



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB26-1393: MAX RESERVE REQUIREMENT FOR CERTAIN CASH FUNDS

Prime Sponsors:

Rep. Brown; Taggart
Sen. Amabile; Kirkmeyer

Fiscal Analyst:

Josh Abram, 303-866-3561
josh.abram@coleg.gov

Published for: House Appropriations**Drafting number:** LLS 26-0908**Version:** Initial Fiscal Note**Date:** April 2, 2026

Fiscal note status: The fiscal note reflects the introduced bill, which is recommended by the Joint Budget Committee as part of the 2026 Long Bill package.

Summary Information

Overview. The bill exempts certain cash funds from the annual maximum reserve limitation.

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

- State Revenue

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

Under current law, if a cash fund's uncommitted reserves exceed the maximum amount that may be held, an agency imposing fees and placing revenue in the fund must reduce one or more fees in order to reduce the reserves and not exceed the maximum limit.

The bill exempts the Public School Construction and Inspection Cash fund and the Health Facility Construction and Inspection Cash fund in the Department of Public Safety from this requirement, unless the overage exceeds the limit for three consecutive years, in which case the department must reduce fees to maintain the required reserve under the limit.

State Revenue

Under current law, the Department of Public Safety would likely have to reduce fees in order to maintain the uncommitted reserves of these cash funds under the maximum limit. By allowing the department to exceed the limit for three years before triggering a fee reduction, the bill maintains fee revenue at current rates until at least FY 2028-29, which constitutes a net increase in fees relative to current law. As of this writing, an estimate of the potential fee amounts charged by the department with and without this bill, and any changes in fees that would otherwise be required to stay within the reserve limit, is not available. This fiscal note may be revised if more information becomes available. This revenue is subject to TABOR.

Effective Date

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

State and Local Government Contacts

Public Safety

Treasury

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 the [General Assembly website](#).