

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. 26-0889.01 Stephanie Schrab x4330

HOUSE BILL 26-1406

HOUSE SPONSORSHIP

Sirota and Taggart, Brown

SENATE SPONSORSHIP

Amabile and Kirkmeyer, Bridges

House Committees
Appropriations

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE REPEAL OF CERTAIN PROVISIONS REGARDING THE
102 FUNDING OF CAPITAL CONSTRUCTION, AND, IN CONNECTION
103 THEREWITH, REDUCING AN APPROPRIATION.

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. Current law requires most state agencies and institutions of higher education that receive an appropriation for capital construction to set aside an amount of money equal to the recorded depreciation of the capital asset that was acquired, repaired, improved, replaced, renovated, or constructed with the appropriation

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

(annual depreciation-lease equivalent payment) to pay for the long-term maintenance costs of the capital asset. Currently, the money that state agencies or institutions of higher education set aside for maintenance costs is credited to the capitol complex renovation fund. The bill repeals the annual depreciation-lease equivalent payment requirement.

Currently, the department of personnel uses the money in the capitol complex renovation fund (fund) for capital construction needs for existing state-owned buildings in the capitol complex. The bill requires the state treasurer to transfer \$15,263,000 from the fund to the general fund on June 30, 2026. The bill also requires the state treasurer to transfer the remaining balance of the fund on June 30, 2027, to the general fund and then repeals the fund. In addition, the bill repeals a reporting requirement in connection with the use of the money in the fund.

The bill also repeals the capitol complex master plan implementation fund, including its ongoing transfers to the fund.

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

2 **SECTION 1.** In Colorado Revised Statutes, **repeal** 24-30-1310.

3 **SECTION 2.** In Colorado Revised Statutes, 24-30-1313, **amend**
4 (1) and (7); **repeal** (6); and **add** (6.8) and (6.9) as follows:

5 **24-30-1313. Capitol complex renovation fund - created -**
6 **repeal.**

7 (1) The capitol complex renovation fund, referred to in this
8 section as the "fund", is created in the state treasury. The fund consists of
9 ~~money credited to the fund pursuant to section 24-30-1310 (2), money~~
10 ~~transferred to the fund pursuant to sections 24-75-307 (2.5) and (4), and~~
11 ~~any other~~ money that the general assembly may appropriate or transfer to
12 the fund.

13 ~~(6) The state treasurer shall transfer all unexpended and~~
14 ~~unencumbered money in the fund on June 30, 2030, to the capital~~
15 ~~construction fund created in section 24-75-302.~~

16 (6.8) ON JUNE 30, 2026, THE STATE TREASURER SHALL TRANSFER
17 FIFTEEN MILLION TWO HUNDRED SIXTY-THREE THOUSAND DOLLARS FROM

1 THE FUND TO THE GENERAL FUND.

2 (6.9) THE STATE TREASURER SHALL TRANSFER THE UNEXPENDED
3 AND UNENCUMBERED BALANCE OF THE FUND ON JUNE 30, 2027, TO THE
4 GENERAL FUND.

5 (7) This section is repealed, effective ~~July 1, 2031~~ JULY 1, 2027.

6 **SECTION 3.** In Colorado Revised Statutes, **repeal** 24-30-1314.

7 **SECTION 4.** In Colorado Revised Statutes, 2-2-1601, **repeal** (4)
8 as follows:

9 **2-2-1601. Legislative department cash fund - redistricting**
10 **accounts - creation - definition - repeal.**

11 (4) ~~Any money that is identified in a capital reserve of the~~
12 ~~legislative department cash fund created in subsection (1)(a) of this~~
13 ~~section or in a capital reserve of the redistricting account created in~~
14 ~~subsection (2.5) of this section as required pursuant to section 24-30-1310~~
15 ~~on or before June 29, 2020, shall be released from said reserve or reserves~~
16 ~~and may be used instead for the purposes set forth in this section.~~

17 **SECTION 5.** In Colorado Revised Statutes, 24-75-302, **amend**
18 (1)(a) as follows:

