

# MEMORANDUM

---

**TO:** Joint Budget Committee Members  
**FROM:** JBC Staff  
**SUBJECT:** Bill Drafts for Discussion on March 3, 2016  
**DATE:** March 3, 2016

---

This memo includes the following bill drafts for the Committees consideration.

- LLS 16-0917: "Concerning a Study of the Fort Lyon Supportive Residential Community, and, in Connection Therewith, Making an Appropriation" (Amanda Bickel)
- LLS 16-1011: "Concerning the Appropriation of Moneys from the State Museum Cash Fund for the Benefit of Facilities Owned and Operated by the State Historical Society, and, in Connection Therewith, Making an Appropriation." (Amanda Bickel)
- LLS 16-1040: "Concerning the Department of Higher Education's Authority to Make Transfers Relating to a Governing Board's Fee-for-Service Contracts for Specialty Education." (Amanda Bickel).
- LLS 16-0920\_03: "Concerning the Financing of the Water Pollution Control Program, and, in Connection Therewith, Making an Appropriation." (Megan Davisson)
- LLS 16-1093: Funding for Commission on Affordable Health Care. (Megan Davisson)
- LLS 16-0924: "Concerning the Manner in which the State Funds Driver and Vehicle Services by the Division of Motor Vehicles in the Department of Revenue." (Scott Thompson)

Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

DRAFT  
3.1.16

DRAFT

LLS NO. 16-0917.01 Ed DeCecco x4216

COMMITTEE BILL

Joint Budget Committee

**BILL TOPIC:** "Fort Lyon Residential Community Study"

**A BILL FOR AN ACT**

101 CONCERNING A STUDY OF THE FORT LYON SUPPORTIVE RESIDENTIAL  
102 COMMUNITY, AND, IN CONNECTION THEREWITH, MAKING AN  
103 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://www.leg.state.co.us/bills summaries>.)*

**Joint Budget Committee.** The bill requires the state auditor, with the concurrence of the division of housing in the department of local affairs (division), to contract with an independent, 3rd party to conduct a longitudinal evaluation (study) of the supportive residential community for individuals who are homeless operated at the Fort Lyon property. The

*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

state director of housing is required to appoint 3 members to a Fort Lyon study advisory committee (committee) who are experts in evaluating similar programs. The committee is required to make recommendations about the request for proposals process and the contractor selection process.

The study will include pre- and post-evaluation of the program and, to the extent possible, utilize a matched-comparison group. A contractor may use various program and administrative data sources and comparable studies or reports for the study. The bill specifies what the study must include and other items that it may include, if there is available money.

The committee will assist the state auditor and division in evaluating the contractor's progress on the study. The final report will be submitted by August 1, 2018, and the contractor will also prepare a preliminary report.

The division is authorized to solicit, accept, and expend gifts, grants, and donations for the study. The auditor may use this money to pay the contractor.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-32-703, **add** (4.5)  
3 as follows:

4 **24-32-703. Definitions.** As used in this part 7, unless the context  
5 otherwise requires:

6 (4.5) "FORT LYON PROPERTY" MEANS THE REAL PROPERTY  
7 DESCRIBED IN THE QUITCLAIM DEED OF SEPTEMBER 12, 2002, THAT THE  
8 FEDERAL SECRETARY OF VETERANS AFFAIRS CONVEYED TO THE STATE OF  
9 COLORADO FOR THE PURPOSE OF OPERATING A CORRECTIONAL FACILITY.

10 **SECTION 2.** In Colorado Revised Statutes, 24-32-724, **repeal** (1)  
11 as follows:

12 **24-32-724. Fort Lyon property - supportive residential**  
13 **community - definitions.** (1) ~~As used in this section, "Fort Lyon~~  
14 ~~property" means the real property described in the quitclaim deed of~~  
15 ~~September 12, 2002, that the federal secretary of veterans affairs~~

1 ~~conveyed to the state of Colorado for the purpose of operating a~~  
2 ~~correctional facility.~~

3 **SECTION 3.** In Colorado Revised Statutes, **add** 24-32-725 as  
4 follows:

5 **24-32-725. Fort Lyon supportive residential community -**  
6 **study - advisory committee - creation - definitions - repeal.** (1) As

7 USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

8 (a) "COMMITTEE" MEANS THE TECHNICAL ADVISORY COMMITTEE  
9 CREATED IN PARAGRAPH (a) OF SUBSECTION (5) OF THIS SECTION.

10 (b) "CONTRACTOR" MEANS THE PERSON THAT THE STATE AUDITOR  
11 CONTRACTS WITH TO PERFORM THE STUDY UNDER THIS SECTION.

12 (c) "PARTICIPANT" MEANS AN INDIVIDUAL WHO ENTERED INTO THE  
13 PROGRAM, REGARDLESS OF WHETHER HE OR SHE COMPLETES IT.

14 (d) "PROGRAM" MEANS THE SUPPORTIVE RESIDENTIAL COMMUNITY  
15 FOR INDIVIDUALS WHO ARE HOMELESS OPERATED UNDER SECTION  
16 24-32-724 AT THE FORT LYON PROPERTY FOR THE PURPOSE OF PROVIDING  
17 SUBSTANCE ABUSE SUPPORTIVE SERVICES, MEDICAL CARE, JOB TRAINING,  
18 AND SKILL DEVELOPMENT FOR THE RESIDENTS.

19 (e) "STUDY" MEANS THE LONGITUDINAL EVALUATION FOR WHICH  
20 THE STATE AUDITOR CONTRACTS IN ACCORDANCE WITH SUBSECTION (2)  
21 OF THIS SECTION.

