



Joint Budget Committee Staff

Memorandum

To: Joint Budget Committee Members
From: Kelly Shen, JBC Staff (303-866-5434)
Date: Monday, March 24, 2025
Subject: [JBC Potential Legislation – Packet 16](#)

This packet includes bill drafts for the Committee’s consideration. Unless otherwise indicated by the JBC analyst, **these bills are seeking approval for introduction**. This includes:

- deciding on sponsors,
- allowing JBC staff permission to make technical changes including adding appropriation clauses, and
- indicating if the bill will run with the Long Bill package.

Each individual item has page numbers, but also a packet page number (P-XX) to help navigate the whole document.

Potential Legislation

Department of Corrections

LLS 25-1024 Broadband Infrastructure Cash Fund Transfer (Brakke) P-1

LLS 25-1022 Temporary Inmate Transfer (Brakke) P-3

Department of Public Safety

LLS 25-0964 Digital Trunked Radio System Funding (Kemm) P-6

Education

LLS 25-0941 Public School Capital Construction Assistance Fund Rev Cap (Bickel) P-10

Department of Personnel

LLS 25-1009 Repeal Annual General Fund Transfer to Revolving Fund (Dermody) P-25

LLS 25-1025 Funds for Support of Digital Trunked Radio System (Kemm) P-27

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

DRAFT
3/22/25

DRAFT

LLS NO. 25-1024.01 Michael Dohr x4347

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Broadband Infrastructure Cash Fund Transfer

A BILL FOR AN ACT

101 **CONCERNING THE USE OF THE BROADBAND INFRASTRUCTURE CASH**
102 **FUND, AND, IN CONNECTION THEREWITH, MAKING AN**
103 **APPROPRIATION.**

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/>.)

The bill requires the state treasurer, on July 1, 2025, to transfer \$842,346 from the general fund to the broadband infrastructure cash fund (fund). Current law lists the correctional facilities where the money in the fund may be used to install broadband infrastructure. The bill adds the Colorado territorial correctional facility to the list.

*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words indicate deletions from existing law.*

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

SECTION 1. In Colorado Revised Statutes, 17-1-168, **amend** (3)(d) and (3)(e); and **add** (1)(c) and (3)(f) as follows:

17-1-168. Broadband infrastructure cash fund - created - repeal. (1) (c) ON JULY 1, 2025, THE STATE TREASURER SHALL TRANSFER EIGHT HUNDRED FORTY-TWO THOUSAND THREE HUNDRED FORTY-SIX DOLLARS FROM THE GENERAL FUND TO THE FUND.

(3) Subject to annual appropriation by the general assembly, the department may expend money from the fund to install broadband infrastructure at the following correctional facilities:

(d) Buena Vista correctional complex; ~~and~~

(e) San Carlos correctional facility; AND

(f) COLORADO TERRITORIAL CORRECTIONAL FACILITY.

SECTION 2. Appropriation. For the 2025-26 state fiscal year, \$842,346 is appropriated to the department of corrections for use by institutions. This appropriation is from the broadband infrastructure cash fund created in section 17-1-168 (1)(a), C.R.S. To implement this act, the institutions may use this appropriation for broadband installation.

SECTION 3. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

REDRAFT

3/24/25

Double underlining
denotes changes from
prior draft

DRAFT

LLS NO. 25-1022.01 Michael Dohr x4347

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Temporary Inmate Transfer

A BILL FOR AN ACT

101 CONCERNING THE TEMPORARY USE OF THE CENTENNIAL
102 CORRECTIONAL FACILITY-SOUTH C-TOWER TO HOUSE _____
103 INMATES DURING THE STERLING CORRECTIONAL FACILITY
104 ACCESS CONTROLS PROJECT, AND, IN CONNECTION THEREWITH,
105 MAKING AN APPROPRIATION.

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/>.)

The bill allows the Centennial correctional facility-south c-tower

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Dashes through the words indicate deletions from existing law.*

to be used to temporarily house close- and medium-custody inmates for the duration of the Sterling correctional facility access controls project.

The bill appropriates \$1,829,000 from the general fund to the department of corrections to implement the bill.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds that the temporary use of C-tower at Centennial Correctional
4 Facility-South is necessary to accommodate the impact of the access
5 controls capital renewal project at the Sterling Correctional Facility. It is
6 the General Assembly's intent that major accommodations of this kind be
7 considered by the capital development committee in the future.

8 **SECTION 2.** In Colorado Revised Statutes, 17-1-104.3, **add**
9 (1)(b.6) as follows:

10 **17-1-104.3. Correctional facilities - locations - security level -**
11 **report.** (1) (b.6) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO
12 THE CONTRARY, THE CENTENNIAL CORRECTIONAL FACILITY-SOUTH
13 C-TOWER MAY BE USED TO TEMPORARILY HOUSE CLOSE- AND
14 MEDIUM-CUSTODY INMATES FOR THE DURATION OF THE STERLING
15 CORRECTIONAL FACILITY ACCESS CONTROLS PROJECT AND THE TIME
16 REQUIRED TO TEMPORARILY RELOCATE THE INMATES AND THEN RETURN
17 THEM TO THE STERLING CORRECTIONAL FACILITY.

18 **SECTION 3. Appropriation.** For the 2025-26 state fiscal year,
19 \$1,829,000 is appropriated to the department of corrections for use by
20 institutions. This appropriation is from the general fund. To implement
21 this act, the institutions may use this appropriation for operating expenses
22 related to the superintendents subprogram.

23 **SECTION 4. Safety clause.** The general assembly finds,
24 determines, and declares that this act is necessary for the immediate

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3/24/25

Double underlining
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prior draft

- 1 preservation of the public peace, health, or safety or for appropriations for
- 2 the support and maintenance of the departments of the state and state
- 3 institutions.

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

DRAFT
3/24/25

DRAFT

LLS NO. 25-0964.02 Jed Franklin x5484

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Digital Trunked Radio System Funding

A BILL FOR AN ACT

101 **CONCERNING SUPPORT FOR THE DIGITAL TRUNKED RADIO SYSTEM.**

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. The 911 services enterprise (enterprise) was created to set and collect a 911 enterprise fee (fee) to be used to advance the development of the 911 emergency telephone system. The bill provides that one of the primary powers and duties of the enterprise is to enhance public safety by supporting the digital trunked radio system (DTRS) by funding the cost of the use of the DTRS by state agencies that use general fund money to pay for the DTRS as part of the DTRS common policy payment to the department of public safety with a fee set

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Dashes through the words indicate deletions from existing law.*

by the enterprise. The enterprise shall collect revenue to pay for the necessary amount to cover the identified fiscal year backfill for the general fund portion of state agency DTRS payments and transfer that amount to the public safety communications revolving fund. The enterprise shall also maintain a reserve of \$500,000 in the enterprise annually. The portion of the fee dedicated to advancing development of the 911 telephone system and the portion dedicated to the DTRS common policy payments must be delineated and the money dedicated for each purpose must be segregated and not commingled.

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

2 **SECTION 1.** In Colorado Revised Statutes, 29-11-108, **amend**
3 (5)(e), (5)(f), and (8)(a); and **add** (5)(g) as follows:

4 **29-11-108. 911 services enterprise - creation - powers and**
5 **duties - cash fund - legislative declaration.** (5) The enterprise's primary
6 powers and duties are to:

7 (e) Adopt, amend, or repeal policies for the regulation of its
8 affairs and the conduct of its business consistent with this section; ~~and~~

9 (f) Prepare and submit an annual financial report pursuant to
10 subsection (9)(b) of this section; AND

11 (g) ENHANCE PUBLIC SAFETY BY SUPPORTING THE DIGITAL
12 TRUNKED RADIO SYSTEM BY FUNDING THE COST OF THE USE OF THE
13 DIGITAL TRUNKED RADIO SYSTEM BY STATE AGENCIES THAT USE GENERAL
14 FUND MONEY TO PAY FOR THE RADIOS AS PART OF THE DIGITAL TRUNKED
15 RADIO SYSTEM COMMON POLICY PAYMENT TO THE DEPARTMENT OF PUBLIC
16 SAFETY. THE ENTERPRISE SHALL COLLECT REVENUE TO PAY FOR THE
17 NECESSARY AMOUNT TO COVER THE IDENTIFIED FISCAL YEAR BACKFILL
18 FOR THE GENERAL FUND PORTION OF STATE AGENCY DIGITAL TRUNKED
19 RADIO SYSTEM PAYMENTS AND TRANSFER THAT AMOUNT TO THE PUBLIC
20 SAFETY COMMUNICATIONS REVOLVING FUND CREATED IN SECTION

1 24-33.5-2502 (2). THE ENTERPRISE SHALL ALSO MAINTAIN A RESERVE OF
2 FIVE HUNDRED THOUSAND DOLLARS IN THE ENTERPRISE ANNUALLY.

3 (8) (a) In furtherance of its business purpose and pursuant to the
4 authority set forth in subsection (5)(a) of this section, the enterprise shall
5 impose the 911 enterprise fee in an amount to be established annually by
6 the enterprise after consulting with the commission. The amount shall not
7 exceed, together with the 911 surcharge imposed by the commission, the
8 limitation of fifty cents per month per 911 access connection set forth in
9 section 29-11-102.3 (1)(a). The enterprise shall establish the 911
10 enterprise fee before the commission establishes its surcharge pursuant
11 to section 29-11-102.3 (1)(b). The amount of the 911 enterprise fee must
12 be reasonably calculated based on the cost of the services provided by the
13 enterprise and received by telephone service users, and the amount
14 imposed per 911 access connection must be uniform, regardless of the
15 technology used to provide the connection. THE COMMISSION MUST SET
16 THE AMOUNT OF THE 911 ENTERPRISE FEE TO INCLUDE SUPPORT FOR THE
17 PURPOSES DESCRIBED IN SUBSECTION (5)(g) OF THIS SECTION. THE
18 ENTERPRISE SHALL SPECIFY THE PERCENTAGE OF THE 911 ENTERPRISE FEE
19 DEDICATED FOR THE PURPOSES DESCRIBED IN SUBSECTIONS (5)(a)
20 THROUGH (5)(f) OF THIS SECTION AND THE PERCENTAGE DEDICATED FOR
21 THE PURPOSES DESCRIBED IN SUBSECTION (5)(g) OF THIS SECTION. THE
22 ENTERPRISE SHALL SEGREGATE THE MONEY IN ACCORDANCE WITH THE
23 PERCENTAGES SO DEDICATED.

24 **SECTION 2. Safety clause.** The general assembly finds,
25 determines, and declares that this act is necessary for the immediate
26 preservation of the public peace, health, or safety or for appropriations for

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.



