A BILL FOR AN ACT

CONCERNING AN INCREASE IN THE AMOUNT OF THE GENERAL FUND RESERVE.

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.)

For the fiscal year 2017-18 and each fiscal year thereafter, the general fund reserve required by law is currently equal to 6.5% of the amount appropriated for expenditure from the general fund. The bill increases the general fund reserve to:

7% for the fiscal year 2018-19;
7.5% for the fiscal year 2019-20; and
8% for the fiscal year 2020-21 and each fiscal year thereafter.

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

SECTION 1. In Colorado Revised Statutes, 24-75-201.1, amend (1)(d)(XIV); and add (1)(d)(XIX), (1)(d)(XX), (1)(d)(XXI), and (1)(d)(XXII) as follows:

24-75-201.1. Restriction on state appropriations - legislative declaration - definitions. (1) (d) For each fiscal year, unrestricted general fund year-end balances must be retained as a reserve in the following amounts:

(XIV) For the fiscal year 2014-15, and each fiscal year thereafter, excluding the fiscal years 2015-16 and 2016-17, six and one-half percent of the amount appropriated for expenditure from the general fund for that fiscal year;

(XIX) For the fiscal year 2017-18, six and one-half percent of the amount appropriated for expenditure from the general fund for that fiscal year;

(XX) For the fiscal year 2018-19, seven percent of the amount appropriated for expenditure from the general fund for that fiscal year;

(XXI) For the fiscal year 2019-20, seven and one-half percent of the amount appropriated for expenditure from the general fund for that fiscal year; and

(XXII) For the fiscal year 2020-21, and each fiscal year thereafter, eight percent of the amount appropriated for expenditure from the general fund for that fiscal year.

SECTION 2. 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 8, 2018, if adjournment sine die is on May 9, 2018); 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 2018 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.