



Joint Budget Committee Staff

Memorandum

To: Joint Budget Committee Members
From: Kelly Shen, JBC Staff (303-866-5434)
Date: February 19, 2025
Subject: Potential Legislation Packet 6

This packet includes bill drafts for the Committee’s consideration. If the Committee would like to approve a bill draft for introduction, the motion should include the following:

- Approve for introduction in the Senate as a JBC bill LLS 25-XXXX (indicate if it is part of the Long Bill package or not);
- Identify prime sponsors and co-sponsors from the JBC; and
- Grant staff permission to make technical changes including adding appropriations.

Each individual item has page numbers, but also a packet page number (P-XXX) to help navigate the whole document. The page numbers below refer to the packet page number that begins with a “P”.

Potential Legislation

Statewide: LLS 25-0866 Population Growth Calculation (Harper)	P-1
Treasury: LLS 25-0881 Eliminate Destroyed Prop Tax Reimbursement Prog (Lowe)	P-8
Transportation: LLS 25-0889 Modify GF Transfers to State Hwy Fund (Curry)	P-11
Governor: LLS 25-0896 Repeal Requirement for By Colorado App (Burmeister)	P-15

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

DRAFT
1/30/25

DRAFT

LLS NO. 25-0866.01 Pierce Lively x2059

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Population Growth Calculation

A BILL FOR AN ACT

101 **CONCERNING THE METHOD OF CALCULATING STATE POPULATION**
102 **GROWTH FOR PURPOSES OF CALCULATING STATE FISCAL YEAR**
103 **SPENDING PURSUANT TO SECTION 20 OF ARTICLE X OF THE**
104 **STATE CONSTITUTION.**

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. Section 20 of article X of the state constitution (TABOR) requires the maximum annual percentage change in state fiscal year spending to equal inflation plus the percentage change

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Dashes through the words indicate deletions from existing law.*

in state population in the prior calendar year adjusted for revenue changes approved by voters. Although TABOR does not specify how the state shall determine the percentage change in state population (population growth), the TABOR implementing statutes do. For years in which there is not a decennial census, the TABOR implementing statutes require the state to calculate population growth by determining the percentage change between:

- ! The federal census bureau's estimate of state population (census estimate) for the previous calendar year, as of December in the current calendar year; and
- ! The census estimate for the current calendar year, as of December in the current calendar year.

The current method for calculating population growth can lead to either double-counting or under-counting population changes in census estimates. If the federal census bureau revises a census estimate upward for a given year:

- ! The calculated population growth between the given year and the immediately preceding year will be understated, since the population growth between those years is based on an inaccurately low census estimate for the given year; and
- ! The understated population growth between the given year and the immediately preceding year is not corrected or carried forward when calculating population growth for subsequent years, as those calculations are based on the revised census estimate for the given year.

Put differently, if the federal census bureau revises a census estimate upward for a given year, population growth will be understated and the fiscal year spending limit will be lower. The opposite is true if the federal census bureau revises a census estimate downward.

The bill adjusts the method of calculating population growth. Under the bill, population growth is calculated by determining the percentage change between:

- ! The census estimate, as of December in the previous calendar year, for the previous calendar year; and
- ! The census estimate, as of December in the current calendar year, for the current calendar year.

This approach prevents double-counting or under-counting population changes as a result of revised census estimates.

The bill also makes conforming amendments.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-77-103, **amend**

1 (2)(b)(I), (2)(b)(II), (2)(b)(II.5)(B), and (2)(b)(II.5)(C); and add
2 (2)(a)(IV) and (2)(b)(I.5) as follows:

3 **24-77-103. Limitation on state fiscal year spending - legislative**
4 **declaration - report.** (2) (a) (IV) THE GENERAL ASSEMBLY FURTHER
5 FINDS AND DECLARES THAT:

6 (A) FOR THE PURPOSE OF DETERMINING THE MAXIMUM
7 PERCENTAGE CHANGE IN STATE FISCAL YEAR SPENDING FOR ANY GIVEN
8 FISCAL YEAR, SECTION 20 (7)(a) OF ARTICLE X OF THE STATE
9 CONSTITUTION REQUIRES THE STATE TO ANNUALLY DETERMINE THE
10 CHANGE IN STATE POPULATION FROM ONE CALENDAR YEAR TO THE NEXT
11 WITH THE USE OF ANNUAL FEDERAL CENSUS BUREAU STATE POPULATION
12 ESTIMATES;

