

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

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.

HOUSE
2nd Reading Unamended
April 9, 2026

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.