Joint Budget Committee Staff

Memorandum

To: Members of the Joint Budget Committee
From: Amanda Bickel, JBC Staff (303-866-4960)
Date: March 24, 2025
Department: Department of Education
Subject: Bill Draft on Capping Revenue to Public School Capital Construction Assistance

Attached to this memo is bill draft LLS 941.0 (Concerning An Annual Limitation On The Amount Of Revenue That The State Treasurer Credits To The Public School Capital Construction Assistance Fund).

- During figure setting for the Department of Education, the Committee voted to send to draft legislation to cap revenue to the Public School Capital Construction Assistance Fund at \$150.0 million with amounts above this directed to the State Public School Fund to help fund School Finance. Based on updated estimates reviewed on 3/21/25, the \$150.0 million cap is expected to result in approximately \$45.6 million for the State Public School Fund at the end of FY 2024-25 to be used for School Finance in FY 2025-26. Revenue is also anticipated in subsequent years, currently estimated at \$30.0 million.
- During a review of comebacks on 3/21/25, the JBC voted to approve updated estimates of revenue for the Public School Capital Construction Assistance Fund, but it has not yet voted to introduce the bill as drafted. There are various drafting questions within the draft.
- The draft *includes* a provision that would increase the cap by inflation.
- The draft includes text—but no amendment—to provisions related to diverting revenue for charter school facilities assistance. Current statute diverts a portion of money in the Public School Capital Construction Assistance Fund to an account that supports formula distributions of money to charter schools throughout the state. As staff discussed with the JBC on 3/21, a major justification for the diversion of funds for charter school facilities assistance in H.B. 24-1448 was access to a new federal grant.

The state received the grant, but current funding formulas may not be sufficient to provide the matching funds required for the federal grant in FY 2025-26 because of the decline in marijuana excise tax revenue. It is not possible to get feedback from federal authorities at this time. At present, staff is not recommending a change; however, staff anticipates that the General Assembly may want to make adjustments to the allocation of funds between charter school facilities assistance and other BEST programs (cash grants and COP payments) when more information is available.

Staff notes that charter schools also have access to BEST cash grants and lease-purchase financing to the extent funds are available; charter school facilities assistance is different, in that it simply provides per-pupil amounts each year for charter schools.

Appropriation and revenue changes associated with the bill draft are shown in the table.

The appropriation for BEST cash grants will serve as an upper limit on the amount of cash grants in FY 2025-26, the amount that will actually be deposited to the State Public School Fund still represents a mid-year estimate that will be different in June 2025

Revised Projection BEST Cash Grants/ Diversion to State Public School Fund				
	Detail	Current Law (Long Bill) Subtotal	With Revenue Cap (JBC Bill)	Diverted to State Public School Fund (JBC Bill)
FY 2023-24 EOY Cash Balance	\$485,472,625	\$485,472,625	\$485,472,625	
FY 25 Revenue				
Lottery	\$2,500,000			
MJ Funds	\$42,500,000			
Interest	\$16,000,000			
4400 Transfer SB23-220	0			
State Land Board	\$104,648,087			
Perm Fund Interest	\$30,000,000			
MTCF Transfer	<u>\$0</u>			
Revenue total		\$195,648,087		
Revenue with Diversion to School Finance			\$150,000,000	\$45,648,087
FY25 Expenditures/Obligations				
Admin	\$2,250,000			
Cash Grants	\$155,245,826			
State Debt Service	\$61,962,219			
District Debt Service				
MJ Excise to Charter Schools	\$7,457,234			
HB24-1448 Charter School funds	\$11,500,000			
Prior year obligations	<u>\$200,510,996</u>			
FY 25 Expend/Obligation total		\$438,926,275	\$438,926,275	
EOY Balance/Avail for FY26	\$242,194,437	\$242,194,437	\$196,546,350	

Revised Projection BEST Cash Grants/ Diversion to State Public School Fund				
	Detail	Current Law (Long Bill) Subtotal	With Revenue Cap (JBC Bill)	Diverted to State Public School Fund (JBC Bill)
Available for FY26				
State Debt Service Reserve	\$61,961,490			
MJ Excise to Charter Schools	\$6,757,500			
HB24-1448 Charter School funds	\$12,000,000			
Administration	\$3,400,000			
Min Stat Reserve	<u>\$1,000,000</u>			
FY 26 Other Obligations total		\$85,118,990	\$85,118,990	
Cash Grants	\$157,075,447	\$157,075,447	\$111,427,360	

Estimate of Long-term Implications: If a \$150.0 million cap is maintained, COPs increase to \$75.0 million, and diversions for charter schools are implemented consistent with current law, total funds available for cash grants are likely to decline further, as unobligated reserves are spent down. **The chart below shows a simplified estimate of FY 2028-29** funds available, based on rough estimates of future revenue. As shown, under this scenario, cash grants could fall to as little as \$50.0 million per year.

Future: Cash Grants If No Reserve Balance FY 2028-29 Estimate	
<i>FY 2027-28 revenue estimate</i>	
State Land Board	\$85,612,620
Permanent Fund Interest	33,729,587
Lottery	3,000,000
MJ Excise	53,000,000
Interest	6,500,000
Total	\$181,842,207
Diversion to State Public School Fund	31,842,207
New FY 25 BEST revenue (capped)	\$150,000,000
<i>BEST Expenses</i>	
Administration	2,500,000
Diversion to Charter School Facilities Assistance (FY 29/estimate & current law)	23,162,000
COPs	75,000,000
Balance for BEST cash grants	\$49,338,000

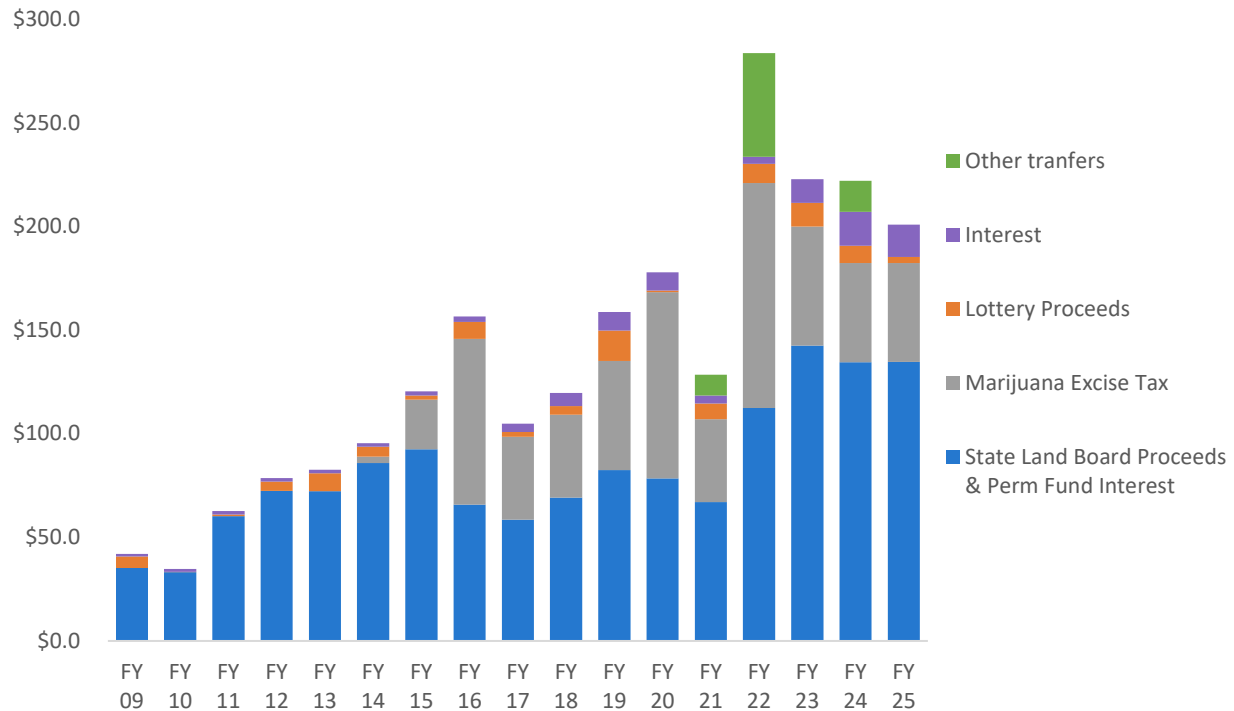
Background from Prior Presentations – PSCCAF

Background-Source of Funds: The Public School Capital Construction Assistance Fund (PSCCAF), which supports the Building Excellent Schools Today (BEST) program, receives funding from multiple sources. The scale of funding from these sources varies substantially from year to year, since the Fund receives percentages of revenue from income streams that are themselves highly variable. Fund sources include:

- 50 percent of the gross amount of revenues from income and mineral royalties derived from state public school lands, with a guarantee of \$40.0 million per year (even if that is more than 50.0 percent of revenues);
- all recreational marijuana excise tax funds based on current law, with a guarantee of the first \$40.0 million raised from the recreational marijuana excise tax, pursuant to Section 16(5)(d) of Article VIII of the state constitution;
- interest earnings on the Permanent Fund – until FY 2023-24, up to \$20.0 million of interest “spillover” after allocations to the State Public School Fund, but this is modified in H.B. 24-1448 so that by FY 2026-27 it includes the first \$41.0 million of interest earnings on the Permanent Fund;
- lottery “spillover” proceeds that would otherwise be transferred to the General Fund;
- interest and investment income earned on the Public School Capital Construction Fund; and
- other one-time transfers and investments from the General Assembly. This has included transfers from the Marijuana Tax Cash Fund and the State Education Fund, among other sources.¹

¹ An additional source of revenue to the fund is matching dollars provided by school districts for payments on COPs; however, to provide a clearer picture, this additional revenue is not included in the figures shown.

**Public School Capital Construction Assistance Fund Revenue:
Reliance on State Land Board Proceeds and Marijuana Excise Tax**
(\$ Millions)



Background – Use of Funds: The FY 2024-25 appropriations from the Public School Capital Construction Assistance Fund and the related Charter School Facilities Assistance Account include the following components (excluding funds that originate from local sources).

