

First Extraordinary Session
Seventy-fifth General Assembly
STATE OF COLORADO

BILLPAPER

LLS NO. 25B-0025.01 Jason Gelender x4330

HOUSE BILL

HOUSE SPONSORSHIP

Winter T.,

SENATE SPONSORSHIP

Pelton R.,

House Committees

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE REPEAL OF THE AUTHORITY GRANTED TO THE**
102 **OFFICE OF THE GOVERNOR BY HOUSE BILL 25-1321 TO EXPEND**
103 **MONEY IN THE "INFRASTRUCTURE INVESTMENT AND JOBS ACT"**
104 **CASH FUND TO SUPPORT THE STATE IN DEFENDING AGAINST**
105 **ADVERSE FEDERAL ACTION, AND, IN CONNECTION THEREWITH,**
106 **REDUCING AN APPROPRIATION.**

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 repeals the authority granted to the office of the governor

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.

by House Bill 25-1321 to expend money in the "Infrastructure Investment and Jobs Act" cash fund (cash fund) to support the state in defending against adverse federal action, which includes specific authority to:

- Accept gifts, grants, and donations for that purpose;
- Hire and employ personnel or retain contractors for purposes related to federal government actions that impact federal disbursements, grants, contracts, or money received by or transferred to the state;
- Reimburse the department of law for costs associated with special assistant attorneys general contracted with for the purposes of:
 - Providing legal services to state officers or employees related to legal actions initiated, pursued, or threatened by the federal government; or
 - Providing legal services for the criminal defense of state officers or employees in legal actions arising out of official acts or decisions; or
- Make other expenditures consistent with the purpose of supporting the state in defending against adverse federal action, as determined by the governor, including expenditures to preserve and protect state sovereignty or federal funding streams that benefit the state.

The bill also eliminates the funding and spending authority provided to support the state in defending against adverse federal action by requiring the state treasurer to transfer \$4 million from the cash fund to the general fund and repealing a state fiscal year 2025-26 appropriation, with rollover authority through state fiscal year 2026-27, of \$4 million from the cash fund to the office of the governor.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds and declares that:

4 (a) As the state faces growing fiscal pressure, the general
5 assembly has a responsibility to adequately fund essential services and
6 programs that have a measurable value to taxpayers in Colorado;

7 (b) Currently, for state fiscal year 2025-2026, the office of state
8 planning and budgeting is projecting a state budget deficit of \$783
9 million;

1 (c) House Bill 25-1321 appropriated \$4 million from the
2 "Infrastructure Investment and Jobs Act" cash fund, which resulted in that
3 money being unavailable for other uses, even though this cash fund had
4 previously been used as non-federal matching money that enabled the
5 state and local governments to qualify for federal infrastructure funding
6 throughout Colorado;

7 (d) The \$4 million House Bill 25-1321 appropriation was made
8 directly to the office of the governor to pursue legal action against the
9 federal government if federal grants, contracts, or money are adjusted;

10 (e) The timing of the enactment of House Bill 25-1321 reflects a
11 hostile reaction to recent decisions made by the Trump administration as
12 Colorado continues to fail to adhere to federal requirements, and these
13 actions have a direct impact on the state's federal funding and
14 demonstrate a clear disregard for the responsibility of the general
15 assembly to comply with a federal administration that was fairly elected;

16 (f) The House Bill 25-1321 appropriation represents a clearly
17 inefficient use of taxpayer dollars at a time when the state is facing a
18 structural budget deficit that disproportionately impacts rural
19 communities and amplifies the financial obstacles that our vulnerable
20 communities already face;

21 (g) During the 2025 regular legislative session, house and senate
22 Republicans proposed a number of amendments to House Bill 25-1321
23 to represent the will of the people and demonstrate how this funding
24 could and should be used to benefit the taxpayers of Colorado;

25 (h) After hours of debate in both chambers, the Democratic
26 majority rejected all of the Republican minority's proposed changes,
27 concerns, and pleas to listen to the taxpayers of Colorado and enacted

1 House Bill 25-1321 as a bill that undermines the federal government's
2 authority and completely disregards the voice of taxpayers in Colorado;
3 and

4 (i) Therefore, to appropriately spend the taxpayers' dollars, it is
5 necessary, appropriate, and in the best interest of all Coloradans to repeal
6 the law enacted by House Bill 25-1321, including the appropriation of \$4
7 million to the office of the governor, and require the \$4 million to be
8 transferred to the general fund.

