

**Second Regular Session  
Sixty-seventh General Assembly  
STATE OF COLORADO**

**REVISED**

*This Version Includes All Amendments Adopted  
on Second Reading in the Second House*

LLS NO. 10-0378.02 Nicole Myers

**HOUSE BILL 10-1178**

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**HOUSE SPONSORSHIP**

**Stephens,**

**SENATE SPONSORSHIP**

**Scheffel,**

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**House Committees**

State, Veterans, & Military Affairs

**Senate Committees**

State, Veterans & Military Affairs

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**A BILL FOR AN ACT**

101 **CONCERNING INCREASING THE TRANSPARENCY IN THE USE OF GIFTS,**  
102 **GRANTS, AND DONATIONS TO FUND PROGRAMS BY STATE**  
103 **AGENCIES.**

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**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://www.leg.state.co.us/billsummaries>.)*

The bill requires that each state agency that receives grant moneys submit a report to the joint budget committee of the general assembly specifying information about the grant. Such information includes the source, amount, and duration of the grant and the specific program for

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.*

SENATE  
Am ended 2nd Reading  
March 29, 2010

HOUSE  
3rd Reading Unam ended  
February 22, 2010

HOUSE  
Am ended 2nd Reading  
February 19, 2010

which the grant money is intended to be used. The bill requires state agencies to request that grant donors submit a letter including such information to the state agency at the time of making the grant to assist the state agency in tracking and reporting all grants received during a fiscal year.

In addition, the bill requires each new bill enacted by the general assembly on or after January 1, 2011, to include a notice of funding requirement if a program, service, study, interim committee, or other function of state government (program) created in the new bill will be funded entirely or in any part by grant moneys. The notice of funding requirement directs the state agency that will oversee the program to submit notice to the legislative council staff when adequate funding for the program is received. The bill also requires each new bill that creates a program funded entirely or in any part by grant moneys to include a repeal clause specifying the provisions of the bill that rely on grant moneys and that those provisions will be repealed upon receipt of notice by the revisor of statutes that the program has not received sufficient grant funding.

If the legislative council staff has not received notice of funding within 18 months after the effective date of the provisions of the new bill that are dependent upon grant funding, the legislative council staff is required to include the new bill on a list of bills that have not received sufficient grant funding and to submit the list to the president of the senate, the speaker of the house of representatives, and the revisor of statutes. Delivery of the list by the legislative council staff serves as notification to the revisor of statutes to repeal the applicable provisions of the bills on the list.

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

2 **SECTION 1.** Article 75 of title 24, Colorado Revised Statutes, is  
3 amended BY THE ADDITION OF A NEW PART to read:

4 **PART 13**  
5 **STATUS OF GIFTS, GRANTS, AND DONATIONS**  
6 **MADE TO STATE AGENCIES**

7 **24-75-1301. Definitions.** AS USED IN THIS PART 13, UNLESS THE  
8 CONTEXT OTHERWISE REQUIRES:

9 (1) "GRANT" MEANS ANY DIRECT CASH SUBSIDY OR OTHER DIRECT  
10 CONTRIBUTION OF MONEYS FROM THE FEDERAL GOVERNMENT THAT IS NOT

1 REQUIRED TO BE REPAID, REGARDLESS OF WHETHER SUCH FEDERAL  
2 MONEYS PASS THROUGH THE STATE PRIOR TO RECEIPT BY A STATE  
3 AGENCY. "GRANT" SHALL ALSO INCLUDE ANY GIFT, GRANT, OR DONATION  
4 FROM A NONGOVERNMENTAL ENTITY TO A STATE AGENCY THAT IS NOT  
5 REQUIRED TO BE REPAID AND THAT IS FIFTY DOLLARS OR MORE.

6 (2) "STATE AGENCY" MEANS ANY DEPARTMENT, COMMISSION,  
7 COUNCIL, BOARD, BUREAU, COMMITTEE, █████ █████ AGENCY, OR OTHER  
8 GOVERNMENTAL UNIT OF THE EXECUTIVE, LEGISLATIVE, OR JUDICIAL  
9 BRANCH OF STATE GOVERNMENT. "STATE AGENCY" SHALL NOT INCLUDE  
10 ANY INSTITUTION OF HIGHER EDUCATION.