19 **24-75-302. Capital construction fund - capital assessment fees**
20 **- calculation - information technology capital account - repeal.**

21 (1) (a) The capital construction fund is created. The fund consists
22 of money transferred to the fund by the general assembly. ~~and money~~
23 ~~credited to the fund pursuant to section 24-30-1310.~~ Money in the capital
24 construction fund may be appropriated for capital construction, capital
25 renewal, controlled maintenance, or state highway reconstruction, repair,
26 and maintenance projects as requested pursuant to section 43-1-113 (2.5);
27 except that any money transferred to the capital construction fund for

1 state highway reconstruction, repair, and maintenance projects may only
2 be appropriated for such projects. The appropriation for projects must be
3 set forth in a single line item as a total sum. For state fiscal years
4 commencing on or before July 1, 2024, all unappropriated balances in the
5 fund at the close of any fiscal year must remain in the fund and may not
6 revert to the general fund. For state fiscal years commencing on or after
7 July 1, 2025, the state treasurer shall transfer any unappropriated balances
8 in the fund or any otherwise unexpended and unencumbered money
9 remaining in the fund at the end of a fiscal year to the general fund. All
10 unexpended or unencumbered money from a capital construction fund
11 appropriation to a state agency or state institution of higher education
12 reverts, for state fiscal years commencing on or before July 1, 2024, to the
13 capital construction fund, and, for state fiscal years commencing on or
14 after July 1, 2025, to the general fund at the end of the period for which
15 the money is appropriated. Except as provided in sections 2-3-1304
16 (1)(a.5) and 24-30-1303.7 (1), no portion of the unexpended balance of
17 a state agency's or state institution of higher education's capital
18 construction fund appropriation may be used by the state agency or the
19 state institution of higher education for any additional projects that are
20 beyond the scope or design of the original project without further
21 approval by the capital development committee of such additional project.
22 Anticipation warrants or checks may be issued against the revenues of the
23 fund as provided by law. Except as provided in subsections (1)(c) and (7)
24 of this section, all interest earned from the investment of money in the
25 capital construction fund must remain in the fund and become a part
26 thereof.

27 **SECTION 6.** In Colorado Revised Statutes, 24-75-302.5, **amend**

1 (2)(a) as follows:

2 **24-75-302.5. Controlled maintenance - trust fund - legislative**
3 **declaration.**

4 (2) (a) There is hereby created the controlled maintenance trust
5 fund, the principal of which shall consist of any general fund revenues
6 appropriated or transferred thereto by law ~~moneys credited thereto~~
7 ~~pursuant to section 24-30-1310~~, and proceeds of leveraged leasing
8 agreements deposited thereto pursuant to section 24-82-1003 (3). For the
9 1996-97 fiscal year and fiscal years thereafter, the principal of the trust
10 fund may constitute all or some portion of the state emergency reserve
11 established pursuant to section 24-77-104 and may be expended in any
12 given fiscal year as provided in said section. The principal of the trust
13 fund shall not be expended or appropriated for any purpose other than use
14 as part of the state emergency reserve. The state treasurer may in the state
15 treasurer's discretion deposit, redeposit, invest, and reinvest ~~moneys~~
16 MONEY accrued or accruing to the controlled maintenance trust fund in
17 the types of deposits and investments authorized in sections 24-36-109,
18 24-36-112, and 24-36-113.

19 **SECTION 7.** In Colorado Revised Statutes, **repeal** 24-75-307.

20 **SECTION 8. Appropriation - adjustments to 2026 long bill.**

21 (1) Except as provided in subsection (2) of this section, to implement this
22 act, appropriations made in the annual general appropriation act for the
23 2026-27 state fiscal year to the department of agriculture are adjusted as
24 follows:

25 (a) The cash funds appropriation from the agricultural
26 management fund created in section 35-1-106.9 (1), C.R.S., for annual
27 depreciation-lease equivalent payment is decreased by \$203,337;

1 (b) The cash funds appropriation from the inspection and
2 consumer services cash fund created in section 35-1-106.5 (1), C.R.S., for
3 annual depreciation-lease equivalent payment is decreased by \$10,000;
4 and

5 (c) The cash funds appropriation from various sources of cash
6 funds for annual depreciation-lease equivalent payment is decreased by
7 \$248,280.