22 (2) (a) SUBJECT TO AVAILABLE APPROPRIATIONS, THE STATE  
23 AUDITOR, WITH THE CONCURRENCE OF THE DIVISION, SHALL CONTRACT  
24 WITH AN INDEPENDENT, THIRD PARTY TO CONDUCT A LONGITUDINAL  
25 EVALUATION OF THE PROGRAM THAT COMPLIES WITH THE REQUIREMENTS  
26 OF THIS SECTION. THE STATE AUDITOR SHALL ADMINISTER A REQUEST FOR  
27 PROPOSALS PROCESS AND SOLICIT FIRMS OR PUBLIC ENTITIES WITH THE

1 NECESSARY CREDENTIALS TO BID ON PERFORMING THE STUDY. THE STATE  
2 AUDITOR SHALL NOT ENTER INTO A CONTRACT WITH A FIRM OR PUBLIC  
3 ENTITY THAT IS INVOLVED IN THE OPERATION OF THE PROGRAM.

4 (b) IF, FOLLOWING GOOD-FAITH EFFORTS, THE STATE AUDITOR AND  
5 THE DIVISION DO NOT CONCUR REGARDING THE SELECTION OF THE FIRM OR  
6 FIRMS BY OCTOBER 1, 2016, THE STATE AUDITOR SHALL CONTRACT WITH  
7 THE FIRM OR FIRMS PREFERRED BY THE STATE AUDITOR. IN EITHER  
8 CIRCUMSTANCE, THE STATE AUDITOR SHALL ENTER INTO A CONTRACT BY  
9 OCTOBER 31, 2016.

10 (c) THE STATE AUDITOR SHALL NOTIFY THE JOINT BUDGET  
11 COMMITTEE OF THE GENERAL ASSEMBLY IF HE OR SHE DETERMINES THAT  
12 THE AMOUNT APPROPRIATED BY THE GENERAL ASSEMBLY TO CONDUCT  
13 THE STUDY IS INSUFFICIENT TO PROCURE A VENDOR TO COMPLETE THE  
14 SCOPE OF THE WORK REQUIRED. IF THIS OCCURS, THE STATE AUDITOR IS  
15 NOT REQUIRED TO ENTER INTO A CONTRACT FOR THE STUDY.

16 (3) A CONTRACTOR SHALL DESIGN THE STUDY TO INCLUDE A PRE-  
17 AND POST-EVALUATION OF THE PROGRAM, WITH ONE TO TWO YEARS PRIOR  
18 TO AND AFTER THE PARTICIPANTS' TIME IN THE PROGRAM, AND TO THE  
19 EXTENT POSSIBLE TO UTILIZE A MATCHED-COMPARISON GROUP. A  
20 CONTRACTOR MAY USE VARIOUS PROGRAM AND ADMINISTRATIVE DATA  
21 SOURCES AND COMPARABLE STUDIES OR REPORTS FOR THE STUDY.

22 (4) IN THE STUDY, THE CONTRACTOR SHALL:

23 (a) DESCRIBE COSTS, SAVINGS, INCLUDING COST AVOIDANCE, AND  
24 BENEFITS TO THE STATE AS A RESULT OF THE PROGRAM, INCLUDING  
25 REDUCTIONS FOR EXPENDITURES RELATED TO HEALTH CARE AND THE  
26 CRIMINAL JUSTICE SYSTEM;

27 (b) DESCRIBE COSTS, SAVINGS, INCLUDING COST AVOIDANCE, AND

1 BENEFITS TO THE FEDERAL GOVERNMENT, ANY LOCAL GOVERNMENT, AND  
2 ANY SERVICE PROVIDERS SUPPORTED WITH PUBLIC FUNDS THAT CAN BE  
3 COMPARED WITH THE COSTS AND BENEFITS FROM OTHER PROGRAMS THAT  
4 SERVE A SIMILAR POPULATION;

5 (c) ANALYZE OUTCOMES FOR PARTICIPANTS FROM THE PROGRAM;

6 (d) COMPARE OUTCOMES AND COSTS WITH A POPULATION THAT IS  
7 SIMILAR TO THE PARTICIPANTS AND THAT IS NOT RECEIVING ANY CARE;

8 (e) ANALYZE OUTCOMES BASED ON THE PARTICIPANTS' LENGTH OF  
9 TIME IN THE PROGRAM OR SEVERITY OF SUBSTANCE ABUSE HISTORY; AND

10 (f) COMPARE OUTCOMES, COSTS, AND BENEFITS FOR THE PROGRAM  
11 WITH OTHER PROGRAMS THAT SERVE A SIMILAR CLIENT POPULATION AND  
12 HAVE SIMILAR GOALS FOR IMPROVING CLIENT WELL-BEING AND REDUCING  
13 CLIENT HOMELESSNESS OVER THE LONG-TERM. THIS REQUIREMENT MAY  
14 INCLUDE A COMPARISON WITH ONE OR MORE RESIDENTIAL PROGRAMS.

15 (5) (a) THE FORT LYON STUDY ADVISORY COMMITTEE IS CREATED  
16 WITHIN THE DEPARTMENT OF LOCAL AFFAIRS. THE STATE DIRECTOR OF  
17 HOUSING SHALL APPOINT AT LEAST THREE PEOPLE WHO ARE EXPERTS IN  
18 EVALUATING PROGRAMS FOR INDIVIDUALS WHO ARE HOMELESS TO SERVE  
19 ON THE COMMITTEE. MEMBERS SERVE AT THE PLEASURE OF THE STATE  
20 DIRECTOR AND SERVE WITHOUT COMPENSATION AND WITHOUT  
21 REIMBURSEMENT FOR EXPENSES. MEMBERS ARE NOT ELIGIBLE TO RESPOND  
22 TO THE STATE AUDITOR'S REQUEST FOR PROPOSALS NOR BE AFFILIATED  
23 WITH ANY CONTRACTOR RESPONDING TO THE REQUEST FOR PROPOSALS.

