

Second Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 12-0698.02 Esther van Mourik x4215

SENATE BILL 12-145

SENATE SPONSORSHIP

Steadman, Hodge, Lambert

HOUSE SPONSORSHIP

Becker, Gerou, Levy

Senate Committees
Education

House Committees

A BILL FOR AN ACT

101 **CONCERNING A CAP ON THE 2011-12 STATE FISCAL YEAR TRANSFERS**
102 **TO THE STATE PUBLIC SCHOOL FUND FROM PUBLIC SCHOOL**
103 **LAND MONEYS.**

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>.)

Joint Budget Committee. Current law provides that all interest and income earned on the investment of moneys in the public school fund, except interest and income transferred for purposes of the BEST program, is to be transferred to the state public school fund through the

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
3rd Reading Unamended
February 14, 2012

SENATE
Amended 2nd Reading
February 13, 2012

2012-13 state fiscal year. **Section 1** of the bill caps the 2011-12 state fiscal year transfer to the state public school fund at \$15 million and ensures that for the 2011-12 state fiscal year, after the transfer for purposes of the BEST program, the remaining interest and income earned on the investment of moneys in the permanent school fund remain in the fund and become part of the principal of the fund.

Current law provides that public school land revenues, such as proceeds from the sale of timber on public school lands, rental payments for the use of the surface of the lands, and rentals or lease payments for minerals on the lands, except for some transfers to specific state land board funds and the BEST program, be transferred into the state public school fund instead of being deposited into the permanent school fund to become part of the principal of the fund.

Section 2 of the bill caps the 2011-12 state fiscal year transfer to the state public school fund at \$21 million and ensures that, for the 2011-12 state fiscal year, after transfers to specific state land board funds and the BEST program, a portion of the proceeds of the sale of timber on public school lands, rental payments for the use of the surface of the lands, and rentals or lease payments for minerals on the lands are to be deposited into the permanent school fund to become part of the principal of the fund.

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

2 **SECTION 1.** In Colorado Revised Statutes, 22-41-102, **amend**

3 (3) (b) as follows:

4 **22-41-102. Fund inviolate - repeal.** (3) (b) (I) (A) FOR THE
5 2011-12 STATE FISCAL YEAR, THE FIRST FIFTEEN MILLION DOLLARS OF ANY
6 INTEREST OR INCOME EARNED ON THE INVESTMENT OF THE MONEYS IN THE
7 PUBLIC SCHOOL FUND SHALL BE CREDITED TO THE STATE PUBLIC SCHOOL
8 FUND CREATED IN SECTION 22-54-114 FOR DISTRIBUTION AS PROVIDED BY
9 LAW. ANY AMOUNT OF SUCH INTEREST AND INCOME EARNED ON THE
10 INVESTMENT OF THE MONEYS IN THE PUBLIC SCHOOL FUND IN EXCESS OF
11 FIFTEEN MILLION DOLLARS, OTHER THAN INTEREST AND INCOME CREDITED
12 TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE FUND
13 CREATED IN SECTION 22-43.7-104 (1) PURSUANT TO SECTION 22-43.7-104

1 (2) (b) (I) SHALL REMAIN IN THE FUND AND SHALL BECOME PART OF THE
2 PRINCIPAL OF THE FUND.

3 (B) THIS SUBPARAGRAPH (I) IS REPEALED, EFFECTIVE JULY 1, 2013.

4 (II) (A) For the ~~2008-09 state fiscal year through the~~ 2012-13 state
5 fiscal year, all interest or income earned on the investment of the moneys
6 in the public school fund not credited to the public school capital
7 construction assistance fund created in section 22-43.7-104 (1) pursuant
8 to section 22-43.7-104 (2) (b) (I) shall be transferred to the state public
9 school fund created in section 22-54-114.

10 (B) THIS SUBPARAGRAPH (II) IS REPEALED, EFFECTIVE JULY 1,
11 2014.

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13 **SECTION 2. In Colorado Revised Statutes, 36-1-116, amend (1)**

14 **(a) (II) (B) and (1) (c) as follows:**

15 **36-1-116. Disposition of rentals, royalties, and timber sale**
16 **proceeds.** (1) (a) (II) (B) For the ~~2008-09 state fiscal year through the~~
17 ~~2012-13 state fiscal year~~, all proceeds received by the state for the sale of
18 ~~timber on public school lands, rental payments for the use and occupation~~
19 ~~of the surface of said lands, and rentals or lease payments for sand,~~
20 ~~gravel, clay, stone, coal, oil, gas, geothermal resources, gold, silver, or~~
21 ~~other minerals on said lands other than proceeds, rentals, and payments~~
22 ~~allocated to the state land board trust administration fund pursuant to~~
23 ~~section 36-1-145 (3) or credited to the public school capital construction~~
24 ~~assistance fund created in section 22-43.7-104 (1), C.R.S., pursuant to~~
25 ~~section 22-43.7-104 (2) (b) (I), C.R.S., shall be transferred to the state~~
26 ~~public school fund created in section 22-54-114, C.R.S.~~

27 **(c) (I) FOR THE 2011-12 STATE FISCAL YEAR, THE FIRST**

1 TWENTY-ONE MILLION DOLLARS OF ROYALTIES AND OTHER PAYMENTS FOR
2 THE DEPLETION OR EXTRACTION OF A NATURAL RESOURCE ON PUBLIC
3 SCHOOL LANDS IN EXCESS OF THE MONEYS CREDITED TO THE STATE LAND
4 BOARD TRUST ADMINISTRATION FUND PURSUANT TO SECTION 36-1-145 (3),
5 CREDITED TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE
6 FUND CREATED IN SECTION 22-43.7-104 (1), C.R.S., PURSUANT TO SECTION
7 22-43.7-104 (2) (b) (I), C.R.S., AND CREDITED AS SPECIFIED IN
8 SUBPARAGRAPH (II) OF PARAGRAPH (b) OF THIS SUBSECTION (1) SHALL BE
9 TRANSFERRED TO THE STATE PUBLIC SCHOOL FUND CREATED IN SECTION
10 22-54-114, C.R.S. ANY AMOUNT OF ROYALTIES AND OTHER PAYMENTS
11 FOR THE DEPLETION OR EXTRACTION OF A NATURAL RESOURCE ON PUBLIC
12 SCHOOL LANDS IN EXCESS OF THE AMOUNTS DESCRIBED IN THIS
13 SUBPARAGRAPH (I) SHALL BE CREDITED TO THE PERMANENT SCHOOL FUND
14 AND SHALL BECOME PART OF THE PRINCIPAL OF THE PERMANENT SCHOOL
15 FUND.

16 (II) For the 2008-09 state fiscal year through the 2012-13 state
17 fiscal year, royalties and other payments for the depletion or extraction of
18 a natural resource on public school lands not allocated to the state land
19 board trust administration fund pursuant to section 36-1-145 (3), not
20 credited to the public school capital construction assistance fund created
21 in section 22-43.7-104 (1), C.R.S., pursuant to section 22-43.7-104 (2) (b)
22 (I), C.R.S., and not credited as specified in subparagraph (II) of paragraph
23 (b) of this subsection (1) shall be transferred to the state public school
24 fund created in section 22-54-114, C.R.S.

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