

Retention of Surplus Revenues

Be it enacted by the People of the State of Colorado:

SECTION 1. Article 77 of title 24, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

§ 24-77-103.6.5. Retention of 2016 election excess state revenues – 2016 election general fund exempt account - required uses - 2016 election excess state revenues legislative report

(1)(a) Notwithstanding any provision of law to the contrary and without increasing tax rates or imposing new taxes, for each fiscal year commencing on or after July 1, 2016, but before July 1, 2026, the state shall be authorized to retain and spend all state revenues in excess of the sum of the limitation on state fiscal year spending plus 2005 election excess state revenues.

(b) Notwithstanding any provision of law to the contrary and without increasing tax rates or imposing new taxes, for each fiscal year commencing on or after July 1, 2026, the state shall be authorized to retain and spend all state revenues that are in excess of the sum of the limitation on state fiscal year spending plus 2005 election excess state revenues, but less than the 2016 election excess state revenues cap for the given fiscal year.

(2) There is hereby created in the general fund the 2016 election general fund exempt account, which shall consist of the 2016 election excess state revenues that the state retains for a given fiscal year pursuant to this section. The moneys in the account shall be appropriated or transferred for any purposes determined by the general assembly, including, but not limited to, for public schools, transportation projects, and for other priorities.

(3) The statutory limitation on general fund appropriations set forth in section 24-75-201.1(1) (a), and the exceptions or exclusions thereto, shall apply to the moneys in the 2016 election general fund exempt account.

(4) As permitted by the Taxpayer's Bill of Rights, the approval of this section by the registered electors of the state voting on the issue at the November 2016 statewide election constitutes a voter-approved revenue change to allow the retention and expenditure of state revenues in excess of the limitation on state fiscal year spending.

(5)(a) For each fiscal year that the state retains and spends state revenues in excess of the limitation on state fiscal year spending pursuant to this section, the director of research of the legislative council shall prepare a 2016 election excess state revenues legislative report that includes the following information:

(I) The amount of 2016 election excess state revenues that the state retained pursuant to this section; and

(II) A description of how the 2016 election excess state revenues that the state retained pursuant

to this section were expended.

(b) The report required by this subsection (5) shall be completed by October 15 following a fiscal year that the state retains and spends revenues pursuant to this section and may be amended thereafter as necessary. The director of research shall publish and link to the official web site of the general assembly a copy of the report.

(6) As used in this section:

(a) "2005 election excess state revenues" means those state revenues in excess of the limitation of state fiscal year spending that the state is authorized to retain and spend pursuant to 24-77-103.6.

(b) "2016 election excess state revenues" means state revenues that are in excess of the sum of the limitation on state fiscal year spending plus 2005 election excess state revenues

(c)(I) "2016 election excess state revenues cap" for a given fiscal year means an amount that is equal to the highest total state revenues for a fiscal year from the period of the 2016-17 fiscal year through the 2025-26 fiscal year, adjusted each subsequent fiscal year for inflation, the percentage change in state population, the qualification or disqualification of enterprises, and debt service changes.

(II) As used in this paragraph (c), inflation and the percentage change in state population shall be the same rates that are used in calculating the maximum annual percentage change in state fiscal year spending pursuant to section 24-77-103, and the qualification or disqualification of an enterprise or debt service changes shall change the 2016 election excess state revenues cap in the same manner as such change affects the limitation on state fiscal year spending.

(d) "State revenues" means state revenues not excluded from state fiscal year spending, as defined in section 24-77-102(17).