24 (b) THE COMMITTEE SHALL MAKE RECOMMENDATIONS TO THE  
25 STATE AUDITOR REGARDING THE REQUEST FOR PROPOSALS PROCESS AND  
26 TO THE STATE AUDITOR AND DIVISION IN REVIEWING EVALUATOR  
27 PROPOSALS. THE COMMITTEE AND THE DIVISION SHALL ASSIST THE STATE

1 AUDITOR IN EVALUATING THE CONTRACTOR'S PROGRESS ON THE STUDY.

2 (c) NOTWITHSTANDING SECTION 2-3-1203, C.R.S., THE  
3 COMMITTEE IS NOT SUBJECT TO THE REVIEW REQUIRED IN SECTION  
4 2-3-1203, C.R.S., PRIOR TO REPEAL.

5 (6) SUBJECT TO AVAILABLE APPROPRIATIONS OR GIFTS, GRANTS,  
6 OR DONATIONS AND IN ADDITION TO THE REQUIREMENTS OF SUBSECTION  
7 (3) OF THIS SECTION, THE CONTRACTOR MAY:

8 (a) RECOMMEND CHANGES TO THE PROGRAM TO IMPROVE  
9 EFFICACY OR LOWER OPERATING COSTS;

10 (b) ESTABLISH A PLAN FOR ONGOING PROGRAM EVALUATION,  
11 INCLUDING METHODS FOR DATA COLLECTION, PROGRAM METRICS, AND  
12 ROLES AND RESPONSIBILITIES; AND

13 (c) GATHER SURVEY DATA.

14 (7) THE CONTRACTOR SHALL SUBMIT A PRELIMINARY FINDINGS  
15 REPORT TO THE STATE AUDITOR ON OR BEFORE AUGUST 1, 2017, AND  
16 SHALL SUBMIT A FINAL REPORT TO THE STATE AUDITOR ON OR BEFORE  
17 AUGUST 1, 2018. AFTER REVIEW BY THE LEGISLATIVE AUDIT COMMITTEE  
18 IN ACCORDANCE WITH SECTION 2-3-103 (2), C.R.S., THE STATE AUDITOR  
19 SHALL PROVIDE COPIES OF THE REPORTS TO THE JOINT BUDGET  
20 COMMITTEE, THE LOCAL GOVERNMENT COMMITTEES OF THE HOUSE OF  
21 REPRESENTATIVES AND THE SENATE, OR THEIR SUCCESSOR COMMITTEES,  
22 THE HEALTH AND HUMAN SERVICES COMMITTEE OF THE SENATE, OR ITS  
23 SUCCESSOR COMMITTEE, THE HEALTH, INSURANCE, AND ENVIRONMENT  
24 COMMITTEE OF THE HOUSE OF REPRESENTATIVES, OR ITS SUCCESSOR  
25 COMMITTEE, THE OFFICE OF STATE PLANNING AND BUDGETING, AND THE  
26 DEPARTMENT OF LOCAL AFFAIRS.

27 (8) THE DIVISION MAY SOLICIT, ACCEPT, AND EXPEND GIFTS,

1 GRANTS, OR DONATIONS TO BE USED TO PAY FOR THE REQUIRED PART OF  
2 THE STUDY OR TO EXPAND ITS SCOPE AS DESCRIBED IN SUBSECTION (4) OF  
3 THIS SECTION. THE DIVISION MAY TRANSFER THIS MONEY TO THE STATE  
4 AUDITOR WHO MAY USE IT TO PAY THE CONTRACTOR. <{Do you want to  
5 allow money from the marijuana tax cash fund to be used to pay for the  
6 report?}>

7 (9) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2019.

8 **SECTION 4. Appropriation.** (1) For the 2016-17 state fiscal  
9 year, \$\_\_\_\_\_ is appropriated to the legislative department for use by the  
10 office of the state auditor. This appropriation is from the general fund. To  
11 implement this act, the office may use this appropriation to contract for  
12 a study of the Fort Lyon supportive residential community. Any money  
13 appropriated in this subsection (1) not expended prior to July 1, 2017, is  
14 further appropriated to the legislative department for use by the office for  
15 the 2017-18 state fiscal year for the same purpose.

16 (2) For the 2016-17 state fiscal year, \$11,875 is appropriated to  
17 the department of corrections. This appropriation is from the general  
18 fund. To implement this act, the department may use this appropriation  
19 for contract services related to the parole subprogram. Any money  
20 appropriated in this subsection (2) not expended prior to July 1, 2017, is  
21 further appropriated to the department for the 2017-18 state fiscal year for  
22 the same purpose.

23 **SECTION 5. Safety clause.** The general assembly hereby finds,  
24 determines, and declares that this act is necessary for the immediate  
25 preservation of the public peace, health, and safety.



Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

DRAFT  
2.22.16

DRAFT

LLS NO. 16-1011.01 Gregg Fraser x4325

COMMITTEE BILL

Joint Budget Committee

**BILL TOPIC: "History Colorado Cash Fund"**

**A BILL FOR AN ACT**

101 CONCERNING THE APPROPRIATION OF MONEYS FROM THE STATE  
102 MUSEUM CASH FUND FOR THE BENEFIT OF FACILITIES OWNED  
103 AND OPERATED BY THE STATE HISTORICAL SOCIETY, AND, IN  
104 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://www.leg.state.co.us/bills summaries>.)*

**Joint Budget Committee.** Moneys in the state museum cash fund are currently subject to appropriation to the state historical society to design, construct, and provide exhibits for the new state museum. The bill

*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

authorizes moneys in the fund to also be appropriated for exhibit planning, development, and build-out at other facilities of the state historical society. The bill further specifies that \$3 million, plus interest earned on that amount, shall be retained as a controlled maintenance reserve for the new museum, to be available for appropriation for that purpose commencing July 1, 2027.

The bill also appropriates \$2 million to the department of higher education for use by the state historical society for exhibit planning, development, and build-out at its facilities.