13 (B) THE APPROACH FOR DETERMINING THE CHANGE IN STATE
14 POPULATION FOR STATE FISCAL YEARS COMMENCING BEFORE JULY 1,
15 2024, RESULTED IN BOTH DOUBLE-COUNTING AND UNDER-COUNTING OF
16 POPULATION AS A RESULT OF REVISED FEDERAL CENSUS BUREAU STATE
17 POPULATION ESTIMATES;

18 (C) DOUBLE-COUNTING POPULATION FOR PURPOSES OF
19 DETERMINING THE CHANGE IN STATE POPULATION RESULTS IN AN
20 INCREASED LIMIT ON STATE FISCAL YEAR SPENDING AND UNDER-COUNTING
21 POPULATION FOR PURPOSES OF DETERMINING THE CHANGE IN STATE
22 POPULATION RESULTS IN A REDUCED LIMIT ON STATE FISCAL YEAR
23 SPENDING;

24 (D) FROM STATE FISCAL YEAR 2015-16 THROUGH STATE FISCAL
25 YEAR 2024-25, EXCLUDING THE FISCAL YEAR IMPACTED BY THE
26 DECENNIAL CENSUS, AS A RESULT OF REVISED FEDERAL CENSUS BUREAU
27 ESTIMATES OF STATE POPULATION, THERE WERE THREE FISCAL YEARS

1 WITH SIGNIFICANT DOUBLE-COUNTING, TWO FISCAL YEARS WITH
2 SIGNIFICANT UNDER-COUNTING, AND FOUR FISCAL YEARS WITH NEITHER
3 SIGNIFICANT DOUBLE-COUNTING NOR UNDER-COUNTING;

4 (E) SECTION 20 (7)(a) OF ARTICLE X OF THE STATE CONSTITUTION
5 DOES NOT SPECIFY HOW THE STATE SHALL ANNUALLY DETERMINE THE
6 CHANGE IN STATE POPULATION BY ANNUAL FEDERAL CENSUS ESTIMATES;

7 (F) IN BOTH HOUSE BILL 02-1310 AND SENATE BILL 02-179,
8 ENACTED IN 2002, THE GENERAL ASSEMBLY MODIFIED HOW THE CHANGE
9 IN STATE POPULATION IS CALCULATED FOR PURPOSES OF SECTION 20 (7)(a)
10 OF ARTICLE X OF THE STATE CONSTITUTION, AND THESE BILLS ARE
11 PRESUMED TO BE CONSTITUTIONAL;

12 (G) THEREFORE, IT IS WITHIN THE GENERAL ASSEMBLY'S PLENARY
13 POWER AND CONSISTENT WITH SECTION 20 (7)(a) OF ARTICLE X OF THE
14 STATE CONSTITUTION FOR THE GENERAL ASSEMBLY TO ENACT
15 LEGISLATION THAT MODIFIES HOW POPULATION GROWTH IS CALCULATED
16 FOR PURPOSES OF SECTION 20 (7)(a) OF ARTICLE X OF THE STATE
17 CONSTITUTION TO MITIGATE BOTH POPULATION DOUBLE-COUNTING AND
18 POPULATION UNDER-COUNTING.

19 (b) (I) Except as otherwise provided in ~~subparagraphs (H) and~~
20 ~~(H.5) of this paragraph (b)~~ SUBSECTIONS (2)(b)(II) AND (2)(b)(II.5) OF
21 THIS SECTION, FOR STATE FISCAL YEARS COMMENCING BEFORE JULY 1,
22 2024, the percentage change in state population for any given calendar
23 year ~~shall be~~ IS the percentage change between the estimate of state
24 population due to be issued by the United States bureau of census in
25 December of such calendar year with a reference date of July 1 of the
26 same calendar year and the estimate of state population due to be issued
27 by the United States bureau of census in December of the same calendar

1 year with a reference date of July 1 of the immediately preceding calendar
2 year.

3 (I.5) FOR STATE FISCAL YEARS COMMENCING ON OR AFTER JULY
4 1, 2024, THE PERCENTAGE CHANGE IN STATE POPULATION FOR ANY GIVEN
5 CALENDAR YEAR IS THE PERCENTAGE CHANGE BETWEEN THE ESTIMATE OF
6 STATE POPULATION ISSUED BY THE UNITED STATES BUREAU OF CENSUS IN
7 DECEMBER OF THE CALENDAR YEAR WITH A REFERENCE DATE OF JULY 1
8 OF THE SAME CALENDAR YEAR AND THE ESTIMATE OF STATE POPULATION
9 ISSUED BY THE UNITED STATES BUREAU OF CENSUS IN DECEMBER OF THE
10 IMMEDIATELY PRECEDING CALENDAR YEAR WITH A REFERENCE DATE OF
11 JULY 1 OF THE IMMEDIATELY PRECEDING CALENDAR YEAR.

