

First Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 11-0407.01 Troy Bratton

HOUSE BILL 11-1056

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A BILL FOR AN ACT

101 **CONCERNING A REQUIREMENT THAT THE STATE TREASURER TRANSMIT**
102 **MONEYS APPROPRIATED TO DEPARTMENTS OF STATE**
103 **GOVERNMENT THAT ARE UNEXPENDED AND UNENCUMBERED AT**
104 **THE END OF A FISCAL YEAR TO SPECIFIED FUNDS SO THAT THE**
105 **MONEYS MAY BE USED TO PAY SALARIES IN JUNE FOR WORK**
106 **PERFORMED BY STATE EMPLOYEES DURING THE MONTH OF**
107 **JUNE.**

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

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

http://www.leg.state.co.us/bills/summaries.)

Currently, state employees are paid on the first working day in July of each year for work performed during the month of June. Unless general fund revenues are augmented with moneys from cash funds in a fiscal year, the bill requires the state treasurer to transfer any general fund moneys appropriated to all principal departments in the executive branch of state government and all offices and agencies in the judicial department that are unexpended and unencumbered at the end of the fiscal year to the state employee payday shift fund (payday shift fund) created in the bill.

Unless general fund revenues are augmented with moneys from cash funds in a fiscal year, the bill also requires the state treasurer to transfer any general fund moneys appropriated to the legislative branch that are unexpended and unencumbered at the end of the fiscal year to the legislative department cash fund.

The bill requires the office of state planning and budgeting to submit a budget request to the general assembly requesting an appropriation of moneys in the payday shift fund to the departments, offices, and agencies stated above. Any moneys appropriated pursuant to such a request and any moneys in the legislative department cash fund will first be used to pay the salaries for the month of June of state employees who are paid on a biweekly basis. Next, the remaining moneys in the payday shift fund and the legislative department cash fund will be used to pay the salaries for the month of June of state employees who are paid on a monthly basis. The general assembly may also appropriate moneys from the fund for any other purpose it deems necessary.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds and declares that:

4 (a) The 2003 payday shift contained in section 24-50-104 (8),
5 Colorado Revised Statutes, which requires salaries for positions in the
6 state personnel system for the month of June to be paid on the first
7 working day of July, presents a significant personal burden to state
8 employees, especially those employees who are paid on a biweekly basis;

9 (b) State employees who are paid on a biweekly basis typically are

1 the lowest-paid state employees and, as such, are the employees who can
2 least afford a significant delay in the receipt of their paychecks;

3 (c) The 2003 payday shift presents an administrative burden to
4 state departments and the state controller; and

5 (d) House Bill 11-____ will allow the state to begin reversing the
6 2003 payday shift over time, beginning with state employees who are paid
7 on a biweekly basis.

8 **SECTION 2.** The introductory portion to 24-50-104 (8) (a),
9 24-50-104 (8) (a) (I) and (8) (a.5), and the introductory portion to
10 24-50-104 (8) (a.6), Colorado Revised Statutes, are amended, and the said
11 24-50-104 (8) is further amended BY THE ADDITION OF THE
12 FOLLOWING NEW PARAGRAPHS, to read:

13 **24-50-104. Job evaluation and compensation. (8) Payroll -**
14 **fund created.** (a) EXCEPT AS PROVIDED IN PARAGRAPH (e) OF THIS
15 SUBSECTION (8), salaries for positions in the state personnel system paid
16 on a monthly basis shall be paid as of the last working day of the month;
17 except that:

18 (I) EXCEPT AS PROVIDED IN PARAGRAPH (e) OF THIS SUBSECTION
19 (8), salaries for the month of June shall be paid on the first working day
20 of July; and

21 (a.5) EXCEPT AS PROVIDED IN PARAGRAPH (e) OF THIS SUBSECTION
22 (8), for state employment positions that are not in the state personnel
23 system and that are not otherwise covered by paragraph (a) of this
24 subsection (8), salaries paid on a monthly basis for the month of June
25 shall be paid on the first working day of July.

26 (a.6) EXCEPT AS PROVIDED IN PARAGRAPH (e) OF THIS SUBSECTION
27 (8), for state employment positions that are not otherwise covered by

1 paragraph (a) or (a.5) of this subsection (8), whether or not such positions
2 are in the state personnel system:

