

NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

An Act

HOUSE BILL 26-1059

BY REPRESENTATIVE(S) Hartsook and Stewart R., Boesenecker, Duran, Weinberg;
also SENATOR(S) Frizell and Snyder, Kipp, Coleman.

CONCERNING THE CASH FUNDS CREATED IN CONNECTION WITH MONEY
RETAINED BY THE DEPARTMENT OF REVENUE TO MITIGATE THE
ADMINISTRATIVE COSTS INCURRED BY THE DEPARTMENT IN
COLLECTING CERTAIN CHARGES.

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

SECTION 1. In Colorado Revised Statutes, **add** 24-35-123 as follows:

24-35-123. Cost recovery cash fund - creation - definitions.

(1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE.

(b) "COST RECOVERY CASH FUND" OR "FUND" MEANS THE COST

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

RECOVERY CASH FUND CREATED IN SUBSECTION (2) OF THIS SECTION.

(2) (a) THE COST RECOVERY CASH FUND IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF MONEY RETAINED BY THE DEPARTMENT AND CREDITED TO THE FUND BY THE STATE TREASURER IN CONNECTION WITH THE FOLLOWING:

(I) THE COST OF COLLECTING, ADMINISTERING, AND ENFORCING THE PREPAID WIRELESS 911 CHARGE PURSUANT TO SECTION 29-11-102.5 (3)(e)(II);

(II) THE COST OF COLLECTING, ADMINISTERING, AND ENFORCING THE PRODUCTION FEES FOR CLEAN TRANSIT AND THE PRODUCTION FEES FOR WILDLIFE AND LAND REMEDIATION PURSUANT TO SECTION 33-61-104 (1);

(III) THE COST OF COLLECTING, ADMINISTERING, AND ENFORCING THE ENTERPRISE PER RIDE FEES PURSUANT TO SECTION 40-10.1-607.5 (4); AND

(IV) THE COST OF COLLECTING, ADMINISTERING, AND ENFORCING THE RETAIL DELIVERY FEE AND THE ENTERPRISE RETAIL DELIVERY FEES PURSUANT TO SECTION 43-4-218 (4)(b).

(b) ALL MONEY IN THE COST RECOVERY CASH FUND IS CONTINUOUSLY APPROPRIATED TO THE DEPARTMENT TO DEFRAY THE COSTS INCURRED BY THE DEPARTMENT IN COLLECTING, ENFORCING, AND ADMINISTERING THE FOLLOWING CHARGES AND FEES:

(I) THE PREPAID WIRELESS 911 CHARGE COLLECTED PURSUANT TO PART 1 OF ARTICLE 11 OF TITLE 29;

(II) THE PRODUCTION FEES FOR CLEAN TRANSIT AND THE PRODUCTION FEES FOR WILDLIFE AND LAND REMEDIATION COLLECTED PURSUANT TO ARTICLE 61 OF TITLE 33;

(III) THE ENTERPRISE PER RIDE FEES COLLECTED PURSUANT TO SECTION 40-10.1-607.5; AND

(IV) THE RETAIL DELIVERY FEES AND THE ENTERPRISE RETAIL DELIVERY FEES COLLECTED PURSUANT TO SECTION 43-4-218.

(3) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE COST RECOVERY CASH FUND TO THE FUND.

(4) THE FUND IS EXEMPT FROM THE LIMITATIONS SET FORTH IN SECTION 24-75-402.

(5) ON OR BEFORE NOVEMBER 1, 2027, AND ON OR BEFORE NOVEMBER 1 OF EACH YEAR THEREAFTER, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE JOINT BUDGET COMMITTEE WITH THE FOLLOWING:

(a) THE COST ASSOCIATED WITH COLLECTING, ADMINISTERING, AND ENFORCING EACH FEE AND CHARGE THAT IS COLLECTED, ADMINISTERED, AND ENFORCED FROM MONEY IN THE COST RECOVERY CASH FUND; AND

(b) WHERE APPLICABLE AND WHEN INFORMATION IS READILY AVAILABLE, DETAILS ON SPECIFIC TASKS THAT CONTRIBUTE A SIGNIFICANT PORTION OF THE OVERALL WORKLOAD IN CONNECTION WITH THE FEES AND CHARGES THAT HAVE THE LARGEST COST TO COLLECT, ADMINISTER, AND ENFORCE.

SECTION 2. In Colorado Revised Statutes, 24-75-402, **amend** (5)(mmm) and (5)(nnn); and **add** (5)(qqq) as follows:

24-75-402. Cash funds - limit on uncommitted reserves - reduction in the amount of fees - exclusions - definitions.

(5) Notwithstanding any provision of this section to the contrary, the following cash funds are excluded from the limitations specified in this section:

(mmm) The reentry services for justice-involved individuals reinvestment cash fund created in section 25.5-4-505.7; ~~and~~

(nnn) The health-related social needs reinvestment cash fund created in section 25.5-5-340; AND

(qqq) THE COST RECOVERY CASH FUND CREATED IN SECTION 24-35-123 (2).

SECTION 3. In Colorado Revised Statutes, 29-11-102.5, **amend** (3)(e)(II) as follows:

29-11-102.5. Imposition of charge on prepaid wireless - prepaid wireless trust cash fund - rules - transfer - applicability - definitions - repeal.

