance of the departments of the state and state
13 institutions.

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee
FROM Abby Magnus, JBC Staff (303-866-2149)
DATE April 23, 2024
SUBJECT Committee Action on Final JBC Bills

The Committee has not taken action on the following list of bills. These bills have been proposed or discussed by the Committee or individual members, but not voted on by the Committee as a whole.

Potential legislation for the Committee to take final action on today:

- STEP Pay Plan Implementation;
- Health Insurance Affordability Enterprise Revenue;
- Gaming and Cigarette Revenue Reclassification.