3 (e) (I) NOTWITHSTANDING ANY OTHER PROVISION OF LAW,
4 EFFECTIVE JUNE 30 OF STATE FISCAL YEAR 2010-11 IF GENERAL FUND
5 REVENUES ARE NOT AUGMENTED BY TRANSFERS FROM CASH FUNDS, AND
6 ON JUNE 30 OF EACH STATE FISCAL YEAR THEREAFTER IF GENERAL FUND
7 REVENUES ARE NOT AUGMENTED BY TRANSFERS FROM CASH FUNDS, THE
8 STATE TREASURER SHALL TRANSFER AN AMOUNT EQUAL TO ANY
9 UNEXPENDED AND UNENCUMBERED GENERAL FUND MONEYS
10 APPROPRIATED BY THE GENERAL ASSEMBLY FOR THE STATE FISCAL YEAR
11 TO EACH PRINCIPAL DEPARTMENT OF THE EXECUTIVE BRANCH OF STATE
12 GOVERNMENT AND TO THE JUDICIAL DEPARTMENT, AND EACH OFFICE OR
13 AGENCY THEREOF, FROM THE GENERAL FUND TO THE STATE EMPLOYEE
14 PAYDAY SHIFT FUND, WHICH FUND IS HEREBY CREATED IN THE STATE
15 TREASURY AND REFERRED TO IN THIS PARAGRAPH (e) AS THE "FUND". IN
16 NO INSTANCE SHALL THE TRANSFER REQUIRED BY THIS PARAGRAPH (e)
17 EXCEED THE AMOUNT OF THE GENERAL FUND SURPLUS THAT REMAINS
18 BEFORE THE TRANSFER REQUIRED BY THIS PARAGRAPH (e) AND AFTER THE
19 REQUIRED RESERVES SPECIFIED IN SECTION 24-75-201.1 (1) (d).

20 (II) REQUESTS FOR THE APPROPRIATION OF MONEYS IN THE FUND
21 SHALL BE MADE IN THE FOLLOWING MANNER:

22 (A) BEGINNING WITH STATE FISCAL YEAR 2011-12 AND FOR EACH
23 STATE FISCAL YEAR THEREAFTER, THE OFFICE OF STATE PLANNING AND
24 BUDGETING SHALL SUBMIT A BUDGET REQUEST TO THE GENERAL
25 ASSEMBLY REQUESTING THE APPROPRIATION OF MONEYS IN THE FUND TO
26 SATISFY GENERAL FUND PAYROLL OBLIGATIONS OF THE DEPARTMENTS,
27 OFFICES, AND AGENCIES IDENTIFIED IN SUBPARAGRAPH (I) OF THIS

1 PARAGRAPH (e) FOR WORK PERFORMED DURING A REGULAR BIWEEKLY
2 WORK PERIOD BUT THAT HAVE NOT BEEN PAID TO EMPLOYEES ON A
3 REGULARLY SCHEDULED BIWEEKLY PAY DATE DURING THE MONTH OF
4 JUNE OF THE STATE FISCAL YEAR. THE GENERAL ASSEMBLY MAY
5 APPROPRIATE MONEYS IN THE FUND PURSUANT TO SUCH A REQUEST OR
6 MAY APPROPRIATE MONEYS IN THE FUND FOR ANY OTHER PURPOSE
7 DEEMED APPROPRIATE.

8 (B) BEGINNING WITH STATE FISCAL YEAR 2011-12 AND FOR EACH
9 STATE FISCAL YEAR THEREAFTER, THE OFFICE OF STATE PLANNING AND
10 BUDGETING SHALL SUBMIT A BUDGET REQUEST TO THE GENERAL
11 ASSEMBLY REQUESTING THE APPROPRIATION OF MONEYS REMAINING IN
12 THE FUND AFTER ANY APPROPRIATION MADE PURSUANT TO
13 SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (II) TO SATISFY ANY
14 EXISTING GENERAL FUND PAYROLL OBLIGATIONS OF THE DEPARTMENTS,
15 OFFICES, AND AGENCIES IDENTIFIED IN SUBPARAGRAPH (I) OF THIS
16 PARAGRAPH (e) FOR SALARIES PAID ON A MONTHLY BASIS TO STATE
17 EMPLOYEES FOR ANY WORK PERFORMED DURING THE MONTH OF JUNE OF
18 THE STATE FISCAL YEAR. THE GENERAL ASSEMBLY MAY APPROPRIATE
19 MONEYS IN THE FUND PURSUANT TO SUCH A REQUEST OR MAY
20 APPROPRIATE MONEYS IN THE FUND FOR ANY OTHER PURPOSE DEEMED
21 APPROPRIATE.

22 (III) ANY REMAINING PAYROLL OBLIGATIONS OF A DEPARTMENT,
23 OFFICE, OR AGENCY THAT ARE NOT PAID WITH UNEXPENDED AND
24 UNENCUMBERED MONEYS PURSUANT TO THIS PARAGRAPH (e) ON THE LAST
25 WORKING DAY IN JUNE SHALL CONTINUE TO BE PAID BY THE DEPARTMENT,
26 OFFICE, OR AGENCY ON THE FIRST WORKING DAY IN JULY OF THE NEXT
27 STATE FISCAL YEAR.

1 (IV) IF A DEPARTMENT, OFFICE, OR AGENCY TYPICALLY PAYS A
2 PORTION OF ITS PAYROLL OBLIGATIONS WITH MONEYS FROM A FUND OTHER
3 THAN THE GENERAL FUND, THE DEPARTMENT, OFFICE, OR AGENCY SHALL
4 PAY SUCH PORTION OF THE PAYROLL OBLIGATIONS AT THE SAME TIME IT
5 PAYS PAYROLL OBLIGATIONS FROM MONEYS IN THE GENERAL FUND.

