

JBC Staff Fiscal Analysis
House Appropriations Committee

Concerning a continuation of the income tax credit for a qualifying contribution to promote child care in the state.

Prime Sponsors:

Representatives McCluskie; Caldwell
Senators Coleman; Simpson

Date Prepared:

April 26, 2026

JBC Analyst:

Jon Catlett
303-866-4386

Fiscal Impacts

Appropriation Not Required, No Amendment in Packet
General Fund / TABOR Impact

Fiscal Note Status

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 01/27/26.

No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill.

Amendments in This Packet

None.

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2026-27.

Points to Consider

The Joint Budget Committee (JBC) has proposed a budget package for FY 2026-27 based on the March 2026 Office of State Planning and Budgeting (OSP) revenue forecast. The forecast does not anticipate a TABOR surplus liability for FY 2025-26, but does anticipate a surplus liability of \$711.1 million for FY 2026-27 and \$515.6 million in FY 2027-28 to be refunded to taxpayers out of the General Fund. Legislation that increases non-exempt revenue (such as cash funds) will increase the TABOR refund from the General Fund.

The budget package includes \$57.3 million in set-asides for legislation outside of the package (see table below). The budget package accounts for the 13.0 percent reserve associated with the placeholders.

General Fund Appropriation Placeholders for Other 2026 Legislation

Item	FY 2026-27
SB 26-149 (Pathways for Individuals with Mental Health Disorders)	\$23,222,868
Competency services	20,000,000
Potential prison capacity supplemental	5,900,000
Applied Behavioral Analysis Licensing	5,000,000
County Administration shared services	3,100,000
Medicaid Working Group	500,000
HB 26-1331 (Modify 2026 Interim Committees)	-396,469
Total - Placeholders for other legislation	\$57,326,399

TABOR/ Excess State Revenues Impact

This bill is projected to decrease General Fund revenues by \$21.5 million in FY 2027–28, correspondingly reducing the TABOR surplus liability by an equal amount.