

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 18-0691.01 Jason Gelender x4330

HOUSE BILL 18-1070

HOUSE SPONSORSHIP

Young and Wist,

SENATE SPONSORSHIP

Scott and Zenzinger,

House Committees

Education
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING AN INCREASE IN THE AMOUNT OF FINANCIAL ASSISTANCE**
102 **THAT CAN BE PROVIDED FOR PUBLIC SCHOOL CAPITAL**
103 **CONSTRUCTION UNDER THE "BUILDING EXCELLENT SCHOOLS**
104 **TODAY ACT", AND, IN CONNECTION THEREWITH, INCREASING**
105 **THE AMOUNT OF RETAIL MARIJUANA EXCISE TAX REVENUE THAT**
106 **IS CREDITED TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION**
107 **ASSISTANCE FUND, INCREASING THE MAXIMUM TOTAL AMOUNT**
108 **OF ANNUAL LEASE PAYMENTS AUTHORIZED FOR**
109 **LEASE-PURCHASE AGREEMENTS ENTERED INTO UNDER THE ACT,**
110 **AND MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
3rd Reading Unamended
April 9, 2018

HOUSE
Amended 2nd Reading
April 6, 2018

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>.)

Currently, the first \$40 million of retail marijuana excise tax revenue annually collected is credited to the public school capital construction assistance fund (assistance fund) for purposes of the "Building Excellent Schools Today Act" (BEST) and the remainder of the revenue is credited to the state public school fund. For state fiscal years commencing on and after July 1, 2018, **sections 1 and 3** of the bill increase the amount of retail marijuana excise tax revenue credited to the assistance fund to the greater of 90% of the revenue annually collected or the first \$40 million of such revenue. The remainder of the revenue continues to be credited to the state public school fund. **Section 2** increases the maximum total annual amount of lease payments on BEST lease-purchase agreements authorized to be paid with both state money and local matching money to \$110 million for the 2018-19 fiscal year and \$120 million for the 2019-20 fiscal year and for each fiscal year thereafter.

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

SECTION 1. In Colorado Revised Statutes, 22-43.7-104, **amend**
(2)(d) as follows:

**22-43.7-104. Public school capital construction assistance fund
- creation - crediting of moneys to fund - use of fund - emergency
reserve - creation - reserve account - creation and use.**

(2) (d) Beginning January 1, 2014, AND ENDING JUNE 30, 2018, the state treasurer, as provided in section 39-28.8-305 (1)(a), ~~C.R.S.~~, shall annually credit to the assistance fund the first forty million dollars received and collected from the excise tax on retail marijuana imposed pursuant to part 3 of article 28.8 of title 39. ~~C.R.S.~~ ON AND AFTER JULY 1, 2018, THE STATE TREASURER, AS PROVIDED IN SECTION 39-28.8-305 (1)(a), SHALL ANNUALLY CREDIT TO THE ASSISTANCE FUND THE GREATER OF THE FIRST FORTY MILLION DOLLARS RECEIVED AND COLLECTED FROM THE EXCISE

1 TAX ON RETAIL MARIJUANA IMPOSED PURSUANT TO PART 3 OF ARTICLE
2 28.8 OF TITLE 39 OR NINETY PERCENT OF THE MONEY RECEIVED AND
3 COLLECTED FROM THE TAX. The state treasurer shall credit twelve and
4 five-tenths percent of the amount annually credited pursuant to this
5 ~~paragraph (d)~~ SUBSECTION (2)(d) to the charter school facilities assistance
6 account, which account is created within the assistance fund.

7 **SECTION 2.** In Colorado Revised Statutes, 22-43.7-110, **amend**
8 (2)(a) introductory portion, (2)(a)(V), and (2)(a)(VI); and **add** (2)(a)(VII)
9 and (2)(a)(VIII) as follows:

10 **22-43.7-110. Financial assistance - grants - lease-purchase**
11 **agreements.** (2) Subject to the following requirements and limitations,
12 the board may also instruct the state treasurer to enter into lease-purchase
13 agreements on behalf of the state to provide financial assistance to
14 applicants by financing public school facility capital construction projects
15 for which the state board has recommended and the capital development
16 committee has authorized the provision of financial assistance that
17 involves a lease-purchase agreement pursuant to section 22-43.7-109 (7):

18 (a) Subject to the limitation specified in ~~paragraph (b) of this~~
19 ~~subsection (2)~~ SUBSECTION (2)(b) OF THIS SECTION, the maximum total
20 amount of annual lease payments payable by the state during any fiscal
21 year under the terms of all outstanding lease-purchase agreements entered
22 into by the state treasurer as instructed by the board pursuant to this
23 subsection (2) is:

24 (V) Ninety million dollars for the 2016-17 fiscal year; ~~and~~

25 (VI) One hundred million dollars for the 2017-18 fiscal year; ~~and~~
26 ~~for each fiscal year thereafter;~~

27 (VII) ONE HUNDRED TEN MILLION DOLLARS FOR THE 2018-19

1 FISCAL YEAR; AND

2 (VIII) ONE HUNDRED TWENTY MILLION DOLLARS FOR THE 2019-20
3 FISCAL YEAR AND FOR EACH FISCAL YEAR THEREAFTER.