(3) (e) (II) ~~The department may expend~~ WHEN COLLECTING THE PREPAID WIRELESS 911 CHARGE, THE EXECUTIVE DIRECTOR MAY RETAIN an amount, not to exceed three percent of the collected charges in the prepaid wireless trust cash fund, necessary to reimburse the department for its direct costs of administering the collection and remittance of prepaid wireless 911 charges AND SHALL TRANSMIT THE AMOUNT RETAINED TO THE STATE TREASURER, WHO SHALL CREDIT THE AMOUNT TO THE COST RECOVERY CASH FUND CREATED IN SECTION 24-35-123 (2).

SECTION 4. In Colorado Revised Statutes, 33-61-103, **amend** (1)(d) as follows:

33-61-103. Fee for oil and gas production - remediation of harm to wildlife and land - cash fund.

(1) (d) The executive director shall transmit any fees collected pursuant to subsection (1)(c) of this section to the state treasurer, who shall credit the fees, minus the costs to the department of revenue for administering the fees pursuant to section 33-61-104, which costs shall be credited to the ~~oil and gas production fees collection fund created in section 33-61-104 (1)~~, to the CASH fund SPECIFIED IN SECTION 33-61-104 (1).

SECTION 5. In Colorado Revised Statutes, 33-61-104, **amend** (1) as follows:

33-61-104. Collection and administration of production fees - rules - transfer - repeal.

(1) When collecting the production fees for clean transit and the production fees for wildlife and land remediation, the executive director shall retain an amount that does not exceed the total cost of collecting, administering, and enforcing the production fees for clean transit and the production fees for wildlife and land remediation and shall transmit the

amount retained to the state treasurer, who shall credit the AMOUNT AS FOLLOWS: ~~production fees for clean transit and the production fees for wildlife and land remediation~~

(a) (I) PRIOR TO JULY 1, 2027, to the oil and gas production fees collection fund, which is created in the state treasury. All money in the oil and gas production fees collection fund is continuously appropriated to the department of revenue to defray the costs incurred by the department of revenue in collecting, enforcing, and administering the production fees for wildlife and land remediation and the production fees for clean transit.

(II) THIS SUBSECTION (1)(a) IS REPEALED, EFFECTIVE JULY 1, 2027. THE STATE TREASURER SHALL TRANSFER ALL UNEXPENDED AND UNENCUMBERED MONEY REMAINING IN THE OIL AND GAS PRODUCTION FEES COLLECTION FUND ON JUNE 30, 2027, TO THE COST RECOVERY CASH FUND CREATED IN SECTION 24-35-123 (2).

(b) BEGINNING JULY 1, 2027, TO THE COST RECOVERY CASH FUND CREATED IN SECTION 24-35-123 (2).

SECTION 6. In Colorado Revised Statutes, 40-10.1-607.5, **amend** (4) as follows:

40-10.1-607.5. Fees - enterprise per ride fees - collection - distribution of fee proceeds - rules - transfer - definitions - repeal.

(4) When collecting the enterprise per ride fees, the department of revenue shall retain an amount that does not exceed the total cost of collecting, administering, and enforcing the enterprise per ride fees and shall transmit the amount retained to the state treasurer, who shall credit it THE AMOUNT AS FOLLOWS:

(a) (I) PRIOR TO JULY 1, 2027, to the enterprise per ride fees fund, which is hereby created in the state treasury. All money in the enterprise per ride fees fund is continuously appropriated to the department of revenue to defray the costs incurred by the department in collecting, enforcing, and administering the enterprise per ride fees.

(II) THIS SUBSECTION (4)(a) IS REPEALED, EFFECTIVE JULY 1, 2027. THE STATE TREASURER SHALL TRANSFER ALL UNEXPENDED AND

UNENCUMBERED MONEY REMAINING IN THE ENTERPRISE PER RIDE FEES FUND ON JUNE 30, 2027, TO THE COST RECOVERY CASH FUND CREATED IN SECTION 24-35-123 (2).

(b) BEGINNING JULY 1, 2027, TO THE COST RECOVERY CASH FUND CREATED IN SECTION 24-35-123 (2).

SECTION 7. In Colorado Revised Statutes, 43-4-218, **amend** (4)(b) as follows:

43-4-218. Additional funding - retail delivery fee - cost recovery cash fund - simultaneous collection of enterprise fees - rules - legislative declaration - definitions - repeal.

(4) (b) When collecting the retail delivery fee and, in accordance with subsection (4)(a) of this section, the enterprise retail delivery fees, the department of revenue shall retain an amount that does not exceed the total cost of collecting, administering, and enforcing the retail delivery fee and the enterprise retail delivery fees and shall transmit the amount retained to the state treasurer, who shall credit it THE AMOUNT AS FOLLOWS:

(I) (A) PRIOR TO JULY 1, 2027, to the retail delivery fees fund, which is hereby created in the state treasury. All money in the retail delivery fees fund is continuously appropriated to the department of revenue to defray the costs incurred by the department in collecting, enforcing, and administering the retail delivery fee and the enterprise retail delivery fees.

(B) THIS SUBSECTION (4)(b)(I) IS REPEALED, EFFECTIVE JULY 1, 2027. THE STATE TREASURER SHALL TRANSFER ALL UNEXPENDED AND UNENCUMBERED MONEY REMAINING IN THE RETAIL DELIVERY FEES FUND ON JUNE 30, 2027, TO THE COST RECOVERY CASH FUND CREATED IN SECTION 24-35-123 (2).

(II) BEGINNING JULY 1, 2027, TO THE COST RECOVERY CASH FUND CREATED IN SECTION 24-35-123 (2).

SECTION 8. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a

referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

James Rashad Coleman, Sr.
PRESIDENT OF
THE SENATE

Vanessa Reilly
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Esther van Mourik
SECRETARY OF
THE SENATE

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO