

CHAPTER 199

**GOVERNMENT - STATE**

**HOUSE BILL 02-1478**

BY REPRESENTATIVE(S) Young, Berry, and Saliman;  
also SENATOR(S) Reeves, Tate, and Owen.

**AN ACT**

**CONCERNING THE FISCAL POLICY OF THE STATE FOR THE 2001-02 AND 2002-03 STATE FISCAL YEARS  
IN RELATION TO THE STATUTORILY REQUIRED GENERAL FUND RESERVE IN THE EVENT OF A  
REVENUE SHORTFALL.**

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

**SECTION 1.** 24-75-201.1 (1) (d) (VI), Colorado Revised Statutes, as amended by House Bill 02-1445, enacted at the Second Regular Session of the Sixty-third General Assembly, is amended to read:

**24-75-201.1. Restriction on state appropriations - legislative declaration - definitions.** (1) (d) For each fiscal year, unrestricted general fund year-end balances shall be retained as a reserve in the following amounts:

(VI) For the fiscal year 2001-02, ~~one percent~~ NO PERCENTAGE of the amount appropriated for expenditure from the general fund for that fiscal year, AS NO RESERVE SHALL BE REQUIRED FOR SAID FISCAL YEAR. The additional amount of general fund moneys made available for appropriation by the ~~reduction in~~ ELIMINATION OF the required reserve from four percent to ~~one percent~~ for the fiscal year 2001-02, as provided in this subparagraph (VI), may be appropriated for any lawful purpose.

**SECTION 2.** 24-75-201.5 (1) (c) (I) and (1) (c) (II), Colorado Revised Statutes, as amended by House Bill 02-1445, enacted at the Second Regular Session of the Sixty-third General Assembly, are amended to read:

**24-75-201.5. Revenue shortfalls - required actions by the governor with respect to the reserve.** (1) (c) (I) Notwithstanding and in lieu of the provisions of paragraph (a) of this subsection (1), for the fiscal year 2001-02 only, if the revenue

---

*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

estimate prepared in accordance with section 24-75-201.3 (2), in June of 2002, indicates that general fund expenditures for such fiscal year based on appropriations then in effect will ~~result in the use of any of the reserve required by section 24-75-201.1 (1) (d) (VI)~~ EXCEED THE AMOUNT OF GENERAL FUND REVENUES AVAILABLE FOR EXPENDITURE FOR SUCH FISCAL YEAR, the state treasurer and the controller, upon the written order of the governor, shall transfer to the general fund, from time to time during the period beginning on June 20, 2002, and ending on June 30, 2002, from the tobacco litigation settlement trust fund created in section 24-22-115.5 (2), ~~or~~ the unclaimed property trust fund created in section 38-13-116.5, C.R.S., OR THE MAJOR MEDICAL INSURANCE FUND CREATED IN SECTION 8-46-202 (1) (a), C.R.S., ~~or both~~ FROM ALL OF SUCH FUNDS, such amounts as are required to permit prompt disbursement from the general fund of any appropriation made therefrom for any lawful purpose; ~~and to ensure that said reserve, as of the close of the fiscal year 2001-02, will be at least the amount required by section 24-75-201.1 (1) (d) (VI);~~

(II) Effective July 1, 2002, the state treasurer and the controller shall transfer moneys from the general fund to the tobacco litigation settlement trust fund AND THE MAJOR MEDICAL INSURANCE FUND in order to restore to said ~~fund~~ FUNDS any amount transferred therefrom pursuant to subparagraph (I) OF THIS PARAGRAPH (c).

**SECTION 3.** 24-75-201.5 (1) (d) (II), Colorado Revised Statutes, as amended by House Bill 02-1445, enacted at the Second Regular Session of the Sixty-third General Assembly, is amended BY THE ADDITION OF A NEW SUB-SUBPARAGRAPH, to read:

**24-75-201.5. Revenue shortfalls - required actions by the governor with respect to the reserve.** (1) (d) (II) The transfer or transfers described in subparagraph (I) of this paragraph (d) shall be made from one or more of the following funds:

(D) THE MAJOR MEDICAL INSURANCE FUND CREATED IN SECTION 8-46-202 (1) (a), C.R.S., NOT TO EXCEED SEVENTY-FIVE MILLION DOLLARS.

**SECTION 4.** 39-26-123 (2) (a.5) (III), Colorado Revised Statutes, as amended by House Bill 02-1445, enacted at the Second Regular Session of the Sixty-third General Assembly, is amended to read:

**39-26-123. Receipts - disposition.** (2) (a.5) For the 2002-03 fiscal year, in the event of any transfer of moneys to the general fund pursuant to section 24-75-201.5 (1) (d), C.R.S., eighty-five percent of all receipts collected under the provisions of this article shall be credited to the old age pension fund, and the remaining fifteen percent shall be allocated to the general fund for said fiscal year, unless on or after January 1, 2003, sufficient general fund revenues are received by the state to:

(III) Make transfers from the general fund to the employment support fund, the tobacco litigation settlement trust fund, ~~and~~ the unclaimed property trust fund, AND THE MAJOR MEDICAL INSURANCE FUND on or before June 30, 2003, in order to restore to said funds any amounts transferred pursuant to section 24-75-201.5 (1) (d) (II), C.R.S.; and

**SECTION 5. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 28, 2002