FY 2024-25 PSCCAF AND PSCCAF CHARTER SCHOOL ACCOUNT APPROPRIATIONS	
Administration	\$1,714,569
Centrally appropriated	654,600
Lease Purchase Payments (COPs)	62,500,000
Cash Grants	155,245,826
Capital Construction Priority Assessment Tool	150,000
Charter School Facilities Assistance Account (diversion from the PSCCAF)	20,355,662
Total	\$240,620,657

- The cash grants amount has been most variable from year-to-year, based on available revenue. The cash grants amount is unusually high based on recent State Land Board receipts.
- The lease purchase payments amount is expected to increase to as much as \$75.0 million.
- The Charter School Facilities Assistance amount is expected to increase to \$25.3 million by FY 2028-29 before declining to \$9.7 million in FY 2029-30.

Recent changes in H.B. 24-1448 (New School Finance Formula): Changes included in H.B. 24-1448 increased funding for public school capital construction. These included:

- Made \$21.0 million *less* available for public school operating expenses by FY 2026-27 in order to support public school capital construction.
- Increased the cap on BEST annual COP payments from state funds from \$62.5 million to \$75.0 million, which will obligate the state to a floor of this amount plus funding for administration once such COPs are issued (unless the General Assembly chooses to scale this back).
- Diverted increasing amounts of revenue to charter school capital construction, adding \$16.0 million by FY 2028-29. Although the increase ends in FY 2028-29 and reverts to base funding amounts, staff anticipates that the General Assembly will be under pressure to maintain a higher level of charter school capital construction support.

School Capital Construction v. Operating Needs:

- **Capital Construction Needs:** Statewide facility assessments indicate that nearly **\$20.0 billion** will be required by 2030 to address the public school capital construction needs in the State.² Annual BEST revenue of \$150.0 to \$250.0 million, even with local matching funds, can do little to address a problem of this scale. Local bond measures will need to continue to bear primary responsibility for school capital costs and will likely continue to be inadequate in many districts. BEST funds make it possible in select areas (particularly rural areas) to address needs that a locality otherwise cannot address, but the impact will be barely discernable statewide.
- **Operating Budget Needs:** **Two new school finance adequacy studies estimate that \$3.6 to \$4.1 billion in additional public school operating revenue is required each year.**³

Background from Prior Presentations – Charter School Facilities Assistance

Background: In 2001 (S.B. 01-129) the General Assembly created a new program to distribute money to charter schools for capital construction. The program allocates annual appropriations among charter schools on a per pupil basis, except that a qualified charter school does not include one that does not have capital construction costs, is operating in a district school facility that does not have capital construction costs, or is operating in a state facility and is not

² <https://api.vfafacility.com/CDOEDashboard/stateLevel/state.jsp>

³ <https://www.cde.state.co.us/cdedepcom/requiredreports> - See School Finance Input Adequacy Study Report and School Finance Cost-Modeling Adequacy Study Report.

obligated to make lease payments. *Funding in recent years has ranged from \$265 to \$330 per charter school student.*

The program has been modified several times. H.B. 19-1055 modified the funding and annually adjusts the amount available from each of two fund sources based on statewide student enrollment in charter schools pursuant to Sections 22-54-124(3)(a)(IV)(C) and 22-43.7-104(2)(d), C.R.S.

- From the State Education Fund, statute requires funding be tied to the previous base of \$20.0 million per year and adjusts this figure annually for charter school enrollment. The calculation compares charter school enrollment as a percentage of statewide pupil enrollment in the preceding budget year to the percentage of students who were enrolled in charter schools in the 2017-18 school year.
- For marijuana excise tax revenues, statute requires that a portion of total marijuana excise tax revenues be deposited into the Charter School Facilities Assistance Account. The transfer is based on the percentage of statewide student enrollment that was enrolled in charter schools in the previous school year compared to the overall population of students.

House Bill 24-1448 provided additional increases for charter school facility assistance. It provided \$11,500,000 for this program in FY 2024-25 as an additional diversion from the Public School Capital Construction Assistance Fund. The diversion increases annually, reaching \$15,000,000 in FY 2028-29, before ending entirely in FY 2029-30. This additional revenue matches federal grant funds that have been awarded to Colorado.

The following table shows a history of per pupil funding amounts for this line item from FY 2006-07 through the FY 2026-26 preliminary estimate and out-year forecast.

State Funding for Charter School Capital Construction Grant Program (with projections for fiscal years through 2028-29)						
Fiscal Year	State Education Fund	Excise Tax Funding	One-Time Funding	State Legislated Funding for SFIG	Total Funding	Growth from Base year
FY01-02	\$ 6,471,051.60				\$ 6,471,051.60	
FY02-03	\$ 7,813,943.00				\$ 7,813,943.00	
FY03-04	\$ 5,000,000.00				\$ 5,000,000.00	
FY04-05	\$ 5,000,000.00				\$ 5,000,000.00	
FY05-06	\$ 5,000,000.00				\$ 5,000,000.00	
FY06-07	\$ 7,800,000.00				\$ 7,800,000.00	
FY07-08	\$ 5,000,000.00				\$ 5,000,000.00	
FY08-09	\$ 5,000,000.00				\$ 5,000,000.00	
FY09-10	\$ 5,000,000.00				\$ 5,000,000.00	
FY10-11	\$ 5,000,000.00				\$ 5,000,000.00	
FY11-12	\$ 5,000,000.00				\$ 5,000,000.00	
FY12-13	\$ 6,000,000.00				\$ 6,000,000.00	
FY13-14	\$ 7,000,000.00				\$ 7,000,000.00	
FY14-15	\$ 13,500,000.00				\$ 13,500,000.00	
FY15-16	\$ 20,000,000.00	\$ 2,000,000.00			\$ 22,000,000.00	
FY16-17	\$ 20,000,000.00	\$ 5,000,000.00			\$ 25,000,000.00	
FY17-18	\$ 20,000,000.00	\$ 5,000,000.00			\$ 25,000,000.00	
FY18-19	\$ 20,000,000.00	\$ 9,250,000.00			\$ 29,250,000.00	
FY19-20	\$ 20,656,559.00	\$ 7,951,358.00			\$ 28,607,917.00	
FY20-21	\$ 22,430,131.00	\$ 9,390,631.00			\$ 31,820,762.00	
FY21-22	\$ 22,829,962.00	\$ 8,696,085.00			\$ 31,526,047.00	
FY22-23	\$ 23,939,892.74	\$ 14,669,782.59			\$ 38,609,675.33	SFIG Base Year
FY23-24	\$ 24,379,016.00	\$ 8,855,662.60	\$ 10,000,000.00		\$ 43,234,678.60	
Total	\$ 282,820,555.34	\$ 70,813,519.19	\$ 10,000,000.00		\$ 363,634,074.53	
FY24-25	\$ 23,935,468.00	\$ 7,457,233.96		\$ 11,500,000.00	\$ 42,892,701.96	\$ 4,283,026.63
FY25-26	\$ 24,287,686.51	\$ 7,643,864.37		\$ 12,000,000.00	\$ 43,931,550.88	\$ 5,321,875.55
FY26-27	\$ 24,641,675.07	\$ 8,491,264.33		\$ 13,000,000.00	\$ 46,132,939.40	\$ 7,523,264.07
FY27-28	\$ 24,995,663.64	\$ 9,063,803.42		\$ 14,000,000.00	\$ 48,059,467.06	\$ 9,449,791.73
FY28-29	\$ 25,349,652.21	\$ 9,666,187.54		\$ 15,000,000.00	\$ 50,015,839.75	\$ 11,406,164.42

Federal Grant: H.B. 24-1448 (New School Finance Formula) provided a large additional diversion from the Public School Capital Construction Assistance Fund to the Charter School Facilities Assistance Account (\$11.5 million in FY 2024-25 and \$12.0 million in FY 2025-26, increasing annually until it reaches \$15.0 million in FY 2028-29). Staff understands that much of the justification for this additional support was to obtain a federal grant to support charter school capital construction assistance.

Staff's understanding is that the decline in Marijuana Excise Tax Revenue, and the related decline in the formula distribution for this program, may jeopardize the required match for the federal grant. However, due to the changes occurring at the federal Department of Education, the State has not been able to verify whether there are related implications or not.

The table below shows the state match amount *assumed* in the federal grant application and how that compares to the federal requirement. As shown, in some years the match to be provided was anticipated to exceed the total required once boosted with the additional HB24-1448 funds.

However, the amount of match for FY 2025-26 that was incorporated in the federal grant application was \$43,931,551. This exceeds the \$42,280,571 now anticipated to be available in FY 2025-26. Since the state did not change its formula but is rather affected by the total Marijuana Excise Tax available, it is uncertain whether federal authorities will consider this to be a violation of the grant terms.

Staff notes that the amount of the federal grant (shown on the far left of the table) declines significantly over time, while the state obligation for matching funds (match amount in the middle of the table) increases from FY 2024-25 through FY 2028-29.

Amount of Grant	Project Year	School Year	Federal Fiscal Year	State Funding	Match Amount	Percentage of Government Share compared to State Share	Percentage of State Share compared to Government Share	Meet Match Requirement (1st year 10%; 2nd year 20%; 3rd year 40%; 4th year 60%; 5th year 80%)
\$0	Base Year	22-23	2022	\$38,609,676	--	--	--	--
\$11,372,375	1	24-25	2024	\$42,892,702	\$4,283,026	72.64%	27.36%	>10%? Yes
\$10,154,162	2	25-26	2025	\$43,931,551	\$5,321,875	65.61%	34.39%	>20%? Yes
\$7,713,535	3	26-27	2026	\$46,132,939	\$7,523,263	50.62%	49.38%	>40%? Yes
\$5,273,195	4	27-28	2027	\$48,059,467	\$9,449,791	35.82%	64.18%	>60%? Yes
\$2,833,148	5	28-29	2028	\$50,015,840	\$11,406,164	19.90%	80.10%	>80%? Yes

Draft of LLS 941.0 (Limit on revenue to the PSCCAF)

- A draft of the bill approved by the JBC to limit revenue to the Public School Capital Construction Assistance Fund is attached. In addition to capping revenue as staff recommended, the JBC also requested that staff explore: (1) adding an annual inflationary adjustment; and (2) considering a related cap on charter school facilities assistance.
- Staff notes that the State Board of Education has sent a letter to the JBC requesting that the cap in this bill be for one year only.
- Staff notes that this bill assists with balancing for school finance over the longer term, so staff does not recommend this. Staff currently anticipates that the bill will provide approximately \$46 million in revenue for public school finance in FY 2025-26 and approximately \$30 million in subsequent years, although such figures are difficult to project.
- Staff is not recommending changes to the JBC's original action, but has provided bill text consistent with options discussed so the JBC can decide on any updates.

