Bill Topic: INCREASE GENERAL FUND RESERVE

Summary of Fiscal Impact:
- ☐ State Revenue
- ☐ State Expenditure
- ☐ State Transfer
- ☐ TABOR Refund
- ☐ Local Government
- ☐ Statutory Public Entity

This bill increases the General Fund statutory reserve requirement to 7.0 percent of appropriations for FY 2018-19, 7.5 percent for FY 2019-20, and 8.0 percent for FY 2020-21 and each year thereafter. It will reduce the amount of money available for discretionary General Fund appropriations in FY 2018-19 and subsequent years.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill.

Summary of Legislation

Under current law, the state is required to retain a General Fund balance equal to 6.5 percent of appropriations at the end of each fiscal year. For the purposes of calculating the statutory reserve requirement, appropriations for payments in accordance with lease-purchase agreements are excluded.

This bill increases the statutory reserve requirement as shown in Table 1. For FY 2020-21 and subsequent years, the reserve requirement is 8.0 percent under this bill.

Table 1
Statutory General Fund Reserve Requirement under HB 18-1035

<table>
<thead>
<tr>
<th></th>
<th>FY 2018-19</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
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<tbody>
<tr>
<td>General Fund Reserve</td>
<td>7.0 percent</td>
<td>7.5 percent</td>
<td>8.0 percent</td>
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<tr>
<td>Requirement (percent of appropriations)</td>
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State Expenditures

This bill does not directly decrease state expenditures, but reduces the amount of money available for appropriations at the discretion of the General Assembly during the 2018 legislative session and subsequent sessions. The bill does not change the reserve requirement for the
The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit: leg.colorado.gov/fiscalnotes.