---

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

2           **SECTION 1.** In Colorado Revised Statutes, **amend** 24-80-214 as  
3 follows:

4           **24-80-214. State museum cash fund.** There is hereby created in  
5 the state treasury the state museum cash fund, referred to in this section  
6 as the "cash fund". The cash fund shall consist of all moneys transferred  
7 to the cash fund from the state historical fund pursuant to section  
8 12-47.1-1201 (5), C.R.S.; moneys transferred from the justice center cash  
9 fund pursuant to section 13-32-101 (7) (b) (II), C.R.S., as said  
10 subparagraph existed prior to its repeal in 2015; and any other moneys  
11 appropriated to the cash fund by the general assembly. Moneys in the cash  
12 fund shall be subject to annual appropriation by the general assembly to  
13 the state historical society to pay for the planning, design, acquisition, and  
14 construction of and relocation to a new state museum, ~~and~~ exhibits for the  
15 museum, AND FOR EXHIBIT PLANNING, DEVELOPMENT, AND BUILD-OUT AT  
16 OTHER FACILITIES OWNED AND OPERATED BY THE HISTORICAL SOCIETY.  
17 THREE MILLION DOLLARS AND COMPOUNDING INTEREST EARNED ON THIS  
18 AMOUNT BEGINNING JULY 1, 2015, SHALL BE RETAINED IN THE CASH FUND  
19 AS A CONTROLLED MAINTENANCE RESERVE FOR THE NEW STATE MUSEUM  
20 AND WILL BE AVAILABLE FOR APPROPRIATION FOR CONTROLLED

1 MAINTENANCE AT THE MUSEUM BEGINNING IN THE FISCAL YEAR THAT  
2 BEGINS JULY 1, 2027. Appropriations from the cash fund shall remain  
3 available to the state historical society for a period of four years. Any  
4 moneys in the cash fund not expended for the purpose of this section may  
5 be invested by the state treasurer as provided by law. All interest and  
6 income derived from the investment and deposit of moneys in the cash  
7 fund shall be credited to the cash fund. Any unexpended and  
8 unencumbered moneys remaining in the cash fund at the end of a fiscal  
9 year shall remain in the cash fund and shall not be credited or transferred  
10 to the general fund or another fund.

11 **SECTION 2. Appropriation.** For the 2016-17 state fiscal year,  
12 \$2,000,000 is appropriated to the department of higher education for use  
13 by the state historical society. This appropriation is from the state  
14 museum cash fund created in section 24-80-214, C.R.S. To implement  
15 this act, the state historical society may use this appropriation for exhibit  
16 planning, development, and build-out at facilities owned and operated by  
17 the historical society.

18 **SECTION 3. Safety clause.** The general assembly hereby finds,  
19 determines, and declares that this act is necessary for the immediate  
20 preservation of the public peace, health, and safety.

Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

DRAFT  
2.5.16

DRAFT

LLS NO. 16-1040.01 Brita Darling x2241

COMMITTEE BILL

Joint Budget Committee

**BILL TOPIC:** "Higher Educ Transfers Fee-for-service Contracts"

**A BILL FOR AN ACT**

101 **CONCERNING THE DEPARTMENT OF HIGHER EDUCATION'S AUTHORITY**  
102 **TO MAKE TRANSFERS RELATING TO A GOVERNING BOARD'S**  
103 **FEE-FOR-SERVICE CONTRACTS FOR SPECIALTY EDUCATION.**

**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://www.leg.state.co.us/bills summaries>.)*

**Joint Budget Committee.** Under current law, the department of higher education (department) may transfer up to 10% of the annual total governing board appropriation for an institution of higher education between the governing board's appropriation for college opportunity fund stipends on behalf of students and the governing board's fee-for-service

*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

contracts for higher education services and programs. The bill expands the department's authority to fee-for-service contracts for specialty education programs.

---

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

2 **SECTION 1.** In Colorado Revised Statutes, 23-18-202, **amend**  
3 (1) (c) as follows:

4 **23-18-202. College opportunity fund - appropriations -**  
5 **payment of stipends - reimbursement - repeal.** (1) (c) If there are  
6 moneys remaining in the college opportunity fund or if there are  
7 insufficient moneys in the college opportunity fund after the final census  
8 date of the last academic term of each state fiscal year, as determined in  
9 accordance with this section, the department may transfer up to ten  
10 percent of the annual total governing board appropriation for the  
11 institution between the cash spending authority for the governing board  
12 to expend stipends received on behalf of eligible undergraduate students  
13 and a fee-for-service contract for the governing board entered into  
14 pursuant to sections 23-1-109.7, ~~and~~ 23-18-303, AND 23-18-304 (1).

15 **SECTION 2. Safety clause.** The general assembly hereby finds,  
16 determines, and declares that this act is necessary for the immediate  
17 preservation of the public peace, health, and safety.

Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

REDRAFT  
2.29.16

Double underlining  
denotes changes from  
prior draft

DRAFT

LLS NO. 16-0920.03 Thomas Morris x4218

COMMITTEE BILL

Joint Budget Committee

---

**BILL TOPIC:** "Refinance Water Pollution Control Program"  
**DEADLINES:** Finalize by: FEB 1, 2016 File by: FEB 3, 2016

---

**A BILL FOR AN ACT**

101 CONCERNING THE FINANCING OF THE WATER POLLUTION CONTROL  
102 PROGRAM, AND, IN CONNECTION THEREWITH, MAKING AN  
103 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://www.leg.state.co.us/bills summaries>.)*

**Joint Budget Committee.** Currently, the water pollution control statute categorizes the various sources that pay fees pursuant to the statute within different sectors, specifies the amount of each fee that the subcategories within each sector pay, and credits all fees from all sectors to the water quality control fund. **Section 1** of the bill repeals this fund,

*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

creates a separate cash fund for each of the sectors (commerce and industry; construction; pesticides; municipal separate storm sewer system; public and private utilities; and water quality certifications), and allocates the fees from each sector to that sector's cash fund. If the money derived from a particular sector is inadequate to cover the direct and indirect costs of the department of public health and environment in administering that sector, the general assembly may appropriate money from any of the funds for the department's direct and indirect costs in administering that sector. The department will conduct a stakeholder process regarding the appropriate and necessary fees that each subcategory of each sector should pay to enable each sector to be adequately funded by fees collected from that sector, and the department will then submit a legislative proposal to the joint budget committee by November 1, 2016, concerning its conclusions regarding the fees. The department must annually report to the joint budget committee, accounting separately for its expenditures by fund source and revenues by fund and sector source.