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

DRAFT
3/14/25

DRAFT

LLS NO. 25-0941.01 Megan McCall x4215

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Public Sch Cap Constr Assistance Fund Revenue Cap

A BILL FOR AN ACT

101 **CONCERNING AN ANNUAL LIMITATION ON THE AMOUNT OF REVENUE**
102 **THAT THE STATE TREASURER CREDITS TO THE PUBLIC SCHOOL**
103 **CAPITAL CONSTRUCTION ASSISTANCE FUND, AND, IN**
104 **CONNECTION THEREWITH, REQUIRING MONEY ABOVE THE LIMIT**
105 **TO BE CREDITED TO THE STATE PUBLIC SCHOOL FUND.**

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. The bill limits, beginning in state fiscal year 2025-26, the amount of revenue in a state fiscal year that the state

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Dashes through the words indicate deletions from existing law.*

treasurer credits to the public school capital construction assistance fund (assistance fund) to \$150 million, adjusted annually for inflation, which amount must include either the first \$40 million or the entire amount of money that is attributable to revenue from the marijuana excise tax, whichever is less. The bill requires the state treasurer to credit to the state public school fund revenue that is in excess of the \$150 million cap that otherwise would be credited to the assistance fund.

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

SECTION 1. In Colorado Revised Statutes, 22-43.7-104, **amend** (1) as follows:

22-43.7-104. Public school capital construction assistance fund - creation - crediting of money to fund - use of fund - emergency reserve - creation - reserve account - creation and use - definition.

(1) (a) The public school capital construction assistance fund is hereby created in the state treasury. SUBJECT TO THE LIMITATION SET FORTH IN SUBSECTION (1)(b)(I) OF THIS SECTION, the principal of the assistance fund ~~shall consist~~ CONSISTS of all ~~moneys~~ MONEY transferred or credited to the assistance fund pursuant to subsection (2) of this section. EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (1)(b)(I) OF THIS SECTION, all interest and income earned on the deposit and investment of ~~moneys~~ MONEY in the assistance fund shall be credited to the assistance fund and shall not be transferred to the general fund or any other fund at the end of any fiscal year.

(b) (I) BEGINNING IN STATE FISCAL YEAR 2025-26, THE TOTAL AMOUNT OF REVENUE CREDITED IN THE STATE FISCAL YEAR TO THE ASSISTANCE FUND PURSUANT TO THIS SECTION SHALL NOT EXCEED ONE HUNDRED FIFTY MILLION DOLLARS, WHICH AMOUNT MUST BE ANNUALLY ADJUSTED FOR INFLATION FOR EACH STATE FISCAL YEAR THEREAFTER AND MUST INCLUDE THE LESSER OF THE FIRST FORTY MILLION DOLLARS OR ALL

1 THE MONEY RECEIVED FROM THE EXCISE TAX ON RETAIL MARIJUANA THAT
2 IS REQUIRED TO BE CREDITED TO THE ASSISTANCE FUND PURSUANT TO
3 SECTION 16 (5)(d) OF ARTICLE XVIII OF THE STATE CONSTITUTION. FOR
4 ANY STATE FISCAL YEAR COMMENCING ON OR AFTER JULY 1, 2025, THE
5 STATE TREASURER SHALL CREDIT TO THE STATE PUBLIC SCHOOL FUND
6 CREATED IN SECTION 22-54-114 (1) ANY AMOUNT OF REVENUE THAT
7 EXCEEDS IN THE STATE FISCAL YEAR ONE HUNDRED FIFTY MILLION
8 DOLLARS, AS ADJUSTED ANNUALLY FOR INFLATION FOR STATE FISCAL
9 YEARS COMMENCING ON OR AFTER JULY 1, 2026, THAT OTHERWISE WOULD
10 BE CREDITED TO THE ASSISTANCE FUND PURSUANT TO THIS SECTION.<{*For*
11 *the JBC's consideration, the cap on the amount of revenue that can be*
12 *credited to the assistance fund has been drafted to annually adjust for*
13 *inflation with inflation calculated (as defined in the next paragraph)*
14 *using the CPI for all items. Depending on the direction from the JBC,*
15 *adjusting the cap for inflation can be removed entirely or the timing for*
16 *the adjustment or the calculation for the adjustment can be modified.*>

17 (II) AS USED IN THIS SUBSECTION (1)(b), "INFLATION" MEANS THE
18 ANNUAL PERCENTAGE INCREASE IN THE UNITED STATES DEPARTMENT OF
19 LABOR'S BUREAU OF LABOR STATISTICS CONSUMER PRICE INDEX, OR A
20 SUCCESSOR INDEX, FOR DENVER-AURORA-LAKEWOOD FOR ALL ITEMS
21 PAID FOR BY URBAN CONSUMERS.

22 <{*All the following language, is existing law and no changes are*
23 *drafted but it's being included for the JBC's review if the JBC would*
24 *like to make changes to any allocated amounts that are diverted from*
25 *the assistance fund to the charter school facilities assistance account.*
26 *(Note: making changes in the bill to this diversion will require a*
27 *modified bill title.)*>

1 (d) (I) For the state fiscal year commencing July 1, 2018, the state
2 treasurer, as provided in section 39-28.8-305 (1)(a), shall credit to the
3 assistance fund the greater of the first forty million dollars received and
4 collected from the excise tax on retail marijuana imposed pursuant to part
5 3 of article 28.8 of title 39 or ninety percent of the money received and
6 collected from the tax. For the state fiscal year commencing July 1, 2019,
7 and for each state fiscal year thereafter except for the state fiscal year
8 commencing July 1, 2020, the state treasurer, as provided in section
9 39-28.8-305 (1)(a), shall annually credit to the assistance fund all of the
10 money received and collected from the excise tax on retail marijuana
11 imposed pursuant to part 3 of article 28.8 of title 39. For the state fiscal
12 year commencing July 1, 2020, the state treasurer, as provided in section
13 39-28.8-305 (1)(a), shall credit to the assistance fund the lesser of the first
14 forty million dollars received and collected from the excise tax on retail
15 marijuana imposed pursuant to part 3 of article 28.8 of title 39 or all of
16 the money received and collected from the tax. For state fiscal years
17 commencing before July 1, 2019, the state treasurer shall credit twelve
18 and five-tenths percent of the amount annually credited pursuant to this
19 subsection (2)(d) to the charter school facilities assistance account, which
20 account is created within the assistance fund. For each state fiscal year
21 commencing on or after July 1, 2019, the state treasurer shall credit to the
22 charter school facilities assistance account a percentage of the amount
23 credited pursuant to this subsection (2)(d) that is equal to the percentage
24 of pupil enrollment, as defined in section 22-54-103 (10), statewide
25 represented by pupils who were enrolled in charter schools for the prior
26 school year. The department of education shall notify the state treasurer
27 of the applicable percentage no later than June 1 of the immediately

1 preceding fiscal year. <{Since state fiscal year 2019-20, this is the
2 diversion of a portion of money from the assistance fund attributable
3 to marijuana excise tax revenue to the charter school facilities
4 assistance account. (Prior to that it was in an amount of 12.5% of the
5 amount credited to the assistance fund that is attributable to marijuana
6 excise tax revenue.)>

7 (II) In addition to the credit made to the charter school facilities
8 assistance account pursuant to subsection (2)(d)(I) of this section, the
9 state treasurer shall credit the following amounts to the charter school
10 facilities assistance account from the public school capital construction
11 assistance fund: <{The following amounts are in addition to the
12 allocated diversion provided in the previous paragraph and were put in
13 place by HB24-1448 and are not tied to money credited to the assistance
14 fund attributable to marijuana excise tax revenue.>

15 (A) For the state fiscal year commencing on July 1, 2024, eleven
16 million five hundred thousand dollars;

17 (B) For the state fiscal year commencing on July 1, 2025, twelve
18 million dollars;

19 (C) For the state fiscal year commencing on July 1, 2026, thirteen
20 million dollars;

21 (D) For the state fiscal year commencing on July 1, 2027, fourteen
22 million dollars; and

23 (E) For the state fiscal year commencing on July 1, 2028, fifteen
24 million dollars.

25 **SECTION 2. Safety clause.** The general assembly finds,
26 determines, and declares that this act is necessary for the immediate
27 preservation of the public peace, health, or safety or for appropriations for

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

DRAFT
3/21/25

DRAFT

LLS NO. 25-1009.01 Nicole Myers x4326

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Repeal Annual Gen Fund Transfer to Revolving Fund

A BILL FOR AN ACT

101 **CONCERNING THE REPEAL OF THE ANNUAL TRANSFER OF MONEY FROM**
102 **THE GENERAL FUND TO THE STATE AGENCY SUSTAINABILITY**
103 **REVOLVING FUND.**

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. Current law directs the department of personnel to use the money in the state agency sustainability revolving fund (fund) to operate the office of sustainability and to assist in replacing the state's gas- and diesel-powered equipment that is located in ozone nonattainment areas with equivalent electric equipment. The state

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Dashes through the words indicate deletions from existing law.*

treasurer is required to transfer \$400,000 from the general fund to the fund on July 1 of each year. The bill repeals the requirement for the annual transfer from the general fund to the fund.

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

SECTION 1. In Colorado Revised Statutes, 24-30-2304, **amend** (1) and (2) as follows:

24-30-2304. Revolving fund - definition. (1) The state agency sustainability revolving fund, referred to in this section as the "fund", is created in the state treasury. The fund consists of ~~money transferred to the fund pursuant to subsection (2) of this section and any other~~ money that the general assembly may appropriate or transfer to the fund AND ANY GIFTS, GRANTS, OR DONATIONS THAT THE DEPARTMENT CREDITS TO THE FUND PURSUANT TO SUBSECTION (5) OF THIS SECTION.

(2) ~~On July 1, 2024, and on July 1 each year thereafter, the state treasurer shall transfer four hundred thousand dollars from the general fund to the fund.~~ The office shall allocate the money in the fund to assist in replacing the state's gas and diesel-powered equipment that is located in ozone nonattainment areas as designated by the U.S. environmental protection agency with equivalent electric equipment, and to operate the office in accordance with this part 23.

SECTION 2. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

DRAFT
3/24/25

DRAFT

LLS NO. 25-1025.01 Jed Franklin x5484

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Funds for Support of Digital Trunked Radio Sys

A BILL FOR AN ACT

101 **CONCERNING A TRANSFER TO THE PUBLIC SAFETY COMMUNICATIONS**
102 **TRUST FUND FOR THE SUPPORT OF THE DIGITAL TRUNKED RADIO**
103 **SYSTEM.**

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/>.)