11 **24-75-1302. State agencies - information obtained with grants.**

12 EACH STATE AGENCY THAT RECEIVES A GRANT FROM A  
13 NONGOVERNMENTAL ENTITY TO PROVIDE FUNDING FOR A BILL ENACTED  
14 BY THE GENERAL ASSEMBLY THAT RELIES ENTIRELY OR IN ANY PART ON  
15 GRANT MONEYS FOR THE FUNDING SOURCE OF THE PROGRAM, SERVICE,  
16 STUDY, INTERIM COMMITTEE, OR OTHER GOVERNMENT FUNCTION  
17 REQUIRED BY THE BILL, SHALL REQUEST THAT THE ENTITY SUBMIT A  
18 LETTER TO THE STATE AGENCY AT THE TIME OF MAKING THE GRANT  
19 SPECIFYING THE AMOUNT OF THE GRANT, THE DURATION OF THE GRANT,  
20 AND THE SPECIFIC PURPOSES FOR WHICH THE GRANT MONEY IS TO BE USED.  
21 THE STATE AGENCY SHALL REQUEST THAT THE NONGOVERNMENTAL  
22 ENTITY INCLUDE THE BILL NUMBER OF THE BILL THAT CREATED THE  
23 PROGRAM, SERVICE, STUDY, INTERIM COMMITTEE, OR OTHER  
24 GOVERNMENTAL FUNCTION FOR WHICH THE GRANT IS INTENDED TO  
25 PROVIDE FUNDING.

26 **24-75-1303. Report to general assembly.** (1) ON OR BEFORE  
27 NOVEMBER 1, 2011, AND ON OR BEFORE NOVEMBER 1 OF EACH YEAR

1       THEREAFTER, EACH STATE AGENCY SHALL SUBMIT TO THE JOINT BUDGET  
2       COMMITTEE OF THE GENERAL ASSEMBLY A REPORT, IN ACCORDANCE WITH  
3       GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, OF ALL GRANTS MADE TO  
4       THE STATE AGENCY DURING THE IMMEDIATELY PRECEDING STATE FISCAL  
5       YEAR, WHICH GRANTS PROVIDED FUNDING FOR A BILL ENACTED BY THE  
6       GENERAL ASSEMBLY THAT RELIES ENTIRELY OR IN ANY PART ON GRANT  
7       MONEYS FOR THE FUNDING SOURCE OF THE PROGRAM, SERVICE, STUDY,  
8       INTERIM COMMITTEE, OR OTHER GOVERNMENTAL FUNCTION REQUIRED BY  
9       THE BILL. THE STATE AGENCY SHALL BE PREPARED TO REVIEW THE  
10      REPORT AT THE STATE AGENCY'S BRIEFING WITH THE JOINT BUDGET  
11      COMMITTEE IN CONNECTION WITH ITS ANNUAL BUDGET REQUEST.

12           (2) IN COMPILING THE REPORT REQUIRED PURSUANT TO  
13      SUBSECTION (1) OF THIS SECTION, THE STATE AGENCY MAY USE THE  
14      DOCUMENTATION PROVIDED BY NONGOVERNMENTAL ENTITIES PURSUANT  
15      TO SECTION 24-75-1302 FOR A GRANT MADE BY A NONGOVERNMENTAL  
16      ENTITY AND MAY USE THE SAME METHOD OF TRACKING FEDERAL GRANTS  
17      AS IS USED FOR TRACKING SUCH GRANTS FOR THE PURPOSE OF THE REPORT  
18      TO THE CONTROLLER REQUIRED PURSUANT TO SECTION 24-75-212.

19           (3) THE REPORT REQUIRED PURSUANT TO SUBSECTION (1) OF THIS  
20      SECTION SHALL INCLUDE THE FOLLOWING INFORMATION FOR EVERY GRANT  
21      RECEIVED:

22           (a) THE SOURCE OF THE GRANT, REGARDLESS OF WHETHER THE  
23      GRANT IS FROM THE FEDERAL GOVERNMENT OR FROM A  
24      NONGOVERNMENTAL ENTITY;

25           (b) THE AMOUNT OF MONEY THAT THE STATE AGENCY RECEIVES  
26      THROUGH THE GRANT ON AN ANNUAL BASIS AND THE NUMBER OF YEARS  
27      THAT THE STATE AGENCY WILL RECEIVE SUCH GRANT MONEYS; AND

1 (c) THE SPECIFIC PROGRAM THAT THE GRANT IS INTENDED TO  
2 SUPPORT, INCLUDING THE BILL NUMBER OF THE BILL THAT CREATED THE  
3 PROGRAM.

4 (4) IN ADDITION TO THE INFORMATION SPECIFIED IN SUBSECTION  
5 (3) OF THIS SECTION, A STATE AGENCY SHALL INCLUDE IN THE REPORT A  
6 STATEMENT OF THE STATE AGENCY'S INTENT REGARDING THE  
7 SUSTAINABILITY OF EACH PROGRAM OR SERVICE THAT IS FUNDED  
8 ENTIRELY OR IN ANY PART BY GRANT MONEYS IN THE EVENT THAT GRANT  
9 MONEYS ARE NO LONGER AVAILABLE TO SUPPORT THE PROGRAM OR  
10 SERVICE IN THE FUTURE. IF THE STATE AGENCY INTENDS TO CONTINUE THE  
11 PROGRAM OR SERVICE AFTER GRANT MONEYS ARE NO LONGER AVAILABLE,  
12 THE STATE AGENCY SHALL INCLUDE A STATEMENT REGARDING HOW THE  
13 PROGRAM OR SERVICE WILL BE FUNDED.