12 (II) Except as otherwise provided in ~~subparagraph (H.5) of this~~
13 ~~paragraph (b)~~ SUBSECTION (2)(b)(II.5) OF THIS SECTION, for any calendar
14 year for which an estimate of state population is not issued due to the
15 federal census of the United States bureau of census, the percentage
16 change in state population for such calendar year ~~shall be~~ IS the
17 percentage change between the state population as reported in the federal
18 census conducted by the United States bureau of census due in December
19 of such calendar year and the estimate of state population ~~due to be~~ issued
20 by the United States bureau of census in December of the ~~same year~~
21 IMMEDIATELY PRECEDING CALENDAR YEAR with a reference date of July
22 1 of the immediately preceding calendar year.

23 (II.5) (B) The difference between the percentage change in state
24 population determined in accordance with ~~subparagraph (H) of this~~
25 ~~paragraph (b)~~ SUBSECTION (2)(b)(II) OF THIS SECTION and the reduced
26 percentage change in state population used to calculate the limitation on
27 state fiscal year spending pursuant to ~~sub-subparagraph (A) of this~~

1 ~~subparagraph (I.5) shall be~~ SUBSECTION (2)(b)(I.5)(A) OF THIS SECTION
2 IS carried forward as an adjustment of the percentage change in state
3 population determined pursuant to ~~subparagraph (I) of this paragraph (b)~~
4 SUBSECTION (2)(b)(I) OR (2)(b)(I.5) OF THIS SECTION for a maximum
5 period of nine fiscal years. If the amount of state fiscal year spending for
6 the immediately subsequent fiscal year exceeds the limitation on state
7 fiscal year spending for that fiscal year, the unused adjustment ~~shall be~~ IS
8 added first to the percentage change in state population determined
9 pursuant to ~~subparagraph (I) of this paragraph (b)~~ SUBSECTION (2)(b)(I)
10 OR (2)(b)(I.5) OF THIS SECTION that is included in the percentage of the
11 allowable increase in state fiscal year spending used in calculating the
12 limitation on state fiscal year spending for that fiscal year to the greatest
13 extent possible without causing the limitation on state fiscal year
14 spending to exceed the actual amount of state fiscal year spending for that
15 fiscal year.

16 (C) Any remaining portion of the unused adjustment shall
17 continue to be added, to the greatest extent possible, to the percentage
18 change in state population determined pursuant to ~~subparagraph (I) of this~~
19 ~~paragraph (b)~~ SUBSECTION (2)(b)(I) OR (2)(b)(I.5) OF THIS SECTION that is
20 included in the percentage of allowable increase in state fiscal year
21 spending used in calculating the limitation on state fiscal year spending
22 for subsequent fiscal years without causing the limitation on state fiscal
23 year spending for a given fiscal year to exceed the actual amount of state
24 fiscal year spending for that fiscal year.

25 **SECTION 2. Safety clause.** The general assembly finds,
26 determines, and declares that this act is necessary for the immediate
27 preservation of the public peace, health, or safety or for appropriations for

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

DRAFT
2/13/25

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LLS NO. 25-0881.01 Megan McCall x4215

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Elim Destroyed Prop Tax Reimbursement Prog

A BILL FOR AN ACT

101 **CONCERNING THE ELIMINATION OF STATE PROPERTY TAX**
102 **REIMBURSEMENT FOR A TAXPAYER THAT OWES AD VALOREM**
103 **PROPERTY TAX ON PROPERTY THAT HAS BEEN DESTROYED BY A**
104 **NATURAL CAUSE.**

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. Current law allows the owner of real or business personal property that was destroyed by a natural cause, as determined by the county assessor, to be reimbursed by the state in an

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amount equal to the amount of property tax levied on the destroyed property in the property tax year in which the natural cause destroyed the property (reimbursement program). Beginning with property tax year 2025, the bill ends the reimbursement program.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-1-123, **amend** (1)
3 and (2)(a)(II); and **add** (7) as follows:

4 **39-1-123. Property tax reimbursement - property destroyed**
5 **by natural cause - repeal.** (1) **Eligibility.** For property tax years
6 commencing on or after January 1, 2013, BUT BEFORE JANUARY 1, 2025,
7 real or business personal property listed on a single schedule that was
8 destroyed by a natural cause as defined in section 39-1-102 (8.4), as
9 determined by the county assessor in the county in which the property is
10 located, ~~shall be~~ IS subject to a reimbursement from the state in an amount
11 equal to the property tax liability applicable to the destroyed property in
12 the property tax year in which the natural cause occurred.