**Section 2** directs the state treasurer to transfer \$1,208,007 of the excess uncommitted reserve of the water quality improvement fund to the general fund on July 1, 2016.

---

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

2 **SECTION 1.** In Colorado Revised Statutes, 25-8-502, **amend**  
3 (1.1) (e) introductory portion, (1.2) (a) introductory portion, (1.5) (a),  
4 (1.5) (b), and (1.7); **repeal** (1) (e) (XIII) and (1) (e) (XIV); and **add** (1)  
5 (f) as follows:

6 **25-8-502. Application - definitions - fees - funds created -**  
7 **public participation - repeal.** (1.1) For each regulated activity listed in  
8 this subsection (1.1), the division may assess an annual permit fee and a  
9 nonrefundable permit application fee for new permits that must equal fifty  
10 percent of the annual permit fee. The full amount of the application fee  
11 is credited toward the annual permit fee. All such fees must be in  
12 accordance with the following schedules:

13 (e) The public and private utilities sector includes annual fee  
14 schedules for regulated activities associated with the operation of

1 domestic wastewater treatment works, water treatment facilities,  
 2 reclaimed water systems, ~~municipal separate storm sewer systems~~, and  
 3 industrial operations that discharge to a domestic wastewater treatment  
 4 works as follows:

**Facility Categories and Subcategories for  
 Permit Fees within the Public and**

	<b>Annual Fees</b>
<b>Private Utilities Sector</b>	
(XIII) MS4 general permits:	
(A) <del>Storm water municipal for a population</del> of 10,000 or fewer	\$ 355
(B) <del>Storm water municipal for a population</del> from 10,000 up to 49,999	\$ 810
(C) <del>Storm water municipal for a population</del> from 50,000 up to 100,000	\$2,020
(D) <del>Storm water municipal for a population</del> of 100,000 or more	\$4,050
(XIV) MS4 individual permits:	
(A) <del>Municipalities with a population from</del> 10,000 up to 49,999	\$1,245
(B) <del>Municipalities with a population from</del> 50,000 up to 99,999	\$3,110
(C) <del>Municipalities with a population from</del> 100,000 up to 249,999	\$6,225
(D) <del>Municipalities with a population of</del> 250,000 or more	\$10,580
(E) <del>Statewide permit for municipal separate</del> storm-water systems, owned or	



1                   ~~operated by the department of~~  
2                   ~~transportation, in municipal areas~~  
3                   ~~where storm water permits are required~~                   \$4,360

4           (f) THE MUNICIPAL SEPARATE STORM SEWER SYSTEMS SECTOR  
5 INCLUDES ANNUAL FEES FOR REGULATED ACTIVITIES ASSOCIATED WITH  
6 THE OPERATION OF MUNICIPAL SEPARATE STORM SEWER SYSTEMS, AS  
7 FOLLOWS:

8                   **Facility Categories and Subcategories for**  
9                   **Permit Fees within the Municipal Separate**

10	<b><u>Storm Sewer System Sector</u></b>	<b>Annual Fees</b>
11	(I) MS4 GENERAL PERMITS:	
12	(A) STORM WATER MUNICIPAL FOR A POPULATION	
13	OF 10,000 OR FEWER	\$ 355
14	(B) STORM WATER MUNICIPAL FOR A POPULATION	
15	FROM 10,000 UP TO 49,999	\$ 810
16	(C) STORM WATER MUNICIPAL FOR A POPULATION	
17	FROM 50,000 UP TO 99,999	\$2,020
18	(D) STORM WATER MUNICIPAL FOR A POPULATION	
19	OF 100,000 OR MORE	\$4,050
20	(II) MS4 INDIVIDUAL PERMITS:	
21	(A) MUNICIPALITIES WITH A POPULATION FROM	
22	10,000 UP TO 49,999	\$1,245
23	(B) MUNICIPALITIES WITH A POPULATION FROM	
24	50,000 UP TO 99,999	\$3,110
25	(C) MUNICIPALITIES WITH A POPULATION FROM	
26	100,000 UP TO 249,999	\$6,225
27	(D) MUNICIPALITIES WITH A POPULATION OF	



1 section. The division shall transmit the fees to the state treasurer, who  
2 shall credit them to the ~~water quality control~~ COMMERCE AND INDUSTRY  
3 SECTOR fund.

4 (II) THERE IS HEREBY CREATED IN THE STATE TREASURY THE  
5 CONSTRUCTION SECTOR FUND, WHICH CONSISTS OF ALL ANNUAL FEES  
6 COLLECTED FOR REGULATED ACTIVITIES ASSOCIATED WITH THE  
7 CONSTRUCTION SECTOR PURSUANT TO SUBSECTION (1.1) OF THIS SECTION;  
8 ALL FEES FOR SERVICES PERFORMED BY THE DIVISION ASSOCIATED WITH  
9 THE CONSTRUCTION SECTOR COLLECTED PURSUANT TO SUBSECTION (1.3)  
10 OF THIS SECTION; AND ALL INTERIM FEES ASSOCIATED WITH THE  
11 CONSTRUCTION SECTOR COLLECTED PURSUANT TO SUBSECTION (1.4) OF  
12 THIS SECTION. THE DIVISION SHALL TRANSMIT THE FEES TO THE STATE  
13 TREASURER, WHO SHALL CREDIT THEM TO THE CONSTRUCTION SECTOR  
14 FUND.