14 (5) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO REQUIRE  
15 A SCHOOL DISTRICT TO SUBMIT INFORMATION TO THE DEPARTMENT OF  
16 EDUCATION FOR PURPOSES OF THE REPORT REQUIRED IN THIS SECTION.

17 **24-75-1304. Legislation - programs or services reliant on**  
18 **grants - repeal of program.** (1) BEGINNING ON JANUARY 1, 2011, THE  
19 LEGISLATIVE COUNCIL STAFF SHALL KEEP A RECORD OF ALL BILLS PASSED  
20 DURING EACH SESSION OF THE GENERAL ASSEMBLY THAT RELY ENTIRELY  
21 OR IN ANY PART ON GRANT MONEYS FOR THE FUNDING SOURCE OF A  
22 PROGRAM, SERVICE, STUDY, INTERIM COMMITTEE, OR OTHER FUNCTION OF  
23 STATE GOVERNMENT THAT IS REQUIRED BY THE BILL.

24 (2) ANY BILL PASSED BY THE GENERAL ASSEMBLY ON OR AFTER  
25 JANUARY 1, 2011, THAT INCLUDES A PROGRAM, SERVICE, STUDY, INTERIM  
26 COMMITTEE, OR OTHER FUNCTION OF STATE GOVERNMENT AND THAT  
27 RELIES ENTIRELY OR IN ANY PART ON GRANT MONEYS AS ITS FUNDING

1 SOURCE SHALL INCLUDE A PROVISION REQUIRING NOTICE OF FUNDING  
2 THAT REQUIRES THE STATE AGENCY THAT WILL OVERSEE THE PROGRAM,  
3 SERVICE, STUDY, INTERIM COMMITTEE, OR OTHER FUNCTION OF STATE  
4 GOVERNMENT PURSUANT TO THE BILL TO REPORT TO THE LEGISLATIVE  
5 COUNCIL STAFF WHEN IT HAS RECEIVED ADEQUATE FUNDING FOR THE  
6 RELEVANT PORTIONS OF THE BILL THROUGH GRANT MONEYS. IN THE  
7 EVENT THAT A LEGISLATIVE INTERIM COMMITTEE IS CREATED THROUGH A  
8 RESOLUTION AND IS DEPENDENT ON GRANTS TO FUND THE COMMITTEE,  
9 THE LEGISLATIVE COUNCIL STAFF SHALL BE THE ENTITY RESPONSIBLE FOR  
10 TRACKING WHETHER GRANT MONEYS HAVE BEEN RECEIVED IN AN AMOUNT  
11 THAT IS SUFFICIENT TO FUND THE INTERIM COMMITTEE.

12

13 (3) THE NOTICE TO THE LEGISLATIVE COUNCIL STAFF REQUIRED  
14 PURSUANT TO [REDACTED] SUBSECTION (2) OF THIS SECTION SHALL INCLUDE THE  
15 SAME INFORMATION REGARDING THE GRANT THAT THE STATE AGENCY IS  
16 REQUIRED TO SUBMIT TO THE JOINT BUDGET COMMITTEE PURSUANT TO  
17 SECTION 24-75-1303 (3).

18 (4) IF THE LEGISLATIVE COUNCIL STAFF DOES NOT RECEIVE NOTICE  
19 OF FUNDING PURSUANT TO [REDACTED] SUBSECTION (2) OF THIS SECTION WITHIN  
20 TWO YEARS AFTER THE EFFECTIVE DATE OF THE BILL, THE LEGISLATIVE  
21 COUNCIL STAFF SHALL INCLUDE THE BILL NUMBER ON THE LIST PROVIDED  
22 TO THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE OF  
23 REPRESENTATIVES, AND THE REVISOR OF STATUTES PURSUANT TO  
24 SUBSECTION (5) OF THIS SECTION.

25 (5) ON OR BEFORE DECEMBER 1, 2012, AND ON OR BEFORE  
26 DECEMBER 1 EACH YEAR THEREAFTER, THE LEGISLATIVE COUNCIL STAFF  
27 SHALL SUBMIT TO THE MEMBERS OF THE EXECUTIVE COMMITTEE OF THE

1 LEGISLATIVE COUNCIL OF THE GENERAL ASSEMBLY, THE MEMBERS OF THE  
2 COMMITTEE ON LEGAL SERVICES, AND THE REVISOR OF STATUTES A LIST  
3 OF THE BILLS THAT HAVE NOT RECEIVED FUNDING FROM GRANTS IN AN  
4 AMOUNT SUFFICIENT TO FUND THE PROGRAMS, SERVICES, STUDIES,  
5 INTERIM COMMITTEES, OR OTHER FUNCTIONS OF STATE GOVERNMENT  
6 CONTAINED IN SUCH BILLS.