13 (2) **Report of destroyed properties.** (a) (II) For property tax
14 years commencing on or after January 1, 2014, BUT BEFORE JANUARY 1,
15 2025, on or before December 15 of the applicable property tax year, the
16 assessor of each county with property destroyed by a natural cause shall
17 forward to the applicable county treasurer a report of the taxable real or
18 business personal property in the county that was destroyed by a natural
19 cause through November of the year. The report must include the
20 information specified in ~~paragraph (b) of this subsection~~ (2) SUBSECTION
21 (2)(b) OF THIS SECTION.

22 (7) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2025.

23 **SECTION 2. Safety clause.** The general assembly finds,

1 determines, and declares that this act is necessary for the immediate
2 preservation of the public peace, health, or safety or for appropriations for
3 the support and maintenance of the departments of the state and state
4 institutions.



Joint Budget Committee Staff

Memorandum

To: Joint Budget Committee
From: Michelle Curry, JBC Staff (303-866-2062)
Date: Thursday, February 13, 2025
Subject: [Bill Draft to Reduce General Fund Transfers to CDOT](#)

The attached bill draft concerns adjustments to General Fund transfers into the Department of Transportation (CDOT) that were created by S.B. 21-260 (Sustainability of the Transportation System). During staff's figure setting presentation, the Committee did not agree upon a policy alternative to change transfer levels. These options were discussed:

- **The Department's R3 Request:** Reducing transfers in FY 2025-26 and FY 2026-27 and extending the duration of funding, resulting in the full \$747.5 million being transferred to CDOT by FY 2032-33
- **Staff Recommendation:** Reducing overall transfers to \$702.5 million with the majority of savings occurring in FY 2025-26 and FY 2026-27.
- **Committee Suggestion:** Flipping the entirety of the transfer schedule, resulting in no General Fund transfer in FY 2025-26 and adjusted transfers from FY 2026-27 to FY 2032-33. The total amount of transfers would remain \$747.5 million.

The drafted legislation reflects the change suggested by the Committee. Staff is still awaiting information from the Department regarding other General Fund transfers to the Department, current cash fund balances, and the possibility of using revenue within enterprised cash funds.

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Seventy-fifth General Assembly
STATE OF COLORADO

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2/12/25

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LLS NO. 25-0889.01 Jason Gelender x4330

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Mod Gen Fund Transfers to State Hwy Fund

A BILL FOR AN ACT

101 **CONCERNING MODIFICATION OF ANNUAL TRANSFERS FROM THE**
102 **GENERAL FUND TO THE STATE HIGHWAY FUND.**

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 modifies the schedule and amounts of annual transfers from the general fund to the state highway fund as follows:

- The \$100 million transfer scheduled for July 1, 2025, is eliminated;
- The \$100 million transfers scheduled for July 1, 2026, July

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- 1, 2027, and July 1, 2028, are reduced to \$82.5 million;
- The \$82.5 million transfers scheduled for each July 1 from July 1, 2029, through July 1, 2031, are increased to \$100 million; and
- A new \$100 million transfer is scheduled for July 1, 2032.

To offset the loss of \$10 million of dedicated revenue for projects to mitigate the environmental and health impacts of increased air pollution from motor vehicle emissions in nonattainment areas that will result from the elimination of the July 1, 2025, transfer from the general fund to the state highway fund, \$10 million from the July 1, 2029, transfer from the general fund to the state highway fund is dedicated for such projects.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-75-219, **amend**
3 (7)(d) and (7)(e) as follows:

4 **24-75-219. Transfers - transportation - capital construction -**
5 **definitions - repeal.** (7) (d) (I) On each July 1 from ~~July 1, 2024~~, JULY
6 1, 2026, through July 1, 2028, the state treasurer shall transfer ~~one~~
7 ~~hundred~~ EIGHTY-TWO million FIVE HUNDRED THOUSAND dollars from the
8 general fund to the state highway fund; and

9 (II) On each July 1 from July 1, 2029, through ~~July 1, 2031~~, JULY
10 1, 2032, the state treasurer shall transfer ~~eighty-two~~ ONE HUNDRED million
11 ~~five hundred thousand~~ dollars from the general fund to the state highway
12 fund.

