

First Regular Session
Seventy-third General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 21-0846.01 Ed DeCecco x4216

SENATE BILL 21-220

SENATE SPONSORSHIP

Hansen and Rankin, Moreno

HOUSE SPONSORSHIP

Herod, McCluskie, Ransom

Senate Committees
Appropriations

House Committees

A BILL FOR AN ACT

101 CONCERNING THE STABILIZATION OF REVENUE IN THE SEVERANCE TAX
102 OPERATIONAL FUND BY RETURNING MONEY THAT WAS
103 TRANSFERRED TO NATURAL RESOURCES AND ENERGY GRANT
104 PROGRAMS.

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. Money in the severance tax operational fund (operational fund) is primarily used for 2 purposes. The general assembly annually appropriates money from the operational fund for

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.

several core departmental programs. If money remains after these appropriations and after a reserve requirement for the core departmental programs is satisfied, then the state treasurer transfers money to several funds that support natural resources and energy grant programs (grant programs). On August 15, 2020, the state treasurer made these transfers to the grant programs based on revenue that was available for the fiscal year 2019-20.

Based on recent forecasts, however, there will be insufficient revenue in the operational fund for the core departmental programs. To avoid a fund deficit in the operational fund, the bill reverses 5 transfers made in the following amounts:

- \$1,998,205 for the species conservation trust fund;
- \$1,600,964 for the parks and wildlife aquatic nuisance species fund;
- \$219,803 for the water efficiency grant program cash fund;
- \$297,759 for the interbasin compact committee operation fund; and
- \$3,996,410 for the water supply reserve fund.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-33-111, **add**
3 (2)(a)(I)(C) as follows:

4 **24-33-111. Conservation of native species - fund created.**

5 (2) **Species conservation trust fund - creation.**

6 (a) (I) (C) NOTWITHSTANDING SUBSECTION (2)(a)(I)(A) OF THIS SECTION,
7 ON THE EFFECTIVE DATE OF THIS SUBSECTION (2)(a)(I)(C), THE STATE
8 TREASURER SHALL TRANSFER ONE MILLION NINE HUNDRED NINETY-EIGHT
9 THOUSAND TWO HUNDRED FIVE DOLLARS FROM THE SPECIES
10 CONSERVATION TRUST FUND TO THE SEVERANCE TAX OPERATIONAL FUND
11 CREATED IN SECTION 39-29-109 (2)(b)(I).

12 **SECTION 2.** In Colorado Revised Statutes, 33-10.5-108, **add** (3)
13 as follows:

14 **33-10.5-108. Division of parks and wildlife aquatic nuisance**
15 **species fund - creation.** (3) NOTWITHSTANDING SUBSECTION (1) OF THIS

1 SECTION, ON THE EFFECTIVE DATE OF THIS SUBSECTION (3), THE STATE
2 TREASURER SHALL TRANSFER ONE MILLION SIX HUNDRED THOUSAND NINE
3 HUNDRED SIXTY-FOUR DOLLARS FROM THE FUND TO THE SEVERANCE TAX
4 OPERATIONAL FUND CREATED IN SECTION 39-29-109 (2)(b)(I).

5 **SECTION 3.** In Colorado Revised Statutes, 37-60-126, **add**
6 (12)(a)(V) as follows:

7 **37-60-126. Water conservation and drought mitigation**
8 **planning - programs - relationship to state assistance for water**
9 **facilities - guidelines - water efficiency grant program - definitions -**
10 **repeal.** (12) (a) (V) ON THE EFFECTIVE DATE OF THIS SUBSECTION
11 (12)(a)(V), THE STATE TREASURER SHALL TRANSFER TWO HUNDRED
12 NINETEEN THOUSAND EIGHT HUNDRED THREE DOLLARS FROM THE WATER
13 EFFICIENCY GRANT PROGRAM CREATED IN SUBSECTION (12)(a)(I) OF THIS
14 SECTION TO THE SEVERANCE TAX OPERATIONAL FUND CREATED IN
15 SECTION 39-29-109 (2)(b)(I).

16 **SECTION 4.** In Colorado Revised Statutes, 37-75-107, **add** (3)
17 as follows:

18 **37-75-107. Interbasin compact committee operation fund -**
19 **creation.** (3) NOTWITHSTANDING SUBSECTION (1) OF THIS SECTION, ON
20 THE EFFECTIVE DATE OF THIS SUBSECTION (3), THE STATE TREASURER
21 SHALL TRANSFER TWO HUNDRED NINETY-SEVEN THOUSAND SEVEN
22 HUNDRED FIFTY-NINE DOLLARS FROM THE INTERBASIN COMPACT
23 COMMITTEE OPERATION FUND CREATED IN SUBSECTION (1) OF THIS
24 SECTION TO THE SEVERANCE TAX OPERATIONAL FUND CREATED IN
25 SECTION 39-29-109 (2)(b)(I).

26 **SECTION 5.** In Colorado Revised Statutes, 39-29-109, **add**
27 (2)(b)(III) and (2)(c)(V) as follows:

1 **39-29-109. Severance tax trust fund - created - administration**
2 **- distribution of money - legislative declaration.** (2) State severance
3 tax receipts must be credited to the severance tax trust fund as provided
4 in section 39-29-108. All income derived from the deposit and investment
5 of the money in the fund must be credited to the fund. At the end of any
6 fiscal year, all unexpended and unencumbered money in the fund remains
7 in the fund and must not be credited or transferred to the general fund or
8 any other fund. All money in the fund is subject to appropriation by the
9 general assembly for the following purposes:

10 (b) **The severance tax operational fund.** (III) THE FUND ALSO
11 INCLUDES AMOUNTS THAT WERE TRANSFERRED TO NATURAL RESOURCES
12 AND ENERGY GRANT PROGRAMS UNDER SECTION 39-29-109.3 AND THAT
13 WERE TRANSFERRED BACK TO THE FUND IN ACCORDANCE WITH
14 SUBSECTION (2)(c)(V) OF THIS SECTION AND SECTIONS 24-33-111
15 (2)(a)(I)(C), 33-10.5-108 (3), 37-60-126 (12)(a)(V), AND 37-75-107 (3).

16 (c) **The water supply reserve fund.** (V) ON THE EFFECTIVE DATE
17 OF THIS SUBSECTION (2)(c)(V), THE STATE TREASURER SHALL TRANSFER
18 THREE MILLION NINE HUNDRED NINETY-SIX THOUSAND FOUR HUNDRED
19 TEN DOLLARS FROM THE FUND TO THE SEVERANCE TAX OPERATIONAL
20 FUND CREATED IN SUBSECTION (2)(b)(I) OF THIS SECTION.

21 **SECTION 6. Safety clause.** The general assembly hereby finds,
22 determines, and declares that this act is necessary for the immediate
23 preservation of the public peace, health, or safety.