

First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 23-0690.01 Pierce Lively x2059

HOUSE BILL 23-1103

HOUSE SPONSORSHIP

Winter T., Bradley, Evans, Holtorf, Weinberg

SENATE SPONSORSHIP

Pelton R., Liston

House Committees

Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE DISTRIBUTION OF SEVERANCE TAX FUNDS TO**
102 **COUNTIES THAT ARE ECONOMICALLY IMPACTED BY THE**
103 **INDUSTRIES ON WHICH SEVERANCE TAXES ARE IMPOSED.**

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://leg.colorado.gov>.)

The bill requires the state treasurer to transfer 60% of the severance taxes paid by an entity that are attributable to the developing, processing, or energy conversion of minerals and mineral fuels subject to taxation in a county in a given tax year to that same county. A county that receives a transfer in accordance with the bill shall use the transferred

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

funds for building or improving roads, schools, or local infrastructure.

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

2 **SECTION 1. Short title.** The short title of this act is the
3 "Economic Equity for Energy-producing Counties Act".

4 **SECTION 2.** In Colorado Revised Statutes, 39-29-108, **amend**
5 (2)(b) as follows:

6 **39-29-108. Allocation of severance tax revenues - definitions**
7 - **repeal.** (2) (b) (I) NOTWITHSTANDING ANY LAW TO THE CONTRARY, OF
8 THE TOTAL GROSS RECEIPTS REALIZED FROM THE SEVERANCE TAXES
9 IMPOSED ON MINERALS AND MINERAL FUELS UNDER THIS ARTICLE 29, THE
10 STATE TREASURER SHALL TRANSFER AN AMOUNT EQUAL TO SIXTY
11 PERCENT OF THE SEVERANCE TAXES PAID BY AN ENTITY THAT ARE
12 ATTRIBUTABLE TO THE DEVELOPING, PROCESSING, OR ENERGY
13 CONVERSION OF MINERALS AND MINERAL FUELS SUBJECT TO TAXATION
14 UNDER THIS ARTICLE 29 IN A COUNTY IN A GIVEN TAX YEAR TO THAT SAME
15 COUNTY. A COUNTY THAT RECEIVES A TRANSFER IN ACCORDANCE WITH
16 THIS SUBSECTION (2)(b)(I) SHALL USE THE TRANSFERRED FUNDS FOR
17 BUILDING OR IMPROVING ROADS, SCHOOLS, OR LOCAL INFRASTRUCTURE.

18 (II) Except as set forth in subsection (2)(d) of this section, of the
19 total gross receipts realized from the severance taxes imposed on minerals
20 and mineral fuels under ~~the provisions of this article after June 30, 2017~~
21 THIS ARTICLE 29, AFTER MAKING THE TRANSFERS REQUIRED BY
22 SUBSECTION (2)(b)(I) OF THIS SECTION, fifty percent OF THE REMAINING
23 GROSS RECEIPTS shall be credited to the state severance tax trust fund
24 created by section 39-29-109, and fifty percent shall be credited to the
25 local government severance tax fund created by section 39-29-110.

1 **SECTION 3. Act subject to petition - effective date -**
2 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
3 the expiration of the ninety-day period after final adjournment of the
4 general assembly; except that, if a referendum petition is filed pursuant
5 to section 1 (3) of article V of the state constitution against this act or an
6 item, section, or part of this act within such period, then the act, item,
7 section, or part will not take effect unless approved by the people at the
8 general election to be held in November 2024 and, in such case, will take
9 effect on the date of the official declaration of the vote thereon by the
10 governor.

11 (2) This act applies to gross receipts realized on and after January
12 1, 2024, from the severance taxes imposed on minerals and mineral fuels
13 pursuant to article 29 of title 39, Colorado Revised Statutes.