

CHAPTER 176

GOVERNMENT - STATE

HOUSE BILL 15-1280

BY REPRESENTATIVE(S) Young, Hamner, Rankin, Becker K., Brown, Vigil, Duran, Fields, Lontine, Pettersen, Rosenthal, Salazar, Ryden, Tyler, Williams;
also SENATOR(S) Grantham, Lambert, Steadman, Baumgardner, Kefalas, Sonnenberg, Crowder, Martinez Humenik, Roberts, Scott.

AN ACT**CONCERNING THE CREATION OF A CAPITAL RESERVE IN CERTAIN CASH FUNDS.**

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

SECTION 1. In Colorado Revised Statutes, **add** 24-75-403 as follows:

24-75-403. Capital reserve - creation - annual appropriation - definitions.

(1) AS USED IN THIS SECTION:

(a) "CAPITAL CONSTRUCTION" HAS THE SAME MEANING AS SET FORTH IN SECTION 24-30-1301 (2).

(b) "CAPITAL OUTLAY" HAS THE SAME MEANING AS SET FORTH IN SECTION 24-75-112 (1) (a).

(c) "CAPITAL RENEWAL" HAS THE SAME MEANING AS SET FORTH IN SECTION 24-30-1301 (3).

(d) "CASH FUND" MEANS ANY FUND ESTABLISHED BY LAW FOR A SPECIFIC PROGRAM OR PURPOSE; EXCEPT THAT "CASH FUND" DOES NOT INCLUDE THE STATE GENERAL FUND CREATED BY SECTION 24-75-201, THE LOTTERY FUND CREATED IN SECTION 24-35-210, THE HIGHWAY USERS TAX FUND CREATED IN SECTION 43-4-201, C.R.S., OR THE LIMITED GAMING FUND CREATED IN SECTION 12-47.1-701 (1), C.R.S.

(e) "CONTROLLED MAINTENANCE" HAS THE SAME MEANING AS SET FORTH IN SECTION 24-30-1301 (4).

(f) "DEPRECIATION" MEANS AN AMOUNT CALCULATED IN ACCORDANCE WITH

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

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

(g) "DEPRECIATION PERIOD" MEANS A PERIOD DETERMINED IN FISCAL PROCEDURES ISSUED BY THE STATE CONTROLLER.

(2) FOR EACH CASH FUND FROM WHICH MONEYS ARE APPROPRIATED FOR CAPITAL OUTLAY OR CAPITAL CONSTRUCTION, THE PRINCIPAL DEPARTMENT RESPONSIBLE FOR THE ACCOUNTING RELATED TO THE FUND SHALL IDENTIFY IN THE FUND BALANCE REPORT A CAPITAL RESERVE, WHICH CONSISTS OF AN AMOUNT EQUAL TO THE DEPRECIATION OF THE DEPRECIABLE COMPONENTS OF THE CAPITAL OUTLAY OR THE CAPITAL CONSTRUCTION, BASED ON THE DEPRECIATION PERIOD.

(3) ANY UNCOMMITTED CAPITAL RESERVES AT THE END OF A FISCAL YEAR MAY BE USED FOR CAPITAL OUTLAY, CAPITAL CONSTRUCTION, CAPITAL RENEWAL, OR CONTROLLED MAINTENANCE, SUBJECT TO AN APPROPRIATION IN THE ANNUAL GENERAL APPROPRIATION ACT. THIS APPROPRIATION REQUIREMENT APPLIES EVEN IF THE MONEYS IN THE FUND ARE OTHERWISE CONTINUOUSLY APPROPRIATED.

SECTION 2. In Colorado Revised Statutes, 24-30-207, **amend** (3) as follows:

24-30-207. Reports of revenue and expenditures. (3) For the 1997-98 fiscal year and for each fiscal year thereafter, the controller shall prepare a report for the state ascertaining the amount of uncommitted reserves, as defined in ~~section 24-75-402 (2)~~ SECTION 24-75-402 (2) (h), credited to each state cash fund, as defined by section 24-75-402 (2) (b). THE STATE CONTROLLER SHALL INCLUDE IN THE REPORT THE AMOUNT OF THE CAPITAL RESERVE THAT IS EXCLUDED FROM THE DEFINITION OF "UNCOMMITTED RESERVES" IN ACCORDANCE WITH SECTION 24-75-402 (2) (h) (I). ~~Such report shall be audited by~~ The state auditor SHALL AUDIT SUCH REPORT. Such report ~~shall~~ MUST be delivered to the office of state planning and budgeting and to the joint budget committee of the general assembly on or before September 20 of each year.

SECTION 3. In Colorado Revised Statutes, 24-30-1108, **repeal** (6) (a) (I) as follows:

24-30-1108. Revolving fund - service charges - pricing policy. (6) (a) (I) ~~For the 2013-14 fiscal year and each fiscal year thereafter, the alternative target reserve for purposes of section 24-75-402 for the department of personnel revolving fund will be sixteen and five-tenths percent of the amount expended from the fund during a fiscal year, plus any balance identified in the capital outlay reserve.~~

SECTION 4. In Colorado Revised Statutes, 24-75-402, **amend** (2) (h) (I) as follows:

24-75-402. Cash funds - limit on uncommitted reserves - reduction in amount of fees - exclusions. (2) For purposes of this section, unless the context otherwise requires:

(h) "Uncommitted reserves" means the fund balance of a cash fund as of June 30 of any fiscal year, minus the following:

(I) Any long-term assets credited to the cash fund, INCLUDING A CAPITAL RESERVE IDENTIFIED IN ACCORDANCE WITH SECTION 24-75-403;

SECTION 5. Applicability. This act applies to fiscal years that begin on or after July 1, 2014.

SECTION 6. 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 11, 2015