15 (III) THERE IS HEREBY CREATED IN THE STATE TREASURY THE  
16 PESTICIDES SECTOR FUND, WHICH CONSISTS OF ALL ANNUAL FEES  
17 COLLECTED FOR REGULATED ACTIVITIES ASSOCIATED WITH THE PESTICIDES  
18 SECTOR PURSUANT TO SUBSECTION (1.1) OF THIS SECTION; ALL FEES FOR  
19 SERVICES PERFORMED BY THE DIVISION ASSOCIATED WITH THE PESTICIDES  
20 SECTOR COLLECTED PURSUANT TO SUBSECTION (1.3) OF THIS SECTION;  
21 AND ALL INTERIM FEES ASSOCIATED WITH THE PESTICIDES SECTOR  
22 COLLECTED PURSUANT TO SUBSECTION (1.4) OF THIS SECTION. THE  
23 DIVISION SHALL TRANSMIT THE FEES TO THE STATE TREASURER, WHO  
24 SHALL CREDIT THEM TO THE PESTICIDES SECTOR FUND.

25 (IV) THERE IS HEREBY CREATED IN THE STATE TREASURY THE  
26 MUNICIPAL SEPARATE STORM SEWER SYSTEM SECTOR FUND, WHICH  
27 CONSISTS OF ALL ANNUAL FEES COLLECTED FOR REGULATED ACTIVITIES

1 ASSOCIATED WITH THE MUNICIPAL SEPARATE STORM SEWER SYSTEM  
2 SECTOR PURSUANT TO SUBSECTION (1.1) OF THIS SECTION; ALL FEES FOR  
3 SERVICES PERFORMED BY THE DIVISION ASSOCIATED WITH THE MUNICIPAL  
4 SEPARATE STORM SEWER SYSTEM SECTOR COLLECTED PURSUANT TO  
5 SUBSECTION (1.3) OF THIS SECTION; AND ALL INTERIM FEES ASSOCIATED  
6 WITH THE MUNICIPAL SEPARATE STORM SEWER SYSTEM SECTOR  
7 COLLECTED PURSUANT TO SUBSECTION (1.4) OF THIS SECTION. THE  
8 DIVISION SHALL TRANSMIT THE FEES TO THE STATE TREASURER, WHO  
9 SHALL CREDIT THEM TO THE MUNICIPAL SEPARATE STORM SEWER SYSTEM  
10 SECTOR FUND.

11 (V) THERE IS HEREBY CREATED IN THE STATE TREASURY THE  
12 PUBLIC AND PRIVATE UTILITIES SECTOR FUND, WHICH CONSISTS OF ALL  
13 ANNUAL FEES COLLECTED FOR REGULATED ACTIVITIES ASSOCIATED WITH  
14 THE PUBLIC AND PRIVATE UTILITIES SECTOR PURSUANT TO SUBSECTION  
15 (1.1) OF THIS SECTION; ALL FEES FOR SERVICES PERFORMED BY THE  
16 DIVISION ASSOCIATED WITH THE PUBLIC AND PRIVATE UTILITIES SECTOR  
17 COLLECTED PURSUANT TO SUBSECTION (1.3) OF THIS SECTION; AND ALL  
18 INTERIM FEES ASSOCIATED WITH THE PUBLIC AND PRIVATE UTILITIES  
19 SECTOR COLLECTED PURSUANT TO SUBSECTION (1.4) OF THIS SECTION. THE  
20 DIVISION SHALL TRANSMIT THE FEES TO THE STATE TREASURER, WHO  
21 SHALL CREDIT THEM TO THE PUBLIC AND PRIVATE UTILITIES SECTOR FUND.

22 (b) (I) The general assembly shall annually appropriate the  
23 ~~moneys~~ MONEY in the ~~water quality control fund~~ FUNDS CREATED IN  
24 PARAGRAPH (a) OF THIS SUBSECTION (1.5) AND IN SUBSECTION (1.2) OF  
25 THIS SECTION TO the department of public health and environment FOR ITS  
26 DIRECT AND INDIRECT COSTS IN ADMINISTERING THE APPROPRIATE  
27 SECTOR. ~~which~~ THE DEPARTMENT shall review expenditures of ~~such~~

1 ~~moneys~~ THE MONEY to ensure that ~~they are~~ IT IS used only to fund the  
2 expenses of the discharge permit system and other activities included in  
3 subsections (1.1), (1.2), (1.3), and (1.4) of this section AND THAT, EXCEPT  
4 AS SPECIFIED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (b):

5 (A) MONEY DERIVED FROM A PARTICULAR SECTOR IS USED ONLY  
6 FOR THAT SECTOR; AND

7 (B) MONEY DERIVED FROM SUBSECTION (1.2) OF THIS SECTION IS  
8 USED ONLY TO PROVIDE WATER QUALITY CERTIFICATIONS.

9 (II) (A) IF THE MONEY DERIVED FROM A PARTICULAR SECTOR IS  
10 INADEQUATE TO COVER THE DEPARTMENT'S DIRECT AND INDIRECT COSTS  
11 IN ADMINISTERING THAT SECTOR, THE GENERAL ASSEMBLY MAY, DURING  
12 FISCAL YEARS 2016-17 AND 2017-18, APPROPRIATE MONEY FROM ANY OF  
13 THE FUNDS CREATED IN PARAGRAPH (a) OF THIS SUBSECTION (1.5) AND IN  
14 SUBSECTION (1.2) OF THIS SECTION FOR THE DEPARTMENT'S DIRECT AND  
15 INDIRECT COSTS IN ADMINISTERING THAT SECTOR.

16 (B) DURING THE 2016 INTERIM, THE DEPARTMENT SHALL CONDUCT  
17 A STAKEHOLDER PROCESS REGARDING THE APPROPRIATE AND NECESSARY  
18 FEES THAT EACH SUBCATEGORY OF EACH SECTOR SHOULD PAY TO ENABLE  
19 EACH SECTOR TO BE ADEQUATELY FUNDED BY FEES COLLECTED FROM  
20 THAT SECTOR. THE DEPARTMENT SHALL SUBMIT A LEGISLATIVE PROPOSAL  
21 TO THE JOINT BUDGET COMMITTEE BY NOVEMBER 1, 2016, CONCERNING  
22 ITS CONCLUSIONS REGARDING THE FEES.