On July 1, 2025, and on July 1 of each year thereafter through July 1, 2034, the bill requires the state treasurer to transfer \$15 million from the local government severance tax fund to the public safety communications trust fund (trust fund). The money in the trust fund is required to be used to support the digital trunked radio system, including

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site supporting infrastructure and supporting software and hardware.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-29-110, **add** (10)
3 as follows:

4 **39-29-110. Local government severance tax fund - creation -**
5 **administration - definitions - repeal.** (10) (a) NOTWITHSTANDING ANY
6 PROVISION OF THIS SECTION TO THE CONTRARY, ON JULY 1, 2025, AND ON
7 JULY 1 OF EACH YEAR THEREAFTER THROUGH JULY 1, 2034, THE STATE
8 TREASURER SHALL TRANSFER FIFTEEN MILLION DOLLARS FROM THE LOCAL
9 GOVERNMENT SEVERANCE TAX FUND TO THE PUBLIC SAFETY
10 COMMUNICATIONS TRUST FUND CREATED IN SECTION 24-33.5-2510 (1).

11 (b) THIS SUBSECTION (10) IS REPEALED, EFFECTIVE JULY 1, 2035.

12 **SECTION 2.** In Colorado Revised Statutes, 24-33.5-2510, **add**
13 (3)(a)(IV) as follows:

14 **24-33.5-2510. Public safety communications trust fund -**
15 **creation - report.** (3) (a) (IV) THE DEPARTMENT SHALL USE THE MONEY
16 TRANSFERRED TO THE FUND PURSUANT TO SECTION 39-29-110 (10)(a) TO
17 SUPPORT THE DIGITAL TRUNKED RADIO SYSTEM, INCLUDING SITE
18 SUPPORTING INFRASTRUCTURE AND SUPPORTING SOFTWARE AND
19 HARDWARE.

20 **SECTION 3. Safety clause.** The general assembly finds,
21 determines, and declares that this act is necessary for the immediate
22 preservation of the public peace, health, or safety or for appropriations for
23 the support and maintenance of the departments of the state and state
24 institutions.

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

DRAFT
3/22/25

DRAFT

LLS NO. 25-1024.01 Michael Dohr x4347

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Broadband Infrastructure Cash Fund Transfer

A BILL FOR AN ACT

101 **CONCERNING THE USE OF THE BROADBAND INFRASTRUCTURE CASH**
102 **FUND, AND, IN CONNECTION THEREWITH, MAKING AN**
103 **APPROPRIATION.**

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/>.)

The bill requires the state treasurer, on July 1, 2025, to transfer \$842,346 from the general fund to the broadband infrastructure cash fund (fund). Current law lists the correctional facilities where the money in the fund may be used to install broadband infrastructure. The bill adds the Colorado territorial correctional facility to the list.

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Dashes through the words indicate deletions from existing law.*

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

SECTION 1. In Colorado Revised Statutes, 17-1-168, **amend** (3)(d) and (3)(e); and **add** (1)(c) and (3)(f) as follows:

17-1-168. Broadband infrastructure cash fund - created - repeal. (1) (c) ON JULY 1, 2025, THE STATE TREASURER SHALL TRANSFER EIGHT HUNDRED FORTY-TWO THOUSAND THREE HUNDRED FORTY-SIX DOLLARS FROM THE GENERAL FUND TO THE FUND.

(3) Subject to annual appropriation by the general assembly, the department may expend money from the fund to install broadband infrastructure at the following correctional facilities:

(d) Buena Vista correctional complex; ~~and~~

(e) San Carlos correctional facility; AND

(f) COLORADO TERRITORIAL CORRECTIONAL FACILITY.

SECTION 2. Appropriation. For the 2025-26 state fiscal year, \$842,346 is appropriated to the department of corrections for use by institutions. This appropriation is from the broadband infrastructure cash fund created in section 17-1-168 (1)(a), C.R.S. To implement this act, the institutions may use this appropriation for broadband installation.

SECTION 3. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

REDRAFT

3/24/25

Double underlining
denotes changes from
prior draft

DRAFT

LLS NO. 25-1022.01 Michael Dohr x4347

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Temporary Inmate Transfer

A BILL FOR AN ACT

101 CONCERNING THE TEMPORARY USE OF THE CENTENNIAL
102 CORRECTIONAL FACILITY-SOUTH C-TOWER TO HOUSE _____
103 INMATES DURING THE STERLING CORRECTIONAL FACILITY
104 ACCESS CONTROLS PROJECT, AND, IN CONNECTION THEREWITH,
105 MAKING AN APPROPRIATION.

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/>.)

The bill allows the Centennial correctional facility-south c-tower

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to be used to temporarily house close- and medium-custody inmates for the duration of the Sterling correctional facility access controls project.

The bill appropriates \$1,829,000 from the general fund to the department of corrections to implement the bill.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds that the temporary use of C-tower at Centennial Correctional
4 Facility-South is necessary to accommodate the impact of the access
5 controls capital renewal project at the Sterling Correctional Facility. It is
6 the General Assembly's intent that major accommodations of this kind be
7 considered by the capital development committee in the future.

8 **SECTION 2.** In Colorado Revised Statutes, 17-1-104.3, **add**
9 (1)(b.6) as follows:

10 **17-1-104.3. Correctional facilities - locations - security level -**
11 **report.** (1) (b.6) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO
12 THE CONTRARY, THE CENTENNIAL CORRECTIONAL FACILITY-SOUTH
13 C-TOWER MAY BE USED TO TEMPORARILY HOUSE CLOSE- AND
14 MEDIUM-CUSTODY INMATES FOR THE DURATION OF THE STERLING
15 CORRECTIONAL FACILITY ACCESS CONTROLS PROJECT AND THE TIME
16 REQUIRED TO TEMPORARILY RELOCATE THE INMATES AND THEN RETURN
17 THEM TO THE STERLING CORRECTIONAL FACILITY.

18 **SECTION 3. Appropriation.** For the 2025-26 state fiscal year,
19 \$1,829,000 is appropriated to the department of corrections for use by
20 institutions. This appropriation is from the general fund. To implement
21 this act, the institutions may use this appropriation for operating expenses
22 related to the superintendents subprogram.

23 **SECTION 4. Safety clause.** The general assembly finds,
24 determines, and declares that this act is necessary for the immediate

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3/24/25

Double underlining
denotes changes from
prior draft

- 1 preservation of the public peace, health, or safety or for appropriations for
- 2 the support and maintenance of the departments of the state and state
- 3 institutions.

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

DRAFT
3/24/25

DRAFT

LLS NO. 25-0964.02 Jed Franklin x5484

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Digital Trunked Radio System Funding

A BILL FOR AN ACT

101 **CONCERNING SUPPORT FOR THE DIGITAL TRUNKED RADIO SYSTEM.**

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. The 911 services enterprise (enterprise) was created to set and collect a 911 enterprise fee (fee) to be used to advance the development of the 911 emergency telephone system. The bill provides that one of the primary powers and duties of the enterprise is to enhance public safety by supporting the digital trunked radio system (DTRS) by funding the cost of the use of the DTRS by state agencies that use general fund money to pay for the DTRS as part of the DTRS common policy payment to the department of public safety with a fee set

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by the enterprise. The enterprise shall collect revenue to pay for the necessary amount to cover the identified fiscal year backfill for the general fund portion of state agency DTRS payments and transfer that amount to the public safety communications revolving fund. The enterprise shall also maintain a reserve of \$500,000 in the enterprise annually. The portion of the fee dedicated to advancing development of the 911 telephone system and the portion dedicated to the DTRS common policy payments must be delineated and the money dedicated for each purpose must be segregated and not commingled.

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

SECTION 1. In Colorado Revised Statutes, 29-11-108, **amend** (5)(e), (5)(f), and (8)(a); and **add** (5)(g) as follows:

29-11-108. 911 services enterprise - creation - powers and duties - cash fund - legislative declaration. (5) The enterprise's primary powers and duties are to:

(e) Adopt, amend, or repeal policies for the regulation of its affairs and the conduct of its business consistent with this section; ~~and~~

(f) Prepare and submit an annual financial report pursuant to subsection (9)(b) of this section; AND

(g) ENHANCE PUBLIC SAFETY BY SUPPORTING THE DIGITAL TRUNKED RADIO SYSTEM BY FUNDING THE COST OF THE USE OF THE DIGITAL TRUNKED RADIO SYSTEM BY STATE AGENCIES THAT USE GENERAL FUND MONEY TO PAY FOR THE RADIOS AS PART OF THE DIGITAL TRUNKED RADIO SYSTEM COMMON POLICY PAYMENT TO THE DEPARTMENT OF PUBLIC SAFETY. THE ENTERPRISE SHALL COLLECT REVENUE TO PAY FOR THE NECESSARY AMOUNT TO COVER THE IDENTIFIED FISCAL YEAR BACKFILL FOR THE GENERAL FUND PORTION OF STATE AGENCY DIGITAL TRUNKED RADIO SYSTEM PAYMENTS AND TRANSFER THAT AMOUNT TO THE PUBLIC SAFETY COMMUNICATIONS REVOLVING FUND CREATED IN SECTION

1 24-33.5-2502 (2). THE ENTERPRISE SHALL ALSO MAINTAIN A RESERVE OF
2 FIVE HUNDRED THOUSAND DOLLARS IN THE ENTERPRISE ANNUALLY.

3 (8) (a) In furtherance of its business purpose and pursuant to the
4 authority set forth in subsection (5)(a) of this section, the enterprise shall
5 impose the 911 enterprise fee in an amount to be established annually by
6 the enterprise after consulting with the commission. The amount shall not
7 exceed, together with the 911 surcharge imposed by the commission, the
8 limitation of fifty cents per month per 911 access connection set forth in
9 section 29-11-102.3 (1)(a). The enterprise shall establish the 911
10 enterprise fee before the commission establishes its surcharge pursuant
11 to section 29-11-102.3 (1)(b). The amount of the 911 enterprise fee must
12 be reasonably calculated based on the cost of the services provided by the
13 enterprise and received by telephone service users, and the amount
14 imposed per 911 access connection must be uniform, regardless of the
15 technology used to provide the connection. THE COMMISSION MUST SET
16 THE AMOUNT OF THE 911 ENTERPRISE FEE TO INCLUDE SUPPORT FOR THE
17 PURPOSES DESCRIBED IN SUBSECTION (5)(g) OF THIS SECTION. THE
18 ENTERPRISE SHALL SPECIFY THE PERCENTAGE OF THE 911 ENTERPRISE FEE
19 DEDICATED FOR THE PURPOSES DESCRIBED IN SUBSECTIONS (5)(a)
20 THROUGH (5)(f) OF THIS SECTION AND THE PERCENTAGE DEDICATED FOR
21 THE PURPOSES DESCRIBED IN SUBSECTION (5)(g) OF THIS SECTION. THE
22 ENTERPRISE SHALL SEGREGATE THE MONEY IN ACCORDANCE WITH THE
23 PERCENTAGES SO DEDICATED.