8 (2) (a) If the cash funds appropriation from the agricultural
9 management fund created in section 35-1-106.9 (1), C.R.S., made in the
10 annual general appropriation act for the 2026-27 state fiscal year to the
11 department of agriculture for annual depreciation-lease equivalent
12 payment is less than the amount of the adjustment required in subsection
13 (1)(a) of this section, the cash funds appropriation from the agricultural
14 management fund created in section 35-1-106.9 (1), C.R.S., is decreased
15 to \$0.

16 (b) If the cash funds appropriation from the inspection and
17 consumer services cash fund created in section 35-1-106.5 (1), C.R.S.,
18 made in the annual general appropriation act for the 2026-27 state fiscal
19 year to the department of agriculture for annual depreciation-lease
20 equivalent payment is less than the amount of the adjustment required in
21 subsection (1)(b) of this section, the cash funds appropriation from the
22 inspection and consumer services cash fund created in section 35-1-106.5
23 (1), C.R.S., is decreased to \$0.

24 (c) If the cash funds appropriation from various sources of cash
25 funds made in the annual general appropriation act for the 2026-27 state
26 fiscal year to the department of agriculture for annual depreciation-lease
27 equivalent payment is less than the amount of the adjustment required in

1 subsection (1)(c) of this section, the cash funds appropriation from
2 various sources of cash funds is decreased to \$0.

3 (d) If the annual general appropriation act for the 2026-27 state
4 fiscal year does not include an appropriation to the department of
5 agriculture for annual depreciation-lease equivalent payment, then
6 subsection (1) of this section does not require a reduction of an
7 appropriation in the 2026-27 state fiscal year.

8 (3) Except as provided in subsection (4) of this section, to
9 implement this act, the general fund appropriation made in the annual
10 general appropriation act for the 2026-27 state fiscal year to the
11 department of corrections for annual depreciation-lease equivalent
12 payments is decreased by \$659,571.

13 (4) (a) If the general fund appropriation made in the annual
14 general appropriation act for the 2026-27 state fiscal year to the
15 department of corrections for annual depreciation-lease equivalent
16 payments is an amount less than the amount of the adjustment required in
17 subsection (3) of this section, the general fund appropriation is decreased
18 to \$0.

19 (b) If the annual general appropriation act for the 2026-27 state
20 fiscal year does not include an appropriation to the department of
21 corrections for annual depreciation-lease equivalent payments, then
22 subsection (3) of this section does not require a reduction of an
23 appropriation in the annual general appropriation act for the 2026-27 state
24 fiscal year.

25 (5) Except as provided in subsection (6) of this section, to
26 implement this act, the general fund appropriation made in the annual
27 general appropriation act for the 2026-27 state fiscal year to the

1 department of higher education for annual depreciation-lease equivalent
2 payment is decreased by \$13,100,234.

3 (6) (a) If the general fund appropriation made in the annual
4 general appropriation act for the 2026-27 state fiscal year to the
5 department of higher education for annual depreciation-lease equivalent
6 payment is an amount less than the amount of the adjustment required in
7 subsection (5) of this section, the general fund appropriation is decreased
8 to \$0.

9 (b) If the annual general appropriation act for the 2026-27 state
10 fiscal year does not include an appropriation to the department of higher
11 education for annual depreciation-lease equivalent payment, then
12 subsection (5) of this section does not require a reduction of an
13 appropriation in the annual general appropriation act for the 2026-27 state
14 fiscal year.

15 (7) Except as provided in subsection (8) of this section, to
16 implement this act, the general fund appropriation made in the annual
17 general appropriation act for the 2026-27 state fiscal year to the
18 department of human services for annual depreciation-lease equivalent
19 payment is decreased by \$7,781,784.