23 (C) THIS SUBPARAGRAPH (II) IS REPEALED, EFFECTIVE SEPTEMBER  
24 1, 2018.

25 (III) All interest earned on the investment or deposit of ~~moneys~~  
26 MONEY in ~~the~~ EACH fund and all unencumbered or unappropriated  
27 balances in ~~the~~ EACH fund remain in ~~the~~ EACH INDIVIDUAL fund, shall be

1 appropriated only for the expenses of the discharge permit system, and  
2 shall not be transferred or revert to the general fund or any other fund at  
3 the end of any fiscal year or any other time.

4 (1.7) (a) Commencing in 2016, the department of public health  
5 and environment shall report annually to:

6 (a) (I) The senate agriculture and natural resources committee and  
7 the house of representatives agriculture, livestock, and natural resources  
8 committee, or their successor committees, on the environmental  
9 agriculture program. The report must include the number of permits  
10 processed, the number of inspections conducted, the number of  
11 enforcement actions taken, and the costs associated with all program  
12 activities during the preceding year. The department shall submit the  
13 report on or before March 31 of each year; AND

14 (b) (II) The joint budget committee BY NOVEMBER 1 OF EACH  
15 YEAR regarding the fee revenue received from each sector specified in  
16 ~~subsection (1.1)~~ SUBSECTIONS (1.1), (1.2), AND (1.3) of this section,  
17 INCLUDING EXPENDITURES BY FUND SOURCE AND REVENUES BY FUND AND  
18 SECTOR SOURCE BASED ON THE NOVEMBER 1 REQUEST.

19 (b) THE REPORTING REQUIRED BY THIS SECTION IS EXEMPT FROM  
20 SECTION 24-1-136, C.R.S.

21 **SECTION 2.** In Colorado Revised Statutes, 25-8-608, **add** (4) as  
22 follows:

23 **25-8-608. Civil penalties - rules - fund created - temporary**  
24 **moratorium on penalties for minor violations - definitions - repeal.**

25 (4) (a) ON JULY 1, 2016, THE STATE TREASURER SHALL TRANSFER ONE  
26 MILLION TWO HUNDRED EIGHT THOUSAND SEVEN DOLLARS OF THE EXCESS  
27 UNCOMMITTED RESERVE OF THE WATER QUALITY IMPROVEMENT FUND TO

1 THE GENERAL FUND.

2 (b) THIS SUBSECTION (4) IS REPEALED, EFFECTIVE SEPTEMBER 1,  
3 2017.

4 **SECTION 3. Appropriation.** (1) For the 2016-17 state fiscal  
5 year, \$1,208,007 is appropriated to the department of public health and  
6 environment for use by the water quality control division. This  
7 appropriation is from the general fund. To implement this act, the division  
8 may use this appropriation as follows:

9 (a) \$362,402 for the commerce and industry sector;

10 (b) \$60,400 for the municipal separate storm server system sector;

11 and

12 (c) \$785,205 for the public and private utilities sector.

13 **SECTION 4. Effective date.** This act takes effect July 1, 2016.

14 **SECTION 5. Safety clause.** The general assembly hereby finds,  
15 determines, and declares that this act is necessary for the immediate  
16 preservation of the public peace, health, and safety.

# MEMORANDUM

---

**TO:** Joint Budget Committee

**FROM:** Megan Davisson, JBC Staff

**SUBJECT:** LLS 16-1093 Funding for Commission on Affordable Health Care

**DATE:** February 26, 2016

---

During the February 22, 2016 figure setting presentation for the Department of Public Health and Environment, the Committee approved the staff recommendation on page 183 to draft legislation removing the continuous spending authority from the Colorado Commission on Affordable Health Care Cash Fund. Additionally the Committee approved an appropriation of \$177,755 General Fund to the Commission on Affordable Health Care Cash Fund for FY 2016-17.

After speaking with Legal Services, the Committee does not need this legislative change because statute does not prohibit appropriating General Fund to the Department of Public Health and Environment for the Commission on Affordable Health Care. Therefore the Committee could revisit the recommendation to transfer \$177,755 General Fund to the Commission on Affordable Health Care Cash Fund and instead appropriate \$177,755 General Fund to the Department of Public Health and Environment. This would achieve the same result that removing the continuous spending authority from the Commission on Affordable Health Care Cash Fund.

**Therefore staff recommends the Committee not sponsor legislation related to the Commission on Affordable Health Care Cash Fund (LLS 16-1093). Additionally staff will prepare a comeback to revise the recommendation made related to the request from the Commission on Affordable Health Care.**



Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

DRAFT  
1.20.16

DRAFT

LLS NO. 16-0924.01 Ed DeCecco x4216

COMMITTEE BILL

Joint Budget Committee

**BILL TOPIC:** "Funding For Driver & Motor Vehicle Services"

**A BILL FOR AN ACT**

101 **CONCERNING THE MANNER IN WHICH THE STATE FUNDS DRIVER AND**  
102 **VEHICLE SERVICES BY THE DIVISION OF MOTOR VEHICLES IN**  
103 **THE DEPARTMENT OF REVENUE.**

**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://www.leg.state.co.us/bills summaries>.)*

**Joint Budget Committee.** Currently, the excess reserve in the licensing services cash fund at the end of a fiscal year is transferred to the highway users tax fund (HUTF). **Section 2** of the bill eliminates this transfer, and **section 1** exempts the licensing services cash fund from the maximum reserve requirement that generally applies to cash funds.