6 (V) IF A DEPARTMENT, OFFICE, OR AGENCY PAYS ALL OF ITS
7 PAYROLL OBLIGATIONS WITH MONEYS FROM A FUND OTHER THAN THE
8 GENERAL FUND, THE DEPARTMENT, OFFICE, OR AGENCY SHALL CONTINUE
9 TO PAY ITS EMPLOYEES FOR WORK PERFORMED DURING THE MONTH OF
10 JUNE ON THE SAME SCHEDULE THAT THE DEPARTMENT, OFFICE, OR
11 AGENCY TYPICALLY FOLLOWS FOR MONTHS OTHER THAN JUNE.

12 (VI) ANY MONEYS IN THE FUND NOT EXPENDED FOR THE PURPOSE
13 OF THIS PARAGRAPH (e) MAY BE INVESTED BY THE STATE TREASURER AS
14 PROVIDED BY LAW. ALL INTEREST AND INCOME DERIVED FROM THE
15 INVESTMENT AND DEPOSIT OF MONEYS IN THE FUND SHALL BE CREDITED
16 TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS
17 REMAINING IN THE FUND AT THE END OF A STATE FISCAL YEAR SHALL
18 REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO
19 THE GENERAL FUND OR ANY OTHER FUND.

20 (f) (I) EFFECTIVE JUNE 30 OF STATE FISCAL YEAR 2010-11 IF
21 GENERAL FUND REVENUES ARE NOT AUGMENTED BY TRANSFERS FROM
22 CASH FUNDS, AND ON JUNE 30 OF EACH STATE FISCAL YEAR THEREAFTER
23 IF GENERAL FUND REVENUES ARE NOT AUGMENTED BY TRANSFERS FROM
24 CASH FUNDS, THE STATE TREASURER SHALL TRANSFER AN AMOUNT EQUAL
25 TO ANY UNEXPENDED AND UNENCUMBERED GENERAL FUND MONEYS
26 APPROPRIATED BY THE GENERAL ASSEMBLY FOR THE STATE FISCAL YEAR
27 TO THE LEGISLATIVE DEPARTMENT, AND EACH SERVICE AGENCY THEREOF,

1 FROM THE GENERAL FUND TO THE LEGISLATIVE DEPARTMENT CASH FUND
2 CREATED IN SECTION 2-2-1601, C.R.S.; EXCEPT THAT MONEYS OTHERWISE
3 RESERVED OR PREVIOUSLY TRANSFERRED BY THE ANNUAL GENERAL
4 APPROPRIATION ACT FOR THE LEGISLATIVE DEPARTMENT SHALL NOT BE
5 SUBJECT TO SUCH A TRANSFER.

6 (II) ANY MONEYS TRANSFERRED TO THE LEGISLATIVE
7 DEPARTMENT CASH FUND PURSUANT TO SUBPARAGRAPH (I) OF THIS
8 PARAGRAPH (f) SHALL BE USED WITHIN THE LEGISLATIVE DEPARTMENT
9 FOR THE SAME PURPOSES AND IN THE SAME MANNER AS ANY MONEYS
10 TRANSFERRED PURSUANT TO PARAGRAPH (e) OF THIS SUBSECTION (8).

11 (III) ANY MONEYS IN THE LEGISLATIVE DEPARTMENT CASH FUND
12 NOT EXPENDED PURSUANT TO THIS PARAGRAPH (f) AND REMAINING IN THE
13 FUND AT THE END OF A STATE FISCAL YEAR SHALL REMAIN IN THE FUND
14 AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR
15 ANY OTHER FUND. ONCE THE PAYROLL PURPOSES HAVE BEEN
16 ACCOMPLISHED, ANY MONEYS REMAINING IN THE FUND MAY BE EXPENDED
17 BY THE LEGISLATIVE DEPARTMENT AS SPECIFIED IN SECTION 2-2-1601,
18 C.R.S.

19 (g) UPON A DETERMINATION BY THE STATE TREASURER THAT
20 SUFFICIENT MONEYS HAVE BEEN TRANSFERRED TO PAY ALL GENERAL FUND
21 PAYROLL OBLIGATIONS OF A STATE FISCAL YEAR IN THE SAME STATE
22 FISCAL YEAR, THE STATE TREASURER SHALL CEASE THE TRANSFERS
23 REQUIRED BY PARAGRAPHS (e) AND (f) OF THIS SUBSECTION (8) AND
24 SHALL TRANSFER ANY MONEYS REMAINING IN THE STATE EMPLOYEE
25 PAYDAY SHIFT FUND TO THE GENERAL FUND. AFTER ALL MONEYS HAVE
26 BEEN TRANSFERRED OUT OF THE STATE EMPLOYEE PAYDAY SHIFT FUND,
27 THE STATE EMPLOYEE PAYDAY SHIFT FUND SHALL BE ABOLISHED.

1 **SECTION 3. Safety clause.** The general assembly hereby finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, and safety.