20 (8) (a) If the general fund appropriation made in the annual
21 general appropriation act for the 2026-27 state fiscal year to the
22 department of human services for annual depreciation-lease equivalent
23 payment is an amount less than the amount of the adjustment required in
24 subsection (7) of this section, the general fund appropriation is decreased
25 to \$0.

26 (b) If the annual general appropriation act for the 2026-27 state
27 fiscal year does not include an appropriation to the department of human

1 services for annual depreciation-lease equivalent payment, then
2 subsection (7) of this section does not require a reduction of an
3 appropriation in the annual general appropriation act for the 2026-27 state
4 fiscal year.

5 (9) Except as provided in subsection (10) of this section, to
6 implement this act, the general fund appropriation made in the annual
7 general appropriation act for the 2026-27 state fiscal year to the
8 department of military and veterans affairs for annual depreciation-lease
9 equivalent payment is decreased by \$87,994.

10 (10) (a) If the general fund appropriation made in the annual
11 general appropriation act for the 2026-27 state fiscal year to the
12 department of military and veterans affairs for annual depreciation-lease
13 equivalent payment is an amount less than the amount of the adjustment
14 required in subsection (9) of this section, the general fund appropriation
15 is decreased to \$0.

16 (b) If the annual general appropriation act for the 2026-27 state
17 fiscal year does not include an appropriation to the department of military
18 and veterans affairs for annual depreciation-lease equivalent payment,
19 then subsection (9) of this section does not require a reduction of an
20 appropriation in the annual general appropriation act for the 2026-27 state
21 fiscal year.

22 (11) Except as provided in subsection (12) of this section, to
23 implement this act, appropriations made in the annual general
24 appropriation act for the 2026-27 state fiscal year to the department of
25 natural resources are adjusted as follows:

26 (a) The general fund appropriation for annual depreciation-lease
27 equivalent payment is decreased by \$651,475; and

1 (b) The cash funds appropriation from the parks and outdoor
2 recreation cash fund created in section 33-10-111 (1), C.R.S., for annual
3 depreciation-lease equivalent payment is decreased by \$143,912.

4 (12) (a) If the general fund appropriation made in the annual
5 general appropriation act for the 2026-27 state fiscal year to the
6 department of natural resources for annual depreciation-lease equivalent
7 payment is an amount less than the amount of the adjustment required in
8 subsection (11)(a) of this section, the general fund appropriation is
9 decreased to \$0.

10 (b) If the cash funds appropriation from the parks and outdoor
11 recreation cash fund created in section 33-10-111 (1), C.R.S., made in the
12 annual general appropriation act for the 2026-27 state fiscal year to the
13 department of natural resources for annual depreciation-lease equivalent
14 payment is an amount less than the amount of the adjustment required in
15 subsection (11)(b) of this section, the cash funds appropriation from the
16 parks and outdoor recreation cash fund created in section 33-10-111 (1),
17 C.R.S., is decreased to \$0.

18 (c) If the annual general appropriation act for the 2026-27 state
19 fiscal year does not include an appropriation to the department of natural
20 resources for annual depreciation-lease equivalent payment, then
21 subsection (11) of this section does not require a reduction of an
22 appropriation in the annual general appropriation act for the 2026-27 state
23 fiscal year.

24 (13) Except as provided in subsection (14) of this section, to
25 implement this act, the general fund appropriation made in the annual
26 general appropriation act for the 2026-27 state fiscal year to the
27 department of personnel for annual depreciation-lease equivalent payment

1 is decreased by \$2,600,060.

2 (14) (a) If the general fund appropriation made in the annual
3 general appropriation act for the 2026-27 state fiscal year to the
4 department of personnel for annual depreciation-lease equivalent payment
5 is an amount less than the amount of the adjustment required in
6 subsection (13) of this section, the general fund appropriation is
7 decreased to \$0.