7 (6) BEGINNING WITH THE FIRST REGULAR SESSION OF THE  
8 SIXTY-NINTH GENERAL ASSEMBLY, COMMENCING IN JANUARY 2013, THE  
9 REVISOR OF STATUTES, UNDER THE SUPERVISION AND DIRECTION OF THE  
10 COMMITTEE ON LEGAL SERVICES, SHALL PREPARE AND SUBMIT ANNUALLY  
11 ONE OR MORE BILLS CONTAINING THE REPEAL OF THE STATUTORY  
12 PROVISIONS CREATED BY THE BILLS INCLUDED ON THE LIST PREPARED  
13 PURSUANT TO SUBSECTION (5) OF THIS SECTION.

14 **24-75-1305. Programs or services reliant on grants - statutory**  
15 **reauthorization of program.** (1) EXCEPT AS OTHERWISE PROVIDED IN  
16 SUBSECTION (3) OF THIS SECTION, BEGINNING JANUARY 1, 2011, THE  
17 GENERAL ASSEMBLY SHALL NOT MAKE AN APPROPRIATION OF MONEYS  
18 FROM THE GENERAL FUND OR FROM ANY OTHER SOURCE OF STATE MONEYS  
19 TO FUND A PROGRAM, SERVICE, STUDY, OR OTHER FUNCTION OF STATE  
20 GOVERNMENT THAT WAS PREVIOUSLY FUNDED THROUGH GRANT MONEYS  
21 AND THAT HAS NOT RECEIVED ADEQUATE GRANT MONEYS TO SUPPORT THE  
22 PROGRAM, SERVICE, STUDY, OR OTHER FUNCTION OF STATE GOVERNMENT  
23 FOR THE APPLICABLE FISCAL YEAR.

24 (2) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3) OF THIS  
25 SECTION, BEGINNING JANUARY 1, 2011, A STATE AGENCY THAT OVERSEES  
26 ANY PROGRAM, SERVICE, STUDY, OR OTHER FUNCTION OF STATE  
27 GOVERNMENT SHALL NOT REQUEST AS PART OF ITS ANNUAL BUDGET

1 REQUEST TO THE JOINT BUDGET COMMITTEE THAT THE GENERAL  
2 ASSEMBLY MAKE AN APPROPRIATION FROM THE GENERAL FUND OR ANY  
3 OTHER SOURCE OF STATE MONEYS TO FUND A PROGRAM, SERVICE, STUDY,  
4 OR OTHER FUNCTION OF STATE GOVERNMENT THAT WAS PREVIOUSLY  
5 FUNDED THROUGH GRANT MONEYS AND THAT HAS NOT RECEIVED  
6 ADEQUATE GRANT MONEYS TO SUPPORT THE PROGRAM, SERVICE, STUDY,  
7 OR OTHER FUNCTION OF STATE GOVERNMENT FOR THE APPLICABLE FISCAL  
8 YEAR.

9 (3) THE GENERAL ASSEMBLY MAY ADOPT LEGISLATION TO  
10 REAUTHORIZE ANY PROGRAM, SERVICE, STUDY, OR OTHER FUNCTION OF  
11 STATE GOVERNMENT THAT WAS PREVIOUSLY FUNDED THROUGH GRANT  
12 MONEYS AND, IF SUCH LEGISLATION INCLUDES AN APPROPRIATION FROM  
13 THE GENERAL FUND OR ANY OTHER SOURCE OF STATE MONEYS AND  
14 BECOMES LAW, MAY MAKE AN APPROPRIATION FROM THE GENERAL FUND  
15 OR FROM ANY OTHER SOURCE OF STATE MONEYS TO A STATE AGENCY TO  
16 OVERSEE THE PROGRAM, SERVICE, STUDY, OR OTHER FUNCTION OF STATE  
17 GOVERNMENT.

18 **SECTION 2. Act subject to petition - effective date.** This act  
19 shall take effect at 12:01 a.m. on the day following the expiration of the  
20 ninety-day period after final adjournment of the general assembly (August  
21 11, 2010, if adjournment sine die is on May 12, 2010); except that, if a  
22 referendum petition is filed pursuant to section 1 (3) of article V of the  
23 state constitution against this act or an item, section, or part of this act  
24 within such period, then the act, item, section, or part shall not take effect  
25 unless approved by the people at the general election to be held in  
26 November 2010 and shall take effect on the date of the official  
27 declaration of the vote thereon by the governor.