



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1399: ELIMINATE GF TRANSFER TO MULTIMODAL TRANS. FUND

Prime Sponsors:

Rep. Brown; Taggart
Sen. Amabile; Kirkmeyer

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Fiscal note status: The fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2026-27 budget package.

Summary Information

Overview. The bill eliminates the annual transfer of \$10.5 million from the General Fund to the Multimodal Transportation and Mitigation Options Fund, effective July 1, 2026.

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

- State Expenditures
- State Transfers
- Local Government

Appropriations. For FY 2026-27, the bill requires a reduction of \$10.5 million in appropriations from the Multimodal Transportation and Mitigation Options Fund.

**Table 1
State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	-\$10.5 million	-\$10.5 million
Transferred Funds	-\$10.5 million	-\$10.5 million
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Fund sources for these impacts are shown in the tables below. Of the \$10.5 million in state expenditures, 85 percent of revenue to the fund is allocated to local multimodal transportation projects and 15 percent is retained by the state for state multimodal projects.

**Table 1A
 State Transfers**

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27	Out Year FY 2027-28
General Fund	\$0	\$10.5 million	\$10.5 million
Cash Funds	\$0	-\$10.5 million	-\$10.5 million
Net Transfer	\$0	\$0	\$0

The transfer reduction continues through FY 2031-32.

**Table 1B
 State Expenditures**

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27	Out Year FY 2027-28
General Fund	\$0	\$0	\$0
Cash Funds	\$0	-\$10.5 million	-\$10.5 million
Federal Funds	\$0	\$0	\$0
Centrally Appropriated	\$0	\$0	\$0
Total Expenditures	\$0	-\$10.5 million	-\$10.5 million
Total FTE	0.0 FTE	0.0 FTE	0.0 FTE

Summary of Legislation

Current law requires an annual transfer of \$10.5 million from the General Fund to the Multimodal Transportation and Mitigation Options Fund (MMOF) in the Colorado Department of Transportation (CDOT) through July 1, 2031. The bill eliminates future transfers starting with the transfer scheduled to occur on July 1, 2026.

Background

[Senate Bill 18-001](#) created the MMOF in CDOT to fund multimodal transportation projects in the state. [Senate Bill 21-260](#) expanded the scope of the fund and created an annual General Fund transfer of \$10.5 million to the fund from July 1, 2024, through FY 2031-32. Under current law, 85 percent of revenue to the fund is allocated to local multimodal transportation projects and 15 percent is retained by the state for state multimodal projects, as determined by the Transportation Commission. In FY 2025-26, the legislature transferred \$71.4 million out of the fund to the General Fund to help balance the state’s budget, which led to some projects being delayed or cancelled at the state and local level.

State Transfers

Starting in FY 2026-27, the bill reduces transfers from the General Fund to the MMOF in CDOT by \$10.5 million per year through FY 2031-32. In total, this results in \$63 million in General Fund savings over six fiscal years.

State Expenditures

Starting in FY 2026-27 through FY 2031-32, the bill decreases state expenditures in CDOT by about \$10.5 million by eliminating the annual transfer from the General Fund to the MMOF. As a result, this will reduce spending on state multimodal projects by \$1.6 million per year and funding distributed for local projects by \$8.9 million per year.

Local Government

Starting in FY 2026-27 through FY 2031-32, the bill decreases funding for county and municipality multimodal transportation projects by about \$8.9 million per year. As outlined in the Background section, local governments receive 85 percent of funding for multimodal transportation projects.

Effective Date

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

State Appropriations

For FY 2026-27, the bill requires a reduction in appropriations of \$10,500,000 from the Multimodal Transportation and Mitigation Options Fund to the Department of Transportation, assuming this reduction has not already been accounted for in the FY 2026-27 Long Bill.

State and Local Government Contacts

Joint Budget Committee

Transportation

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](#).