*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

**Section 3** permits the general assembly to appropriate moneys from the HUTF to the department of revenue for use by the division of motor vehicles for expenses incurred in connection with the administration of driver and vehicle services. The 6% limit on HUTF off-the-top appropriations is amended to include these appropriations.

---

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-75-402, **amend**  
3 (5) (hh) and (5) (ii); and **add** (5) (jj) as follows:

4 **24-75-402. Cash funds - limit on uncommitted reserves -**  
5 **reduction in amount of fees - exclusions - repeal.** (5) Notwithstanding  
6 any provision of this section to the contrary, the following cash funds are  
7 excluded from the limitations specified in this section:

8 (hh) The conveyance safety fund created in section 9-5.5-111 (2)  
9 (b), C.R.S., until this paragraph (hh) is repealed, effective July 1, 2017;  
10 **and**

11 (ii) The oil and gas conservation and environmental response fund  
12 created in section 34-60-122 (5), C.R.S.; AND

13 (jj) THE LICENSING SERVICES CASH FUND CREATED IN SECTION  
14 42-2-114.5 (1), C.R.S.

15 **SECTION 2.** In Colorado Revised Statutes, 42-2-114.5, **amend**  
16 (1) as follows:

17 **42-2-114.5. Licensing services cash fund - fee setting**  
18 **procedures - rules.** (1) The licensing services cash fund is hereby  
19 created in the state treasury. The general assembly shall appropriate  
20 moneys in the fund to the department for the cost of implementing this  
21 article. ~~At the end of each fiscal year, the state treasurer shall credit the~~  
22 ~~money in the fund, less sixteen and one-half percent of the amount~~  
23 ~~appropriated from the fund for such operation in the fiscal year, to the~~

1 ~~highway users tax fund.~~

2           **SECTION 3.** In Colorado Revised Statutes, 43-4-201, **amend** (3)  
3 (a) (I) and (3) (a) (III) (C); and **repeal** (3) (a) (I.1) as follows:

4           **43-4-201. Highway users tax fund - created.** (3) (a) (I) The  
5 general assembly shall not make any annual appropriation (whether by  
6 regular, special, or supplementary appropriation) or any statutory  
7 distribution from the highway users tax fund for any purpose or purposes  
8 in a total amount that is:

9           (A) More than twenty-three percent of the net revenue of said  
10 fund for the prior fiscal year;

11           (B) Commencing in the fiscal year 1995-96, and ending in the  
12 fiscal year 2012-13, more than a six percent increase over the  
13 appropriation to the department of public safety for the Colorado state  
14 patrol and to the department of revenue for the ports of entry division for  
15 the prior fiscal year; except in fiscal years 2009-10, 2010-11, and  
16 2011-12, more than a six percent increase over the appropriation to the  
17 department of public safety for the Colorado state patrol, to the  
18 department of revenue for the ports of entry division, and to the  
19 department of revenue for the division of motor vehicles pursuant to  
20 sub-subparagraph (C) of subparagraph (III) of this paragraph (a) for the  
21 prior fiscal year; ~~or~~

22           (C) Commencing in the fiscal year 2013-14, AND ENDING IN  
23 FISCAL YEAR 2015-16, more than a six percent increase over the  
24 appropriation to the Colorado state patrol for the prior fiscal year;

25           (D) FOR THE FISCAL YEAR 2016-17, MORE THAN A SIX PERCENT  
26 INCREASE OVER THE APPROPRIATION TO THE COLORADO STATE PATROL  
27 FOR THE FISCAL YEAR 2015-16, PLUS THE AMOUNT APPROPRIATED TO THE

1 DEPARTMENT OF REVENUE FOR USE BY THE DIVISION OF MOTOR VEHICLES  
2 PURSUANT TO SUB-SUBPARAGRAPH (C) OF SUBPARAGRAPH (III) OF THIS  
3 PARAGRAPH (a) FOR THE FISCAL YEAR 2016-17; OR

4 (E) COMMENCING IN THE FISCAL YEAR 2017-18, MORE THAN A SIX  
5 PERCENT INCREASE OVER THE APPROPRIATION TO THE COLORADO STATE  
6 PATROL AND TO THE DEPARTMENT OF REVENUE FOR USE BY THE DIVISION  
7 OF MOTOR VEHICLES PURSUANT TO SUB-SUBPARAGRAPH (C) OF  
8 SUBPARAGRAPH (III) OF THIS PARAGRAPH (a) FOR THE PRIOR FISCAL YEAR.

9 ~~(I.1) Commencing with the fiscal year 1995-96, the general~~  
10 ~~assembly shall not make any annual appropriation or statutory distribution~~  
11 ~~from the highway users tax fund pursuant to this paragraph (a), except to~~  
12 ~~the department of public safety for the Colorado state patrol or, through~~  
13 ~~the fiscal year 2011-12 only, to the department of revenue for the ports of~~  
14 ~~entry section, that exceeds the annual appropriation or statutory~~  
15 ~~distribution for all purposes except the Colorado state patrol and the ports~~  
16 ~~of entry division for the fiscal year 1994-95.~~

17 (III) (C) The general assembly shall not make any annual  
18 appropriation or statutory distribution from the highway users tax fund for  
19 the fiscal year 1997-98 or for any succeeding fiscal year authorized by  
20 subparagraph (II) of this paragraph (a), excluding the annual  
21 appropriation or statutory distribution to the Colorado state patrol and,  
22 through the fiscal year 2011-12 only, the ports of entry section and  
23 excluding any appropriation to the department of revenue for the fiscal  
24 years 2008-09, 2009-10, 2010-11, and 2011-12, AND FOR ANY FISCAL  
25 YEAR AFTER FISCAL YEAR 2015-16, for expenses incurred in connection  
26 with the administration of article 2 of title 42, C.R.S., by the division of  
27 motor vehicles within the department.

1           **SECTION 4. Safety clause.** The general assembly hereby finds,  
2 determines, and declares that this act is necessary for the immediate  
3 preservation of the public peace, health, and safety.