9 **SECTION 2.** In Colorado Revised Statutes, 24-75-232, **amend**
10 **(8); repeal (4)(d) and (5)(e); and add (4)(a.5) as follows:**

11 **24-75-232. "Infrastructure Investment and Jobs Act" cash**
12 **fund - creation - allowable uses - report - compliance monitoring -**
13 **legislative declaration - definitions - repeal.** (4) (a.5) NO LATER THAN
14 THREE DAYS FOLLOWING THE EFFECTIVE DATE OF THIS SUBSECTION
15 (4)(a.5), THE STATE TREASURER SHALL TRANSFER FOUR MILLION DOLLARS
16 FROM THE FUND TO THE GENERAL FUND.

17 ~~(d) The office may seek, accept, and expend gifts, grants, or~~
18 ~~donations from private or public sources for the purposes of subsection~~
19 ~~(5)(e) of this section. The office shall transmit all money received through~~
20 ~~gifts, grants, or donations to the state treasurer, who shall credit the~~
21 ~~money to the fund for use for the purposes of subsection (5)(e) of this~~
22 ~~section.~~

23 ~~(5) (e) In addition to the uses set forth in subsections (5)(a) and~~
24 ~~(5)(b) of this section, and notwithstanding subsection (1)(c) of this~~
25 ~~section, the office may expend the money in the fund at the governor's~~
26 ~~discretion for the following purposes:~~

27 ~~(f) Hiring and employing personnel or retaining contractors for~~

1 ~~purposes related to federal government actions that impact federal~~
2 ~~disbursements, grants, contracts, or money received by or transferred to~~
3 ~~the state;~~

4 ~~(H) Reimbursing the department of law for costs associated with~~
5 ~~special assistant attorneys general, pursuant to sections 24-31-101 and~~
6 ~~24-31-111 (5), contracted with for the purposes of:~~

7 ~~(A) Providing legal services to state officers or employees related~~
8 ~~to legal proceedings, inquiries, hearings, or investigations initiated,~~
9 ~~pursued, or threatened by the federal government, including congressional~~
10 ~~inquiries and investigations; or~~

11 ~~(B) Providing legal services for the criminal defense of state~~
12 ~~officers or employees in legal actions arising out of official acts or~~
13 ~~decisions; or~~

14 ~~(H) Other expenditures consistent with the purposes of this~~
15 ~~section, as determined by the governor, including expenditures to~~
16 ~~preserve and protect state sovereignty or federal funding streams that~~
17 ~~benefit the state.~~

18 (8) This section is repealed, effective July 1, 2028. Any
19 unexpended and unencumbered money remaining in the fund upon the
20 repeal of this section reverts to the general fund.

21 **SECTION 3.** In Session Laws of Colorado 2025, **repeal** section
22 2 of chapter 206 as follows:

23 **Section 2. Appropriation.** For the ~~2025-26~~ state fiscal year,
24 ~~\$4,000,000~~ is appropriated to the office of the governor. This
25 appropriation is from the "Infrastructure Investment and Jobs Act" cash
26 fund created in section 24-75-232 (3), C.R.S. To implement this act, the
27 office may use this appropriation for administration of governor's office

1 ~~and residence. Any money appropriated in this section not expended prior~~
2 ~~to July 1, 2026, is further appropriated to the office for the 2026-27 state~~
3 ~~fiscal year for the same purpose.~~

4 **SECTION 4. Safety clause.** The general assembly finds,
5 determines, and declares that this act is necessary for the immediate
6 preservation of the public peace, health, or safety or for appropriations for
7 the support and maintenance of the departments of the state and state
8 institutions.