4 **SECTION 3.** In Colorado Revised Statutes, 22-54-104, **add**
5 **(5)(h)** as follows:

6 **22-54-104. District total program - definitions.** (5) For
7 purposes of the formulas used in this section:

8 (h) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, FOR ANY
9 STATE FISCAL YEAR, IF THE TOTAL AMOUNT OF REVENUE CREDITED,
10 PURSUANT TO SECTION 22-43.7-104 OR ANY OTHER PROVISION OF LAW, TO
11 THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE FUND CREATED
12 IN SECTION 22-43.7-104 (1) DURING THE PRIOR STATE FISCAL YEAR IS LESS
13 THAN THE TOTAL AMOUNT OF ALL PAYMENTS DUE DURING THE STATE
14 FISCAL YEAR ON LEASE-PURCHASE AGREEMENTS ENTERED INTO AS
15 AUTHORIZED BY SECTION 22-43.7-110, THEN:

16 (I) THE AMOUNT OF THE ANNUAL APPROPRIATION TO FUND THE
17 STATE'S SHARE OF TOTAL PROGRAM FUNDING FOR ALL DISTRICTS AND FOR
18 INSTITUTE CHARTER SCHOOLS IS REDUCED BY AN AMOUNT EQUAL TO THE
19 DIFFERENCE BETWEEN THE TOTAL AMOUNT OF REVENUE CREDITED TO THE
20 PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE FUND DURING THE
21 PRIOR FISCAL YEAR AND THE TOTAL AMOUNT OF ALL PAYMENTS DUE
22 DURING THE STATE FISCAL YEAR ON THE LEASE-PURCHASE AGREEMENTS;
23 AND

24 (II) THE STATE TREASURER SHALL TRANSFER FROM THE GENERAL
25 FUND TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE FUND,
26 THE AMOUNT NECESSARY TO ENSURE THAT ALL LEASE-PURCHASE
27 PAYMENTS DUE DURING THE STATE FISCAL YEAR ARE MADE IN FULL.

1 **SECTION 4.** In Colorado Revised Statutes, **amend** 39-28.8-305,
2 as follows:

3 **39-28.8-305. Distribution of tax collected.** (1) All moneys
4 MONEY received and collected in payment of the tax imposed by the
5 ~~provisions of this part 3~~ shall be transmitted to the state treasurer, who
6 shall distribute the money as follows:

7 (a) (I) UNTIL JUNE 30, 2018, the first forty million dollars received
8 and collected annually shall be transferred to the public school capital
9 construction assistance fund created by article 43.7 of title 22 ~~C.R.S.~~, or
10 to any successor fund dedicated to a similar purpose; and

11 (II) ON AND AFTER JULY 1, 2018, THE GREATER OF THE FIRST
12 FORTY MILLION DOLLARS RECEIVED AND COLLECTED ANNUALLY OR
13 NINETY PERCENT OF THE MONEY RECEIVED AND COLLECTED ANNUALLY
14 SHALL BE TRANSFERRED TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION
15 ASSISTANCE FUND CREATED BY ARTICLE 43.7 OF TITLE 22 OR TO ANY
16 SUCCESSOR FUND DEDICATED TO A SIMILAR PURPOSE; AND

17 (b) Any amount remaining after the transfer pursuant to ~~paragraph~~
18 ~~(a) of this subsection (1)~~ SUBSECTION (1)(a) OF THIS SECTION shall be
19 transferred to the public school fund created in section 3 of article IX of
20 the state constitution, which is the same as the public school fund
21 described in section 22-41-102. ~~C.R.S.~~

22 **SECTION 5. Appropriation.** For the 2018-19 state fiscal year,
23 \$34,000,000 is appropriated to the department of education. This
24 appropriation is from the public school capital construction assistance
25 fund created in section 22-43.7-104 (1), C.R.S. To implement this act, the
26 department may use this appropriation for public school capital
27 construction assistance board - lease payments.

1 **SECTION 6. 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.