13 (e) The department of transportation shall expend ten million
14 dollars of each ~~transfer~~ OF THE TRANSFERS MADE from the general fund
15 to the state highway fund ~~made~~ pursuant to ~~subsection (7)(d)(I)~~
16 SUBSECTION (7)(d) of this section ~~from~~ ON July 1, 2024, AND ON EACH
17 JULY 1 FROM JULY 1, 2026, through ~~July 1, 2028~~, JULY 1, 2029, solely to
18 mitigate the environmental and health impacts of increased air pollution
19 from motor vehicle emissions in nonattainment areas by funding projects

1 that reduce vehicle miles traveled or that directly reduce air pollution.

2 **SECTION 2. Safety clause.** The general assembly finds,
3 determines, and declares that this act is necessary for the immediate
4 preservation of the public peace, health, or safety or for appropriations for
5 the support and maintenance of the departments of the state and state
6 institutions.

First Regular Session
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STATE OF COLORADO

DRAFT
2/13/25

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LLS NO. 25-0896.01 Jason Gelender x4330

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Repeal Reqmnt for By Colorado App

A BILL FOR AN ACT

101 **CONCERNING THE REPEAL OF THE REQUIREMENT THAT THE OFFICE OF**
102 **ECONOMIC DEVELOPMENT CONTRACT FOR THE MOBILE**
103 **APPLICATION SOFTWARE KNOWN AS THE "BY COLORADO APP"**
104 **THAT ENABLES LOCAL BUSINESS USERS TO LEARN ABOUT LOCAL**
105 **BUSINESSES THAT ELECT TO PARTICIPATE IN THE SOFTWARE.**

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 repeals the requirement that the office of economic development contract for the mobile application

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software known as the "By Colorado App" that enables local business users to learn about local businesses that elect to participate in the software.

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

2 **SECTION 1.** In Colorado Revised Statutes, **repeal** 24-48.5-122
3 as follows:

4 **24-48.5-122. Local business mobile application software -**
5 **creation - legislative declaration - definitions.** ~~(1) The general~~
6 ~~assembly hereby finds, determines, and declares that the Colorado office~~
7 ~~of economic development is directed to contract for the development of~~
8 ~~local business mobile application software in order to:~~

9 ~~(a) Assist consumers in the state who wish to find and patronize~~
10 ~~local businesses;~~

11 ~~(b) Allow such businesses to publicize their Colorado affiliations;~~
12 ~~and~~

13 ~~(c) Consistent with the office's duties, promote economic growth~~
14 ~~through the expansion of businesses in the state.~~

15 ~~(2) As used in this section, unless the context otherwise requires:~~

16 ~~(a) "Local business" means a business that is owned, located, or~~
17 ~~headquartered in, or manufactures in, Colorado.~~

18 ~~(b) "Office" means the Colorado office of economic development~~
19 ~~created in this part 1.~~

20 ~~(3) (a) The office shall contract for the creation, management,~~
21 ~~operation, and maintenance within the office of mobile application~~
22 ~~software to be known as the "By Colorado App", which software enables~~
23 ~~users to learn about local businesses that elect to participate in the~~
24 ~~software.~~

1 ~~(b) The software developed pursuant to paragraph (a) of this~~
2 ~~subsection (3) must be operational on or before January 1, 2015.~~

3 ~~(c) The office shall make the local business mobile application~~
4 ~~software searchable by the types of goods or services offered, location,~~
5 ~~the type of Colorado affiliation described under paragraph (a) of~~
6 ~~subsection (2) of this section that qualifies the businesses as a "local~~
7 ~~business", and any other factors the office deems appropriate.~~

8 ~~(d) The office shall make the data in the local business mobile~~
9 ~~application database available to other application developers. In so~~
10 ~~doing, the office shall take all appropriate steps to maintain the security~~
11 ~~of the database and the information used therein.~~

12 ~~(e) The office may register a trademark with the United States~~
13 ~~patent and trademark office or file a trademark with the Colorado~~
14 ~~secretary of state for the "By Colorado App" developed under this section.~~

15 ~~(4) The office is authorized to accept and expend gifts, grants, and~~
16 ~~donations for information technology costs incurred in creating,~~
17 ~~managing, operating, and maintaining the mobile application software~~
18 ~~developed pursuant to this section. The general assembly finds that the~~
19 ~~implementation of this section is not entirely dependent on the receipt of~~
20 ~~any gifts, grants, and donations.~~

21 **SECTION 2. Safety clause.** The general assembly finds,
22 determines, and declares that this act is necessary for the immediate
23 preservation of the public peace, health, or safety or for appropriations for
24 the support and maintenance of the departments of the state and state
25 institutions.