

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 26-1396

BY REPRESENTATIVE(S) Brown and Taggart, Sirota;
also SENATOR(S) Amabile and Kirkmeyer, Bridges.

CONCERNING MODIFICATIONS TO THE DISASTER EMERGENCY FUND.

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

SECTION 1. In Colorado Revised Statutes, 24-33.5-703, **add** (2.5) and (9) as follows:

24-33.5-703. Definitions.

As used in this part 7, unless the context otherwise requires:

(2.5) "CLOSE OUT" MEANS THE PROCESS BY WHICH:

(a) THE DEPARTMENT OF PUBLIC SAFETY REPORTS TO THE OFFICE OF STATE PLANNING AND BUDGET THAT ALL APPLICABLE ADMINISTRATIVE ACTIONS AND ALL REQUIRED WORK TO RESPOND TO A SPECIFIC DISASTER ARE COMPLETE; AND

(b) THE OFFICE OF STATE PLANNING AND BUDGETING REMOVES THE

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.

SUBACCOUNT FOR A SPECIFIC DISASTER FROM THE DISASTER EMERGENCY FUND AND TRANSFERS ANY REMAINING BALANCE OF THE SUBACCOUNT BACK TO THE FUND THAT WAS THE ORIGINAL SOURCE OF THE MONEY.

(9) "UNENCUMBERED" MEANS ANY AMOUNT OF MONEY THAT IS NOT RESERVED FOR RESPONSE TO A SPECIFIC DISASTER THROUGH AN EXECUTIVE ORDER DECLARED BY THE GOVERNOR.

SECTION 2. In Colorado Revised Statutes, 24-33.5-706, **amend** (2)(a), (7)(a)(IV), and (7)(a)(V); and **add** (2)(c), (7)(a)(VI), and (9) as follows:

24-33.5-706. Disaster emergency fund - established - financing - legislative intent.

(2) (a) A disaster emergency fund is hereby established. The fund consists of any money appropriated by the general assembly, money transferred pursuant to ~~subsections (2.5) and~~ SUBSECTION (4)(b) of this section, and money to reimburse expenditures from the fund that are transmitted to the state treasurer and credited to the fund. Money in the disaster emergency fund shall remain in the fund until expended or until transferred pursuant to subsection ~~(2.5)(c)~~, (2)(c), (4.3), (4.5), or (4.7) of this section or section 24-33.5-1228 (3)(c)(III).

(c) THE ANNUAL UNENCUMBERED BALANCE OF THE DISASTER EMERGENCY FUND SHALL NOT EXCEED TWO HUNDRED MILLION DOLLARS. AFTER AUGUST 12, 2026, AND ON JUNE 30 EACH YEAR THEREAFTER, THE OFFICE OF STATE PLANNING AND BUDGETING SHALL TRANSFER ANY UNENCUMBERED MONEY IN THE DISASTER EMERGENCY FUND IN EXCESS OF TWO HUNDRED MILLION DOLLARS TO THE GENERAL FUND.

(7) (a) No later than September 20, 2020, the office of state planning and budgeting shall submit a report to the joint budget committee of the expenditures from the fund during the last twelve months. Notwithstanding section 24-1-136 (11)(a), no later than the twentieth day of every third month thereafter, the office shall submit a report to the joint budget committee of the expenditures from the fund since the last report. The office shall separately identify expenditures by disaster, if there is more than one to be included in the report, and, for each disaster, the office shall identify:

(IV) Total expenditures by state agency; and

(V) A breakdown of expenditures; AND

(VI) DISASTERS THAT HAVE BEEN CLOSED OUT AND THE AMOUNT OF UNENCUMBERED MONEY THAT THE OFFICE TRANSFERRED BACK TO THE FUND THAT WAS THE ORIGINAL SOURCE OF THE MONEY.

(9)(a) FOR FEDERALLY DECLARED DISASTERS, WITHIN THREE YEARS OF THE LAST DATE THAT REVENUE INTO THE FUND OR EXPENDITURES FROM THE FUND ARE RECORDED FOR A DISASTER, THE DEPARTMENT OF PUBLIC SAFETY SHALL CLOSE OUT THE EMERGENCY.

(b) FOR STATE-ONLY DISASTERS, WITHIN EIGHT YEARS OF THE LAST DATE THAT REVENUE INTO THE FUND OR EXPENDITURES FROM THE FUND ARE RECORDED FOR A DISASTER, THE DEPARTMENT OF PUBLIC SAFETY SHALL CLOSE OUT THE EMERGENCY.

SECTION 3. 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