24 **SECTION 2. Safety clause.** The general assembly finds,
25 determines, and declares that this act is necessary for the immediate
26 preservation of the public peace, health, or safety or for appropriations for

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.



Joint Budget Committee Staff

Memorandum

To: Members of the Joint Budget Committee
From: Amanda Bickel, JBC Staff (303-866-4960)
Date: March 24, 2025
Department: Department of Education
Subject: Bill Draft on Capping Revenue to Public School Capital Construction Assistance

Attached to this memo is bill draft LLS 941.0 (Concerning An Annual Limitation On The Amount Of Revenue That The State Treasurer Credits To The Public School Capital Construction Assistance Fund).

- During figure setting for the Department of Education, the Committee voted to send to draft legislation to cap revenue to the Public School Capital Construction Assistance Fund at \$150.0 million with amounts above this directed to the State Public School Fund to help fund School Finance. Based on updated estimates reviewed on 3/21/25, the \$150.0 million cap is expected to result in approximately \$45.6 million for the State Public School Fund at the end of FY 2024-25 to be used for School Finance in FY 2025-26. Revenue is also anticipated in subsequent years, currently estimated at \$30.0 million.
- During a review of comebacks on 3/21/25, the JBC voted to approve updated estimates of revenue for the Public School Capital Construction Assistance Fund, but it has not yet voted to introduce the bill as drafted. There are various drafting questions within the draft.
- The draft *includes* a provision that would increase the cap by inflation.
- The draft includes text—but no amendment—to provisions related to diverting revenue for charter school facilities assistance. Current statute diverts a portion of money in the Public School Capital Construction Assistance Fund to an account that supports formula distributions of money to charter schools throughout the state. As staff discussed with the JBC on 3/21, a major justification for the diversion of funds for charter school facilities assistance in H.B. 24-1448 was access to a new federal grant.

The state received the grant, but current funding formulas may not be sufficient to provide the matching funds required for the federal grant in FY 2025-26 because of the decline in marijuana excise tax revenue. It is not possible to get feedback from federal authorities at this time. At present, staff is not recommending a change; however, staff anticipates that the General Assembly may want to make adjustments to the allocation of funds between charter school facilities assistance and other BEST programs (cash grants and COP payments) when more information is available.

Staff notes that charter schools also have access to BEST cash grants and lease-purchase financing to the extent funds are available; charter school facilities assistance is different, in that it simply provides per-pupil amounts each year for charter schools.

Appropriation and revenue changes associated with the bill draft are shown in the table.

The appropriation for BEST cash grants will serve as an upper limit on the amount of cash grants in FY 2025-26, the amount that will actually be deposited to the State Public School Fund still represents a mid-year estimate that will be different in June 2025

Revised Projection BEST Cash Grants/ Diversion to State Public School Fund				
	Detail	Current Law (Long Bill) Subtotal	With Revenue Cap (JBC Bill)	Diverted to State Public School Fund (JBC Bill)
FY 2023-24 EOY Cash Balance	\$485,472,625	\$485,472,625	\$485,472,625	
FY 25 Revenue				
Lottery	\$2,500,000			
MJ Funds	\$42,500,000			
Interest	\$16,000,000			
4400 Transfer SB23-220	0			
State Land Board	\$104,648,087			
Perm Fund Interest	\$30,000,000			
MTCF Transfer	<u>\$0</u>			
Revenue total		\$195,648,087		
Revenue with Diversion to School Finance			\$150,000,000	\$45,648,087
FY25 Expenditures/Obligations				
Admin	\$2,250,000			
Cash Grants	\$155,245,826			
State Debt Service	\$61,962,219			
District Debt Service				
MJ Excise to Charter Schools	\$7,457,234			
HB24-1448 Charter School funds	\$11,500,000			
Prior year obligations	<u>\$200,510,996</u>			
FY 25 Expend/Obligation total		\$438,926,275	\$438,926,275	
EOY Balance/Avail for FY26	\$242,194,437	\$242,194,437	\$196,546,350	

Revised Projection BEST Cash Grants/ Diversion to State Public School Fund				
	Detail	Current Law (Long Bill) Subtotal	With Revenue Cap (JBC Bill)	Diverted to State Public School Fund (JBC Bill)
Available for FY26				
State Debt Service Reserve	\$61,961,490			
MJ Excise to Charter Schools	\$6,757,500			
HB24-1448 Charter School funds	\$12,000,000			
Administration	\$3,400,000			
Min Stat Reserve	<u>\$1,000,000</u>			
FY 26 Other Obligations total		\$85,118,990	\$85,118,990	
Cash Grants	\$157,075,447	\$157,075,447	\$111,427,360	

Estimate of Long-term Implications: If a \$150.0 million cap is maintained, COPs increase to \$75.0 million, and diversions for charter schools are implemented consistent with current law, total funds available for cash grants are likely to decline further, as unobligated reserves are spent down. **The chart below shows a simplified estimate of FY 2028-29** funds available, based on rough estimates of future revenue. As shown, under this scenario, cash grants could fall to as little as \$50.0 million per year.

Future: Cash Grants If No Reserve Balance FY 2028-29 Estimate	
<i>FY 2027-28 revenue estimate</i>	
State Land Board	\$85,612,620
Permanent Fund Interest	33,729,587
Lottery	3,000,000
MJ Excise	53,000,000
Interest	6,500,000
Total	\$181,842,207
Diversion to State Public School Fund	31,842,207
New FY 25 BEST revenue (capped)	\$150,000,000
<i>BEST Expenses</i>	
Administration	2,500,000
Diversion to Charter School Facilities Assistance (FY 29/estimate & current law)	23,162,000
COPs	75,000,000
Balance for BEST cash grants	\$49,338,000

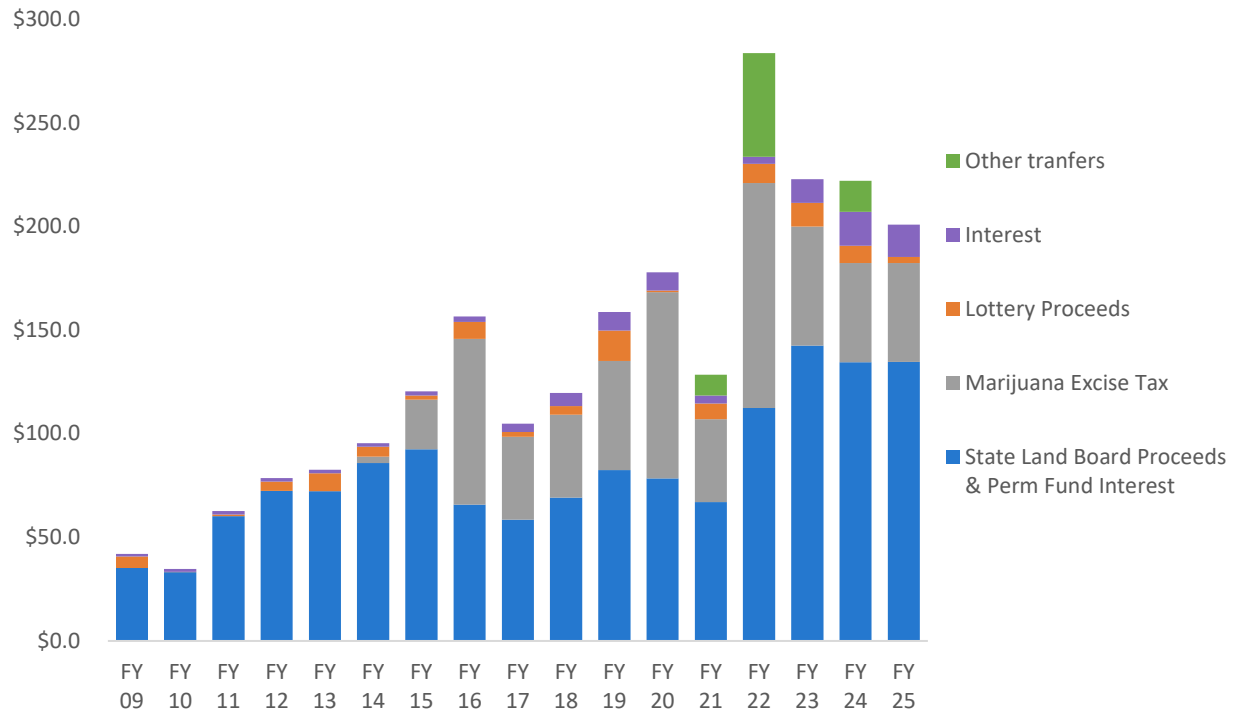
Background from Prior Presentations – PSCCAF

Background-Source of Funds: The Public School Capital Construction Assistance Fund (PSCCAF), which supports the Building Excellent Schools Today (BEST) program, receives funding from multiple sources. The scale of funding from these sources varies substantially from year to year, since the Fund receives percentages of revenue from income streams that are themselves highly variable. Fund sources include:

- 50 percent of the gross amount of revenues from income and mineral royalties derived from state public school lands, with a guarantee of \$40.0 million per year (even if that is more than 50.0 percent of revenues);
- all recreational marijuana excise tax funds based on current law, with a guarantee of the first \$40.0 million raised from the recreational marijuana excise tax, pursuant to Section 16(5)(d) of Article VIII of the state constitution;
- interest earnings on the Permanent Fund – until FY 2023-24, up to \$20.0 million of interest “spillover” after allocations to the State Public School Fund, but this is modified in H.B. 24-1448 so that by FY 2026-27 it includes the first \$41.0 million of interest earnings on the Permanent Fund;
- lottery “spillover” proceeds that would otherwise be transferred to the General Fund;
- interest and investment income earned on the Public School Capital Construction Fund; and
- other one-time transfers and investments from the General Assembly. This has included transfers from the Marijuana Tax Cash Fund and the State Education Fund, among other sources.¹

¹ An additional source of revenue to the fund is matching dollars provided by school districts for payments on COPs; however, to provide a clearer picture, this additional revenue is not included in the figures shown.

**Public School Capital Construction Assistance Fund Revenue:
Reliance on State Land Board Proceeds and Marijuana Excise Tax**
(\$ Millions)



Background – Use of Funds: The FY 2024-25 appropriations from the Public School Capital Construction Assistance Fund and the related Charter School Facilities Assistance Account include the following components (excluding funds that originate from local sources).

FY 2024-25 PSCCAF AND PSCCAF CHARTER SCHOOL ACCOUNT APPROPRIATIONS	
Administration	\$1,714,569
Centrally appropriated	654,600
Lease Purchase Payments (COPs)	62,500,000
Cash Grants	155,245,826
Capital Construction Priority Assessment Tool	150,000
Charter School Facilities Assistance Account (diversion from the PSCCAF)	20,355,662
Total	\$240,620,657

- The cash grants amount has been most variable from year-to-year, based on available revenue. The cash grants amount is unusually high based on recent State Land Board receipts.
- The lease purchase payments amount is expected to increase to as much as \$75.0 million.
- The Charter School Facilities Assistance amount is expected to increase to \$25.3 million by FY 2028-29 before declining to \$9.7 million in FY 2029-30.

Recent changes in H.B. 24-1448 (New School Finance Formula): Changes included in H.B. 24-1448 increased funding for public school capital construction. These included:

- Made \$21.0 million *less* available for public school operating expenses by FY 2026-27 in order to support public school capital construction.
- Increased the cap on BEST annual COP payments from state funds from \$62.5 million to \$75.0 million, which will obligate the state to a floor of this amount plus funding for administration once such COPs are issued (unless the General Assembly chooses to scale this back).
- Diverted increasing amounts of revenue to charter school capital construction, adding \$16.0 million by FY 2028-29. Although the increase ends in FY 2028-29 and reverts to base funding amounts, staff anticipates that the General Assembly will be under pressure to maintain a higher level of charter school capital construction support.

School Capital Construction v. Operating Needs:

- **Capital Construction Needs:** Statewide facility assessments indicate that nearly **\$20.0 billion** will be required by 2030 to address the public school capital construction needs in the State.² Annual BEST revenue of \$150.0 to \$250.0 million, even with local matching funds, can do little to address a problem of this scale. Local bond measures will need to continue to bear primary responsibility for school capital costs and will likely continue to be inadequate in many districts. BEST funds make it possible in select areas (particularly rural areas) to address needs that a locality otherwise cannot address, but the impact will be barely discernable statewide.
- **Operating Budget Needs:** **Two new school finance adequacy studies estimate that \$3.6 to \$4.1 billion in additional public school operating revenue is required each year.**³

Background from Prior Presentations – Charter School Facilities Assistance

Background: In 2001 (S.B. 01-129) the General Assembly created a new program to distribute money to charter schools for capital construction. The program allocates annual appropriations among charter schools on a per pupil basis, except that a qualified charter school does not include one that does not have capital construction costs, is operating in a district school facility that does not have capital construction costs, or is operating in a state facility and is not

² <https://api.vfafacility.com/CDOEDashboard/stateLevel/state.jsp>

³ <https://www.cde.state.co.us/cdedepcom/requiredreports> - See School Finance Input Adequacy Study Report and School Finance Cost-Modeling Adequacy Study Report.

obligated to make lease payments. *Funding in recent years has ranged from \$265 to \$330 per charter school student.*

The program has been modified several times. H.B. 19-1055 modified the funding and annually adjusts the amount available from each of two fund sources based on statewide student enrollment in charter schools pursuant to Sections 22-54-124(3)(a)(IV)(C) and 22-43.7-104(2)(d), C.R.S.

- From the State Education Fund, statute requires funding be tied to the previous base of \$20.0 million per year and adjusts this figure annually for charter school enrollment. The calculation compares charter school enrollment as a percentage of statewide pupil enrollment in the preceding budget year to the percentage of students who were enrolled in charter schools in the 2017-18 school year.
- For marijuana excise tax revenues, statute requires that a portion of total marijuana excise tax revenues be deposited into the Charter School Facilities Assistance Account. The transfer is based on the percentage of statewide student enrollment that was enrolled in charter schools in the previous school year compared to the overall population of students.

House Bill 24-1448 provided additional increases for charter school facility assistance. It provided \$11,500,000 for this program in FY 2024-25 as an additional diversion from the Public School Capital Construction Assistance Fund. The diversion increases annually, reaching \$15,000,000 in FY 2028-29, before ending entirely in FY 2029-30. This additional revenue matches federal grant funds that have been awarded to Colorado.

The following table shows a history of per pupil funding amounts for this line item from FY 2006-07 through the FY 2026-26 preliminary estimate and out-year forecast.

State Funding for Charter School Capital Construction Grant Program (with projections for fiscal years through 2028-29)						
Fiscal Year	State Education Fund	Excise Tax Funding	One-Time Funding	State Legislated Funding for SFIG	Total Funding	Growth from Base year
FY01-02	\$ 6,471,051.60				\$ 6,471,051.60	
FY02-03	\$ 7,813,943.00				\$ 7,813,943.00	
FY03-04	\$ 5,000,000.00				\$ 5,000,000.00	
FY04-05	\$ 5,000,000.00				\$ 5,000,000.00	
FY05-06	\$ 5,000,000.00				\$ 5,000,000.00	
FY06-07	\$ 7,800,000.00				\$ 7,800,000.00	
FY07-08	\$ 5,000,000.00				\$ 5,000,000.00	
FY08-09	\$ 5,000,000.00				\$ 5,000,000.00	
FY09-10	\$ 5,000,000.00				\$ 5,000,000.00	
FY10-11	\$ 5,000,000.00				\$ 5,000,000.00	
FY11-12	\$ 5,000,000.00				\$ 5,000,000.00	
FY12-13	\$ 6,000,000.00				\$ 6,000,000.00	
FY13-14	\$ 7,000,000.00				\$ 7,000,000.00	
FY14-15	\$ 13,500,000.00				\$ 13,500,000.00	
FY15-16	\$ 20,000,000.00	\$ 2,000,000.00			\$ 22,000,000.00	
FY16-17	\$ 20,000,000.00	\$ 5,000,000.00			\$ 25,000,000.00	
FY17-18	\$ 20,000,000.00	\$ 5,000,000.00			\$ 25,000,000.00	
FY18-19	\$ 20,000,000.00	\$ 9,250,000.00			\$ 29,250,000.00	
FY19-20	\$ 20,656,559.00	\$ 7,951,358.00			\$ 28,607,917.00	
FY20-21	\$ 22,430,131.00	\$ 9,390,631.00			\$ 31,820,762.00	
FY21-22	\$ 22,829,962.00	\$ 8,696,085.00			\$ 31,526,047.00	
FY22-23	\$ 23,939,892.74	\$ 14,669,782.59			\$ 38,609,675.33	SFIG Base Year
FY23-24	\$ 24,379,016.00	\$ 8,855,662.60	\$ 10,000,000.00		\$ 43,234,678.60	
Total	\$ 282,820,555.34	\$ 70,813,519.19	\$ 10,000,000.00		\$ 363,634,074.53	
FY24-25	\$ 23,935,468.00	\$ 7,457,233.96		\$ 11,500,000.00	\$ 42,892,701.96	\$ 4,283,026.63
FY25-26	\$ 24,287,686.51	\$ 7,643,864.37		\$ 12,000,000.00	\$ 43,931,550.88	\$ 5,321,875.55
FY26-27	\$ 24,641,675.07	\$ 8,491,264.33		\$ 13,000,000.00	\$ 46,132,939.40	\$ 7,523,264.07
FY27-28	\$ 24,995,663.64	\$ 9,063,803.42		\$ 14,000,000.00	\$ 48,059,467.06	\$ 9,449,791.73
FY28-29	\$ 25,349,652.21	\$ 9,666,187.54		\$ 15,000,000.00	\$ 50,015,839.75	\$ 11,406,164.42

Federal Grant: H.B. 24-1448 (New School Finance Formula) provided a large additional diversion from the Public School Capital Construction Assistance Fund to the Charter School Facilities Assistance Account (\$11.5 million in FY 2024-25 and \$12.0 million in FY 2025-26, increasing annually until it reaches \$15.0 million in FY 2028-29). Staff understands that much of the justification for this additional support was to obtain a federal grant to support charter school capital construction assistance.

Staff's understanding is that the decline in Marijuana Excise Tax Revenue, and the related decline in the formula distribution for this program, may jeopardize the required match for the federal grant. However, due to the changes occurring at the federal Department of Education, the State has not been able to verify whether there are related implications or not.

The table below shows the state match amount *assumed* in the federal grant application and how that compares to the federal requirement. As shown, in some years the match to be provided was anticipated to exceed the total required once boosted with the additional HB24-1448 funds.

However, the amount of match for FY 2025-26 that was incorporated in the federal grant application was \$43,931,551. This exceeds the \$42,280,571 now anticipated to be available in FY 2025-26. Since the state did not change its formula but is rather affected by the total Marijuana Excise Tax available, it is uncertain whether federal authorities will consider this to be a violation of the grant terms.

Staff notes that the amount of the federal grant (shown on the far left of the table) declines significantly over time, while the state obligation for matching funds (match amount in the middle of the table) increases from FY 2024-25 through FY 2028-29.

Amount of Grant	Project Year	School Year	Federal Fiscal Year	State Funding	Match Amount	Percentage of Government Share compared to State Share	Percentage of State Share compared to Government Share	Meet Match Requirement (1st year 10%; 2nd year 20%; 3rd year 40%; 4th year 60%; 5th year 80%)
\$0	Base Year	22-23	2022	\$38,609,676	--	--	--	--
\$11,372,375	1	24-25	2024	\$42,892,702	\$4,283,026	72.64%	27.36%	>10%? Yes
\$10,154,162	2	25-26	2025	\$43,931,551	\$5,321,875	65.61%	34.39%	>20%? Yes
\$7,713,535	3	26-27	2026	\$46,132,939	\$7,523,263	50.62%	49.38%	>40%? Yes
\$5,273,195	4	27-28	2027	\$48,059,467	\$9,449,791	35.82%	64.18%	>60%? Yes
\$2,833,148	5	28-29	2028	\$50,015,840	\$11,406,164	19.90%	80.10%	>80%? Yes

Draft of LLS 941.0 (Limit on revenue to the PSCCAF)

- A draft of the bill approved by the JBC to limit revenue to the Public School Capital Construction Assistance Fund is attached. In addition to capping revenue as staff recommended, the JBC also requested that staff explore: (1) adding an annual inflationary adjustment; and (2) considering a related cap on charter school facilities assistance.
- Staff notes that the State Board of Education has sent a letter to the JBC requesting that the cap in this bill be for one year only.
- Staff notes that this bill assists with balancing for school finance over the longer term, so staff does not recommend this. Staff currently anticipates that the bill will provide approximately \$46 million in revenue for public school finance in FY 2025-26 and approximately \$30 million in subsequent years, although such figures are difficult to project.
- Staff is not recommending changes to the JBC's original action, but has provided bill text consistent with options discussed so the JBC can decide on any updates.