8 (b) If the annual general appropriation act for the 2026-27 state
9 fiscal year does not include an appropriation to the department of
10 personnel for annual depreciation-lease equivalent payment, then
11 subsection (13) of this section does not require a reduction of an
12 appropriation in the annual general appropriation act for the 2026-27 state
13 fiscal year.

14 (15) Except as provided in subsection (16) of this section, to
15 implement this act, appropriations made in the annual general
16 appropriation act for the 2026-27 state fiscal year to the department of
17 public health and environment are adjusted as follows:

18 (a) The general fund appropriation for annual depreciation-lease
19 equivalent payments is decreased by \$380,068; and

20 (b) The cash funds appropriation from the newborn screening and
21 genetic counseling cash funds created in section 25-4-1006 (1), C.R.S.,
22 for annual depreciation-lease equivalent payments is decreased by
23 \$103,558.

24 (16) (a) If the general fund appropriation made in the annual
25 general appropriation act for the 2026-27 state fiscal year to the
26 department of public health and environment for annual
27 depreciation-lease equivalent payments is an amount less than the amount

1 of the adjustment required in subsection (15)(a) of this section, the
2 general fund appropriation is decreased to \$0.

3 (b) If the cash funds appropriation from the newborn screening
4 and genetic counseling cash funds created in section 25-4-1006 (1),
5 C.R.S., made in the annual general appropriation act for the 2026-27 state
6 fiscal year to the department of public health and environment for annual
7 depreciation-lease equivalent payments is an amount less than the amount
8 of the adjustment required in subsection (15)(b) of this section, the cash
9 funds appropriation from the newborn screening and genetic counseling
10 cash funds created in section 25-4-1006 (1), C.R.S., is decreased to \$0.

11 (c) If the annual general appropriation act for the 2026-27 state
12 fiscal year does not include an appropriation to the department of public
13 health and environment for annual depreciation-lease equivalent
14 payments, then subsection (15) of this section does not require a reduction
15 of an appropriation in the annual general appropriation act for the
16 2026-27 state fiscal year.

17 (17) Except as provided in subsection (18) of this section, to
18 implement this act, the cash funds appropriation from the highway users
19 tax fund created in section 43-4-201 (1)(a), C.R.S., and appropriated
20 pursuant to section 43-4-201 (3)(a)(I)(C), C.R.S., made in the annual
21 general appropriation act for the 2026-27 state fiscal year to the
22 department of public safety for annual depreciation-lease equivalent
23 payment is decreased by \$67,700.

24 (18) (a) If the cash funds appropriation from the highway users tax
25 fund created in section 43-4-201 (1)(a), C.R.S., and appropriated pursuant
26 to section 43-4-201 (3)(a)(I)(C), C.R.S., made in the annual general
27 appropriation act for the 2026-27 state fiscal year to the department of

1 public safety for annual depreciation-lease equivalent payment is an
2 amount less than the amount of the adjustment required in subsection (17)
3 of this section, the cash funds appropriation from the highway users tax
4 fund created in section 43-4-201 (1)(a), C.R.S., and appropriated pursuant
5 to section 43-4-201 (3)(a)(I)(C), C.R.S., is decreased to \$0.

6 (b) If the annual general appropriation act for the 2026-27 state
7 fiscal year does not include an appropriation to the department of public
8 safety for annual depreciation-lease equivalent payment, then subsection
9 (17) of this section does not require a reduction of an appropriation in the
10 annual general appropriation act for the 2026-27 state fiscal year.

11 **SECTION 9. Effective date.** This act takes effect upon passage;
12 except that section 8 of this act takes effect only if the annual general
13 appropriation act for the 2026-27 state fiscal year becomes law, in which
14 case section 8 takes effect upon the effective date of this act or of the
15 annual general appropriation act for state fiscal year 2026-27, whichever
16 is later.

17 **SECTION 10. Safety clause.** The general assembly finds,
18 determines, and declares that this act is necessary for the immediate
19 preservation of the public peace, health, or safety or for appropriations for
20 the support and maintenance of the departments of the state and state
21 institutions.