

Second Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0989.01 Pierce Lively x2059

HOUSE BILL 26-1363

---

HOUSE SPONSORSHIP

**Brown and Sirota**, Taggart

SENATE SPONSORSHIP

**Amabile and Bridges**, Kirkmeyer

---

**House Committees**  
Appropriations

**Senate Committees**

---

A BILL FOR AN ACT

101 CONCERNING A TEMPORARY REDUCTION IN THE GENERAL FUND  
102 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>.)*

**Joint Budget Committee.** Under current law, the general fund reserve requirement is equal to 15% of the amount appropriated for expenditure from the general fund for that fiscal year minus:

- The difference between \$100,000,000 and the proceeds of the sale of insurance premium and corporate tax credits that are credited to the health insurance affordability cash fund;

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.*

and

- Unless money held in an escrow account in connection with the university of northern Colorado's college of osteopathic medicine is released, an additional \$41,250,000.

The bill lowers the reserve requirement to 13% for state fiscal years 2025-26 and 2026-27 and then raises it back to 15% for state fiscal years 2027-28 and later.

---

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

2           **SECTION 1.** In Colorado Revised Statutes, 24-75-201.1, **amend**  
3 (1)(d)(XXVII) introductory portion and (1)(d)(XXVII)(A); and **add**  
4 (1)(d)(XXVIII) as follows:

5           **24-75-201.1. Restriction on state appropriations - legislative**  
6 **declaration - definitions.**

7           (1) (d) For each fiscal year, unrestricted general fund year-end  
8 balances must be retained as a reserve in the following amounts:

9           (XXVII) For the fiscal year 2025-26 and ~~each fiscal year~~  
10 ~~thereafter, fifteen~~ THE FISCAL YEAR 2026-27, THIRTEEN percent of the  
11 amount appropriated for expenditure from the general fund for that fiscal  
12 year minus:

13           (A) The amount calculated by the state treasurer in accordance  
14 with section 10-16-1206 (1.5)(a)(II)(B); ~~except that this subsection~~  
15 ~~(1)(d)(XXVII)(A) takes effect on January 1, 2026, only if the condition~~  
16 ~~specified in section 10-16-1209 (1) occurs; and~~

17           (XXVIII) FOR THE FISCAL YEAR 2027-28, AND EACH FISCAL YEAR  
18 THEREAFTER, FIFTEEN PERCENT OF THE AMOUNT APPROPRIATED FOR  
19 EXPENDITURE FROM THE GENERAL FUND FOR THAT FISCAL YEAR MINUS:

20           (A) THE AMOUNT CALCULATED BY THE STATE TREASURER IN  
21 ACCORDANCE WITH SECTION 10-16-1206 (1.5)(a)(II)(B); AND

1           (B) SO LONG AS THE ESCROW MONEY IS NOT RELEASED AS SET  
2 FORTH IN SECTION 23-40-107, FORTY-ONE MILLION TWO HUNDRED FIFTY  
3 THOUSAND DOLLARS. AS USED IN THIS SUBSECTION (1)(d)(XXVIII)(B),  
4 "ESCROW MONEY" HAS THE MEANING SET FORTH IN SECTION 23-40-107  
5 (2)(c).

6           **SECTION 2. Safety clause.** The general assembly finds,  
7 determines, and declares that this act is necessary for the immediate  
8 preservation of the public peace, health, or safety or for appropriations for  
9 the support and maintenance of the departments of the state and state  
10 institutions.