

NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.



HOUSE BILL 26-1359

BY REPRESENTATIVE(S) Sirota and Taggart, Brown;
also SENATOR(S) Bridges and Kirkmeyer, Amabile, Kolker.

CONCERNING CREDITING TO THE STATE PUBLIC SCHOOL FUND MONEY
RECEIVED FROM THE REMOVAL OF NATURAL RESOURCES ON PUBLIC
SCHOOL LANDS.

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

SECTION 1. Legislative declaration. (1) The general assembly finds and declares that:

(a) The public school fund, commonly referred to as the permanent fund, is inviolate and the interest and income derived from the public school fund must only be used on the maintenance of public schools;

(b) Revenue deposited into the public school fund from public school lands has been high in recent years: \$117.1 million in state fiscal year 2022-23, \$154.1 million in state fiscal year 2023-24, and \$114.6 million in state fiscal year 2024-25;

(c) Current projections anticipate that the amounts deposited into the

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public school fund from public school lands will exceed \$100 million in state fiscal years 2025-26 and 2026-27;

(d) Diverting revenue from public school lands to the state public school fund instead of the public school fund has occurred on a one-time basis in the past, most notably, in state fiscal year 2020-21 in response to the economic impacts of the COVID-19 pandemic; and

(e) Diverting of a portion of this public school land revenue to the state public school fund must occur on a one-time basis only so that the value of the state's school lands and the public school fund, which are for the intergenerational support of public schools, are not significantly diminished.

SECTION 2. In Colorado Revised Statutes, 36-1-116, **add** (1)(c)(IV) and (1)(c)(V) as follows:

36-1-116. Disposition of rentals, royalties, and timber sale proceeds.

(1) (c) (IV) FOR THE 2025-26 STATE FISCAL YEAR, THE FIRST TWENTY-FIVE MILLION DOLLARS OF ROYALTIES AND OTHER PAYMENTS FOR THE DEPLETION OR EXTRACTION OF A NATURAL RESOURCE ON PUBLIC SCHOOL LANDS IN EXCESS OF THE MONEY CREDITED TO THE STATE LAND BOARD TRUST ADMINISTRATION FUND, PURSUANT TO SECTION 36-1-145 (3); CREDITED TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE FUND CREATED IN SECTION 22-43.7-104 (1), PURSUANT TO SECTION 22-43.7-104 (2)(b)(I); AND CREDITED AS SPECIFIED IN SUBSECTION (1)(b)(II) OF THIS SECTION MUST BE TRANSFERRED TO THE STATE PUBLIC SCHOOL FUND CREATED IN SECTION 22-54-114. ANY AMOUNT OF ROYALTIES AND OTHER PAYMENTS FOR THE DEPLETION OR EXTRACTION OF A NATURAL RESOURCE ON PUBLIC SCHOOL LANDS IN EXCESS OF THE AMOUNTS DESCRIBED IN THIS SUBSECTION (1)(c)(IV) MUST BE CREDITED TO THE PUBLIC SCHOOL FUND AND BECOME PART OF THE PRINCIPAL OF THE PUBLIC SCHOOL FUND.

(V) FOR THE 2026-27 STATE FISCAL YEAR, THE FIRST FORTY-FIVE MILLION DOLLARS OF ROYALTIES AND OTHER PAYMENTS FOR THE DEPLETION OR EXTRACTION OF A NATURAL RESOURCE ON PUBLIC SCHOOL LANDS IN EXCESS OF THE MONEY CREDITED TO THE STATE LAND BOARD TRUST ADMINISTRATION FUND, PURSUANT TO SECTION 36-1-145 (3); CREDITED TO

THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE FUND CREATED IN SECTION 22-43.7-104 (1), PURSUANT TO SECTION 22-43.7-104 (2)(b)(I); AND CREDITED AS SPECIFIED IN SUBSECTION (1)(b)(II) OF THIS SECTION MUST BE TRANSFERRED TO THE STATE PUBLIC SCHOOL FUND CREATED IN SECTION 22-54-114. ANY AMOUNT OF ROYALTIES AND OTHER PAYMENTS FOR THE DEPLETION OR EXTRACTION OF A NATURAL RESOURCE ON PUBLIC SCHOOL LANDS IN EXCESS OF THE AMOUNTS DESCRIBED IN THIS SUBSECTION (1)(c)(V) MUST BE CREDITED TO THE PUBLIC SCHOOL FUND AND BECOME PART OF THE PRINCIPAL OF THE PUBLIC SCHOOL FUND.

SECTION 3. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for

the support and maintenance of the departments of the state and state institutions.

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

James Rashad Coleman, Sr.
PRESIDENT OF
THE SENATE

Vanessa Reilly
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Esther van Mourik
SECRETARY OF
THE SENATE

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO