



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1332: LEGISLATIVE DEPARTMENT CASH FUND

Prime Sponsors:

Rep. McCluskie; Duran
Sen. Rodriguez; Simpson

Fiscal Analyst:

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Fiscal note status: The fiscal note reflects the introduced bill, which is recommended by the Executive Committee of the Legislative Council.

Summary Information

Overview. The bill repeals, reenacts, and modifies the Legislative Department Cash Fund to specify funding sources, create a fund limit, and make a transfer.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

- State Transfers

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Current Year FY 2025-26	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0	\$0
State Expenditures	\$0	\$0	\$0
Transferred Funds	at least \$12 million	\$0	\$0
Change in TABOR Refunds	\$0	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE	0.0 FTE

Fund sources for these impacts are provided in the table below.

**Table 1A
 State Transfers**

Fund Source	Current Year FY 2025-26	Budget Year FY 2026-27	Out Year FY 2027-28
General Fund	at least \$12 million	\$0	\$0
Cash Funds	at least -\$12 million	\$0	\$0
Net Transfer	\$0	\$0	\$0

The amount transferred to the General Fund in FY 2025-26 may range from a minimum of \$12 million up to an estimated \$14.5 million, depending on year-end reversions by the Legislative Department in FY 2025-26. Transfer in FY 2026-27 and future years may also occur, but have not been estimated. See State Transfer section from more detail.

Summary of Legislation

The Legislative Department Cash Fund is primarily funded through reversions of unexpended appropriations to the Legislative Department, and used to fund information technology and capital needs, as well redistricting expenses. The bill repeals and reenacts the Legislative Department Cash Fund to consist of gifts, grants, and donations received by the General Assembly, unexpended money appropriated from the General Fund to the Legislative Department for a state fiscal year that reverts to the fund, fees charged to respond to open records requests, and any other money the General Assembly appropriates to the fund.

There are also two accounts created in the fund: the Legislative Redistricting Account and the Congressional Redistricting Account, which consist of any money appropriated or transferred to, or received by, the Independent Redistricting Commissions. The fund is continuously appropriated to the Executive Committee of the Legislative Council, except that the redistricting accounts are continuously appropriated to the commissions.

Beginning in the current FY 2025-26, the fund limit is set at \$8.0 million. For each following fiscal year, the fund limit is the prior year’s limit, proportionally adjusted by the percentage change in the total appropriation to the Legislative Department included in the Long Bill. If the annual reversion of unspent appropriations to the fund would cause the fund to exceed its limit, the balance, excluding any money in the redistricting accounts, is transferred to the General Fund. Unspent money in the redistricting account is transferred to the fund in the fiscal year following redistricting, unless the transfer would cause the fund to exceed its limit.

In the current FY 2025-26, the bill requires a transfer of \$12.0 million from the fund to the General Fund on June 30, 2026.

Finally, the bill makes conforming amendments.

Background

Since FY 2011-12, an average of \$4.3 million per year in unspent appropriations has reverted annually to the fund. The largest source of these reversions are vacancy savings in personal services, unclaimed member per diems, travel reimbursements, and unused aide hours. As of March 17, 2026, the unreserved balance in the fund is estimated at \$18.0 million. Due to budget reductions in FY 2024-25, the year-end reversion for the current FY 2025-26 is expected to be between \$3.5 million and \$4.5 million.

Over the last three years, expenditures have averaged \$2.5 million annually. Major projects included the renovation of the Senate Chamber; security upgrades; data storage and network infrastructure; audio visual equipment; ADA improvements; the renovation of member offices; the furnishing of new staff offices; and the replenishment of the legislature's computers.

State Transfers

In the current FY 2025-26, the bill is estimated to transfer at least \$12 million from the Legislative Department Cash Fund to the General Fund. This amount may range from a minimum transfer of \$12 million to a transfer of up to \$14.5 million, as outlined below.

On June 30, 2026, the bill requires a transfer of \$12.0 million from the Legislative Department Cash Fund to the General Fund. In addition, assuming authorized reserved moneys are spent, the year-end reversion is expected to exceed the fund limit established in the bill by approximately \$1.5 million to \$2.5 million. This excess will also be transferred to the General Fund on June 30, 2026.

In future years, the bill may also result in additional transfers from the Legislative Department Cash Fund to the General Fund, depending on fund balances in the cash fund and use of legislative appropriations. These amounts have not been estimated, but are preliminarily expected to range from about \$1 million to \$4 million based on historical spending patterns.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Joint Budget Committee Staff

Legislative Legal Services

Legislative Council Staff

State Auditor