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

DRAFT
3/14/25

DRAFT

LLS NO. 25-0941.01 Megan McCall x4215

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Public Sch Cap Constr Assistance Fund Revenue Cap

A BILL FOR AN ACT

101 **CONCERNING AN ANNUAL LIMITATION ON THE AMOUNT OF REVENUE**
102 **THAT THE STATE TREASURER CREDITS TO THE PUBLIC SCHOOL**
103 **CAPITAL CONSTRUCTION ASSISTANCE FUND, AND, IN**
104 **CONNECTION THEREWITH, REQUIRING MONEY ABOVE THE LIMIT**
105 **TO BE CREDITED TO THE STATE PUBLIC SCHOOL FUND.**

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. The bill limits, beginning in state fiscal year 2025-26, the amount of revenue in a state fiscal year that the state

*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words indicate deletions from existing law.*

treasurer credits to the public school capital construction assistance fund (assistance fund) to \$150 million, adjusted annually for inflation, which amount must include either the first \$40 million or the entire amount of money that is attributable to revenue from the marijuana excise tax, whichever is less. The bill requires the state treasurer to credit to the state public school fund revenue that is in excess of the \$150 million cap that otherwise would be credited to the assistance fund.

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

SECTION 1. In Colorado Revised Statutes, 22-43.7-104, **amend** (1) as follows:

22-43.7-104. Public school capital construction assistance fund - creation - crediting of money to fund - use of fund - emergency reserve - creation - reserve account - creation and use - definition.

(1) (a) The public school capital construction assistance fund is hereby created in the state treasury. SUBJECT TO THE LIMITATION SET FORTH IN SUBSECTION (1)(b)(I) OF THIS SECTION, the principal of the assistance fund ~~shall consist~~ CONSISTS of all ~~moneys~~ MONEY transferred or credited to the assistance fund pursuant to subsection (2) of this section. EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (1)(b)(I) OF THIS SECTION, all interest and income earned on the deposit and investment of ~~moneys~~ MONEY in the assistance fund shall be credited to the assistance fund and shall not be transferred to the general fund or any other fund at the end of any fiscal year.

(b) (I) BEGINNING IN STATE FISCAL YEAR 2025-26, THE TOTAL AMOUNT OF REVENUE CREDITED IN THE STATE FISCAL YEAR TO THE ASSISTANCE FUND PURSUANT TO THIS SECTION SHALL NOT EXCEED ONE HUNDRED FIFTY MILLION DOLLARS, WHICH AMOUNT MUST BE ANNUALLY ADJUSTED FOR INFLATION FOR EACH STATE FISCAL YEAR THEREAFTER AND MUST INCLUDE THE LESSER OF THE FIRST FORTY MILLION DOLLARS OR ALL

1 THE MONEY RECEIVED FROM THE EXCISE TAX ON RETAIL MARIJUANA THAT
2 IS REQUIRED TO BE CREDITED TO THE ASSISTANCE FUND PURSUANT TO
3 SECTION 16 (5)(d) OF ARTICLE XVIII OF THE STATE CONSTITUTION. FOR
4 ANY STATE FISCAL YEAR COMMENCING ON OR AFTER JULY 1, 2025, THE
5 STATE TREASURER SHALL CREDIT TO THE STATE PUBLIC SCHOOL FUND
6 CREATED IN SECTION 22-54-114 (1) ANY AMOUNT OF REVENUE THAT
7 EXCEEDS IN THE STATE FISCAL YEAR ONE HUNDRED FIFTY MILLION
8 DOLLARS, AS ADJUSTED ANNUALLY FOR INFLATION FOR STATE FISCAL
9 YEARS COMMENCING ON OR AFTER JULY 1, 2026, THAT OTHERWISE WOULD
10 BE CREDITED TO THE ASSISTANCE FUND PURSUANT TO THIS SECTION. <{**For**
11 **the JBC's consideration, the cap on the amount of revenue that can be**
12 **credited to the assistance fund has been drafted to annually adjust for**
13 **inflation with inflation calculated (as defined in the next paragraph)**
14 **using the CPI for all items. Depending on the direction from the JBC,**
15 **adjusting the cap for inflation can be removed entirely or the timing for**
16 **the adjustment or the calculation for the adjustment can be modified.**>

17 (II) AS USED IN THIS SUBSECTION (1)(b), "INFLATION" MEANS THE
18 ANNUAL PERCENTAGE INCREASE IN THE UNITED STATES DEPARTMENT OF
19 LABOR'S BUREAU OF LABOR STATISTICS CONSUMER PRICE INDEX, OR A
20 SUCCESSOR INDEX, FOR DENVER-AURORA-LAKEWOOD FOR ALL ITEMS
21 PAID FOR BY URBAN CONSUMERS.

22 <{**All the following language, is existing law and no changes are**
23 **drafted but it's being included for the JBC's review if the JBC would**
24 **like to make changes to any allocated amounts that are diverted from**
25 **the assistance fund to the charter school facilities assistance account.**
26 **(Note: making changes in the bill to this diversion will require a**
27 **modified bill title.)**>

1 (d) (I) For the state fiscal year commencing July 1, 2018, the state
2 treasurer, as provided in section 39-28.8-305 (1)(a), shall credit to the
3 assistance fund the greater of the first forty million dollars received and
4 collected from the excise tax on retail marijuana imposed pursuant to part
5 3 of article 28.8 of title 39 or ninety percent of the money received and
6 collected from the tax. For the state fiscal year commencing July 1, 2019,
7 and for each state fiscal year thereafter except for the state fiscal year
8 commencing July 1, 2020, the state treasurer, as provided in section
9 39-28.8-305 (1)(a), shall annually credit to the assistance fund all of the
10 money received and collected from the excise tax on retail marijuana
11 imposed pursuant to part 3 of article 28.8 of title 39. For the state fiscal
12 year commencing July 1, 2020, the state treasurer, as provided in section
13 39-28.8-305 (1)(a), shall credit to the assistance fund the lesser of the first
14 forty million dollars received and collected from the excise tax on retail
15 marijuana imposed pursuant to part 3 of article 28.8 of title 39 or all of
16 the money received and collected from the tax. For state fiscal years
17 commencing before July 1, 2019, the state treasurer shall credit twelve
18 and five-tenths percent of the amount annually credited pursuant to this
19 subsection (2)(d) to the charter school facilities assistance account, which
20 account is created within the assistance fund. For each state fiscal year
21 commencing on or after July 1, 2019, the state treasurer shall credit to the
22 charter school facilities assistance account a percentage of the amount
23 credited pursuant to this subsection (2)(d) that is equal to the percentage
24 of pupil enrollment, as defined in section 22-54-103 (10), statewide
25 represented by pupils who were enrolled in charter schools for the prior
26 school year. The department of education shall notify the state treasurer
27 of the applicable percentage no later than June 1 of the immediately

1 preceding fiscal year. <{Since state fiscal year 2019-20, this is the
2 diversion of a portion of money from the assistance fund attributable
3 to marijuana excise tax revenue to the charter school facilities
4 assistance account. (Prior to that it was in an amount of 12.5% of the
5 amount credited to the assistance fund that is attributable to marijuana
6 excise tax revenue.)>

7 (II) In addition to the credit made to the charter school facilities
8 assistance account pursuant to subsection (2)(d)(I) of this section, the
9 state treasurer shall credit the following amounts to the charter school
10 facilities assistance account from the public school capital construction
11 assistance fund: <{The following amounts are in addition to the
12 allocated diversion provided in the previous paragraph and were put in
13 place by HB24-1448 and are not tied to money credited to the assistance
14 fund attributable to marijuana excise tax revenue.>

15 (A) For the state fiscal year commencing on July 1, 2024, eleven
16 million five hundred thousand dollars;

17 (B) For the state fiscal year commencing on July 1, 2025, twelve
18 million dollars;

19 (C) For the state fiscal year commencing on July 1, 2026, thirteen
20 million dollars;

21 (D) For the state fiscal year commencing on July 1, 2027, fourteen
22 million dollars; and

23 (E) For the state fiscal year commencing on July 1, 2028, fifteen
24 million dollars.

25 **SECTION 2. Safety clause.** The general assembly finds,
26 determines, and declares that this act is necessary for the immediate
27 preservation of the public peace, health, or safety or for appropriations for

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

DRAFT
3/21/25

DRAFT

LLS NO. 25-1009.01 Nicole Myers x4326

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Repeal Annual Gen Fund Transfer to Revolving Fund

A BILL FOR AN ACT

101 **CONCERNING THE REPEAL OF THE ANNUAL TRANSFER OF MONEY FROM**
102 **THE GENERAL FUND TO THE STATE AGENCY SUSTAINABILITY**
103 **REVOLVING FUND.**

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. Current law directs the department of personnel to use the money in the state agency sustainability revolving fund (fund) to operate the office of sustainability and to assist in replacing the state's gas- and diesel-powered equipment that is located in ozone nonattainment areas with equivalent electric equipment. The state

*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words indicate deletions from existing law.*

treasurer is required to transfer \$400,000 from the general fund to the fund on July 1 of each year. The bill repeals the requirement for the annual transfer from the general fund to the fund.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-30-2304, **amend**
3 (1) and (2) as follows:

4 **24-30-2304. Revolving fund - definition.** (1) The state agency
5 sustainability revolving fund, referred to in this section as the "fund", is
6 created in the state treasury. The fund consists of ~~money transferred to the~~
7 ~~fund pursuant to subsection (2) of this section and any other~~ money that
8 the general assembly may appropriate or transfer to the fund AND ANY
9 GIFTS, GRANTS, OR DONATIONS THAT THE DEPARTMENT CREDITS TO THE
10 FUND PURSUANT TO SUBSECTION (5) OF THIS SECTION.

11 (2) ~~On July 1, 2024, and on July 1 each year thereafter, the state~~
12 ~~treasurer shall transfer four hundred thousand dollars from the general~~
13 ~~fund to the fund.~~ The office shall allocate the money in the fund to assist
14 in replacing the state's gas and diesel-powered equipment that is located
15 in ozone nonattainment areas as designated by the U.S. environmental
16 protection agency with equivalent electric equipment, and to operate the
17 office in accordance with this part 23.

18 **SECTION 2. Safety clause.** The general assembly finds,
19 determines, and declares that this act is necessary for the immediate
20 preservation of the public peace, health, or safety or for appropriations for
21 the support and maintenance of the departments of the state and state
22 institutions.