First Regular Session Sixty-ninth General Assembly STATE OF COLORADO

REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction

LLS NO. 13-0704.01 Jason Gelender x4330

SENATE BILL 13-109

SENATE SPONSORSHIP

Lambert, Hodge, Steadman

HOUSE SPONSORSHIP

Duran, Levy, Gerou

Senate Committees

House Committees

Appropriations

A BILL FOR AN ACT CONCERNING INDIRECT COST RECOVERY FROM PROGRAMS, AND, IN CONNECTION THEREWITH, ESTABLISHING AN INDIRECT COSTS EXCESS RECOVERY FUND AND DEPARTMENTAL ACCOUNTS WITHIN THE FUND FOR THE PURPOSE OF ALLOWING DEPARTMENTS OF STATE GOVERNMENT TO USE MONEYS COLLECTED AS PAYMENT FOR INDIRECT COSTS OVER MULTIPLE FISCAL YEARS.

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 SENATE srd Reading Unamended February 4, 2013

SENATE 2nd Reading Unamended February 1, 2013 **Joint Budget Committee.** When a state government agency's indirect cost collections for a fiscal year differ from the agency's annual appropriation for indirect costs, the amount collected in excess of the appropriation reverts to the general fund. In following fiscal years, the amount of indirect costs collected by an agency may be insufficient to pay all of its appropriated indirect costs, in which case the agency must seek a supplemental appropriation or find other means of paying those costs.

In order to more efficiently account for annual fluctuations in the amount of indirect costs collected by state government agencies, the bill:

- ! Creates the indirect costs excess recovery fund (fund) and separate departmental accounts within the fund for all principal departments of state government other than the department of higher education;
- ! Requires all moneys collected and unspent by an agency for indirect costs in excess of the actual indirect costs incurred during the fiscal year to be credited at the end of the fiscal year to the departmental account within the fund;
- ! Allows any moneys in a departmental account within the fund to be appropriated to the department to be used by the department for the purpose of paying for indirect costs in a year in which an under-collection occurs; and
- ! Requires the state treasurer to credit all interest and income earned on the deposit and investment of moneys in any account of the fund to the account.

The bill also requires the state controller to report annually to the joint budget committee of the general assembly regarding the revenues, expenditures, and balance of each account of the indirect costs excess recovery fund.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** part 14 to article

3 75 of title 24 as follows:

1

4 PART 14

5 INDIRECT COSTS EXCESS RECOVERY FUND

6 24-75-1401. Indirect costs excess recovery fund - creation -

7 **departmental accounts - use of fund - definitions.** (1) AS USED IN THIS

8 SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

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(a) "Indirect costs" means the indirect cost assessment line items in the annual general appropriation act that represent expected collections of statewide and departmental indirect costs from cash funded, reappropriated funded, or federal funded programs for the purpose of paying departmental or statewide overhead costs as allocated to those programs in the annual general appropriation act.

- (b) "STATE AGENCY" OR "AGENCY" MEANS ANY BOARD, BUREAU, COMMISSION, DEPARTMENT, INSTITUTION, DIVISION, SECTION, OR OFFICER OF THE STATE EXCEPT THOSE WITHIN THE DEPARTMENT OF HIGHER EDUCATION DESIGNATION IN THE ANNUAL GENERAL APPROPRIATION ACT.
- (2) THE INDIRECT COSTS EXCESS RECOVERY FUND IS CREATED IN THE STATE TREASURY. A SEPARATE ACCOUNT FOR EACH PRINCIPAL DEPARTMENT OF STATE GOVERNMENT OTHER THAN THE DEPARTMENT OF HIGHER EDUCATION IS CREATED WITHIN THE FUND. AS SOON AS FEASIBLE AFTER THE CONCLUSION OF EACH FISCAL YEAR, THE STATE TREASURER SHALL CREDIT ALL MONEYS COLLECTED BY A STATE AGENCY FOR INDIRECT COSTS FOR THE FISCAL YEAR IN EXCESS OF THE ACTUAL AMOUNT EXPENDED DURING THE FISCAL YEAR TO THE ACCOUNT FOR THE DEPARTMENT THAT INCLUDES THE AGENCY. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME EARNED ON THE DEPOSIT AND INVESTMENT OF MONEYS IN ANY ACCOUNT OF THE FUND TO THE ACCOUNT.
- (3) EACH ACCOUNT OF THE INDIRECT COSTS EXCESS RECOVERY FUND IS SUBJECT TO ANNUAL APPROPRIATION FOR INDIRECT COSTS BY ITS CORRESPONDING DEPARTMENT FOR THE SOLE PURPOSE OF PAYING ANY INDIRECT COSTS INCURRED BY AGENCIES WITHIN THE DEPARTMENT DURING A FISCAL YEAR THAT EXCEED THEIR ACTUAL INDIRECT COST

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l	COLLECTIONS FOR THE FISCAL YEAR.
2	(4) No later than November 1, 2013, and no later than
3	EACH NOVEMBER 1 THEREAFTER, THE STATE CONTROLLER SHALL REPORT
4	TO THE JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY
5	REGARDING THE REVENUES, EXPENDITURES, AND BALANCE OF EACH
5	ACCOUNT OF THE INDIRECT COSTS EXCESS RECOVERY FUND.
7	SECTION 2. Safety clause. The general assembly hereby finds,
3	determines, and declares that this act is necessary for the immediate
)	preservation of the public peace, health, and safety.

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