

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 19-0810.02 Ed DeCecco x4216

HOUSE BILL 19-1257

HOUSE SPONSORSHIP

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House Committees

Finance
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A BILL FOR AN ACT

101 **CONCERNING AUTHORITY FOR THE STATE TO KEEP AND SPEND ALL OF**
102 **THE REVENUE IN EXCESS OF THE CONSTITUTIONAL LIMITATION**
103 **ON STATE FISCAL YEAR SPENDING BEGINNING WITH THE 2019-20**
104 **FISCAL YEAR IN ORDER TO PROVIDE FUNDING FOR PUBLIC**
105 **SCHOOLS, HIGHER EDUCATION, AND ROADS, BRIDGES, AND**
106 **TRANSIT.**

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>.)

Beginning with the 2018-19 fiscal year, the bill authorizes the state

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.

to annually retain and spend all state revenues in excess of the constitutional limitation on state fiscal year spending that the state would otherwise be required to refund. The bill is a referendum that will be submitted to the voters at the statewide election held on November 5, 2019, and approval of the ballot title at the election constitutes a voter-approved revenue change to the constitutional limitation on state fiscal year spending.

If approved, an amount of money equal to the state revenues retained under this measure is designated as part of the general fund exempt account. The general assembly is required to appropriate or the state treasurer is required to transfer this money to provide funding for:

- ! Public schools;
- ! Higher education; and
- ! Roads, bridges, and transit.

Legislative council staff will be required to specify this retained amount and its associated uses in an annual report that it currently prepares related to revenue retained and spent under referendum C. In addition, the state auditor is required to contract with a private entity to annually conduct a financial audit regarding the use of the money that the state retains and spends under this measure.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-77-103.6, **amend**
3 (2) introductory portion and (4); and **add** (1)(c), (2.5), and (5.5) as
4 follows:

5 **24-77-103.6. Retention of excess state revenues - general fund**
6 **exempt account - required uses - excess state revenues legislative**
7 **report.** (1) (c) NOTWITHSTANDING ANY PROVISION OF LAW TO THE
8 CONTRARY, FOR EACH FISCAL YEAR COMMENCING ON OR AFTER JULY 1,
9 **2019**, THE STATE IS AUTHORIZED TO RETAIN AND SPEND ALL STATE
10 REVENUES IN EXCESS OF THE LIMITATION ON STATE FISCAL YEAR SPENDING
11 THAT THE STATE WOULD OTHERWISE BE REQUIRED TO REFUND UNDER
12 SECTION 20 (7)(d) OF ARTICLE X OF THE STATE CONSTITUTION IF THE
13 VOTERS HAD NOT APPROVED THIS SUBSECTION (1)(c) AT THE NOVEMBER
14 2019 STATEWIDE ELECTION.

1 (2) There is hereby created in the general fund the general fund
2 exempt account, which shall consist of an amount of moneys equal to the
3 amount of state revenues in excess of the limitation on state fiscal year
4 spending that the state retains for a given fiscal year pursuant to this
5 section. The moneys in the account THAT CORRESPOND TO SUBSECTION
6 (1)(b) OF THIS SECTION shall be appropriated or transferred by the general
7 assembly for the following purposes:

8 (2.5) THE GENERAL ASSEMBLY SHALL APPROPRIATE OR THE STATE
9 TREASURER SHALL TRANSFER THE MONEY IN THE GENERAL FUND EXEMPT
10 ACCOUNT THAT CORRESPONDS TO SUBSECTION (1)(c) OF THIS SECTION TO
11 PROVIDE FUNDING FOR:

- 12 (a) PUBLIC SCHOOLS;
- 13 (b) HIGHER EDUCATION; AND
- 14 (c) ROADS, BRIDGES, AND TRANSIT.

15 (4) The approval of this section by the registered electors of the
16 state voting on the issue at the November 2005 statewide election
17 ~~constitutes a~~ AND THE NOVEMBER 2019 STATEWIDE ELECTION CONSTITUTE
18 voter-approved revenue ~~change~~ CHANGES to allow the retention and
19 expenditure of state revenues in excess of the limitation on state fiscal
20 year spending.

21 (5.5) THE STATE AUDITOR SHALL CONTRACT WITH A PRIVATE
22 ENTITY TO ANNUALLY CONDUCT AN INDEPENDENT FINANCIAL AUDIT
23 REGARDING THE USE OF THE MONEY IN THE GENERAL FUND EXEMPT
24 ACCOUNT THAT IS APPROPRIATED OR TRANSFERRED IN ACCORDANCE WITH
25 SUBSECTION (2.5) OF THIS SECTION.

26 **SECTION 2. Refer to people under referendum.** At the
27 election held on November 5, 2019, the secretary of state shall submit this

1 act by its ballot title to the registered electors of the state for their
2 approval or rejection. Each elector voting at the election may cast a vote
3 either "Yes/For" or "No/Against" on the following ballot title: "Without
4 raising taxes and to better fund public schools, higher education, and
5 roads, bridges, and transit, within a balanced budget, may the state keep
6 and spend all the revenue it annually collects after June 30, 2019, but is
7 not currently allowed to keep and spend under Colorado law, with an
8 annual independent audit to show how the retained revenues are spent?"
9 Except as otherwise provided in section 1-40-123, Colorado Revised
10 Statutes, if a majority of the electors voting on the ballot title vote
11 "Yes/For", then the act will become part of the Colorado Revised
12 Statutes.