

Second Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO

REVISED

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

LLS NO. 26-0419.01 Nicole Myers x4326

SENATE BILL 26-042

SENATE SPONSORSHIP

**Weissman and Amabile**, Benavidez, Coleman, Cutter, Gonzales J., Hinrichsen, Jodeh, Kipp, Kolker, Lindstedt, Snyder, Wallace

HOUSE SPONSORSHIP

**Zokaie and Sirota**,

Senate Committees

Finance  
Appropriations

House Committees

Finance  
Appropriations

A BILL FOR AN ACT

101 CONCERNING THE CLASSIFICATION OF CERTAIN STATE REVENUE FOR  
102 THE PURPOSES OF CALCULATING STATE FISCAL YEAR SPENDING  
103 PURSUANT TO SECTION 20 OF ARTICLE X OF THE STATE  
104 CONSTITUTION, AND, IN CONNECTION THEREWITH, CLARIFYING  
105 THE STATUTORY DEFINITIONS OF COLLECTIONS FOR ANOTHER  
106 GOVERNMENT AND DAMAGE AWARDS AND MAKING AN  
107 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>.)*

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  
Amended 2nd Reading  
May 8, 2026

SENATE  
3rd Reading Unamended  
April 22, 2026

SENATE  
Amended 2nd Reading  
April 21, 2026

Section 20 of article X of the state constitution (TABOR) defines "fiscal year spending" as excluding "collections for another government" and "damage awards". Although TABOR does not define either "collections for another government" or "damage awards", the TABOR implementing statutes define both terms. The bill clarifies both of these definitions for state fiscal years commencing on or after July 1, 2025.

The bill clarifies that "collections for another government", as used for the purpose of determining whether specific money received by the state is subject to the TABOR limitation on state fiscal year spending, includes revenue from the excise tax on gasoline used as fuel for the propulsion of specified aircraft collected by the state and distributed to governmental or airport entities operating an FAA-designated public use airport.

The bill also clarifies that "damage award", as used for the purpose of determining whether specific money received by the state is subject to the TABOR limitation on state fiscal year spending, includes certain civil fines and penalties imposed by the state.

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

2 **SECTION 1. Legislative declaration.**

3 (1) The general assembly finds and declares that:

4 (a) Section 20 (2)(e) of article X of the state constitution exempts  
5 "collections for another government" and "damage awards" from "fiscal  
6 year spending", as defined in section 20 (2)(e) of article X of the state  
7 constitution;

8 (b) Under the existing statutory definition of "damage award",  
9 some money that the state collects as fines or penalties for violations of  
10 certain legal requirements is treated as state fiscal year spending when  
11 determining whether the state has exceeded the state's fiscal year  
12 spending limit despite the constitutional exemption for such collections;

13 (c) It is inconsistent with section 20 of article X of the state  
14 constitution to treat money that the state collects as fines or penalties for  
15 violations of certain legal requirements as state revenue in light of the

1 specific exemption for "damage awards";

2 (d) (I) Under the existing definition of "collections for another  
3 government", some money that the state collects from taxes on gasoline  
4 that is used as fuel for the propulsion of certain aircraft and that is  
5 distributed to other governmental or airport entities is treated as state  
6 fiscal year spending when determining whether the state has exceeded the  
7 state's fiscal year spending limit despite the constitutional exemption for  
8 such collections;

9 (II) It is inconsistent with section 20 of article X of the state  
10 constitution to treat money that the state collects from the excise tax and  
11 sales and use tax on gasoline that is used as fuel for the propulsion of  
12 certain aircraft and that is distributed to other governmental and airport  
13 entities as state fiscal year spending in light of the specific exemption for  
14 "collections for another government"; \_\_\_\_\_

15 (e) (I) Under the existing definition of "collections for another  
16 government", some money that the state collects from the fee for criminal  
17 history record checks that is transmitted to the federal bureau of  
18 investigation for the portions of such criminal history record checks  
19 conducted by the federal government is treated as state fiscal year  
20 spending when determining whether the state has exceeded the state's  
21 fiscal year spending limit despite the constitutional exemption for such  
22 collections;

23 (II) It is inconsistent with section 20 of article X of the state  
24 constitution to treat money that the state collects from the fee for criminal  
25 history record checks and that is transmitted to the federal bureau of  
26 investigation as state fiscal year spending in light of the specific  
27 exemption for "collections for another government"; and

1 (f) Nothing in this act operates to exclude any money that has  
2 been included as "collections for another government" or "damage  
3 awards" under the preexisting definition of those terms from the clarified  
4 definitions of those terms in this act - that money continues to be included  
5 in these clarified definitions.

6 **SECTION 2.** In Colorado Revised Statutes, 24-77-102, **amend**  
7 (1)(b), (2)(a), (2)(b)(IV), and (2)(b)(V); **and add (1)(e), (1)(f), and**  
8 **(2)(c)** as follows:

9 **24-77-102. Definitions.**

10 As used in this article 77, unless the context otherwise requires:

11 (1) (b) EXCEPT AS OTHERWISE SPECIFIED IN SUBSECTION (1)(b)(IV)  
12 OF THIS SECTION, for state fiscal years commencing on or after July 1,  
13 2023, notwithstanding the definition of "collections for another  
14 government" in subsection (1)(a) of this section, the only revenues  
15 collected by the state for the benefit and use of another government other  
16 than the state and passed through to that government other than the state  
17 for the benefit of and use by that government that qualify as "collections  
18 for another government" without further identification by the general  
19 assembly are revenues collected pursuant to:

20 (I) The authority of the government for whose benefit the state  
21 collects the revenue;

22 (II) The authority of the state and apportioned to another  
23 government in connection with that government forgoing the imposition  
24 of certain taxes and collecting the corresponding tax revenue; ~~or~~

25 (III) A constitutional requirement that the state collect the revenue  
26 for the benefit of another government; OR

27 (IV) FOR STATE FISCAL YEARS COMMENCING ON OR AFTER JULY 1,

1 2025:

2 (A) THE AUTHORITY OF THE STATE TO COLLECT AN EXCISE TAX  
3 AND SALES AND USE TAX ON GASOLINE THAT IS USED AS JET FUEL AND  
4 DISTRIBUTE THE REVENUE TO A NON-STATE ENTITY; AND

5 (B) THE AUTHORITY OF THE STATE TO COLLECT A FEE FOR  
6 CRIMINAL HISTORY RECORD CHECKS, A PORTION OF WHICH IS  
7 TRANSMITTED TO THE FEDERAL BUREAU OF INVESTIGATION FOR THE  
8 REQUIRED FEDERAL COMPONENT OF SUCH RECORD CHECKS.

9 (e) "COLLECTIONS FOR ANOTHER GOVERNMENT", WITH RESPECT  
10 TO REVENUE THAT IS COLLECTED IN ACCORDANCE WITH SUBSECTION  
11 (1)(b)(IV)(A) OF THIS SECTION, INCLUDES THE FOLLOWING REVENUE THAT  
12 IS PLACED IN OR CREDITED TO THE AVIATION FUND CREATED IN SECTION  
13 43-10-109 AND DISTRIBUTED IN ACCORDANCE WITH SECTION 43-10-110  
14 TO GOVERNMENTAL OR AIRPORT ENTITIES OPERATING AN  
15 FAA-DESIGNATED PUBLIC-USE AIRPORT:

16 (I) REVENUE FROM THE EXCISE TAX ON GASOLINE USED AS FUEL  
17 FOR THE PROPULSION OF NONTURBO-PROPELLER, NONJET ENGINE,  
18 TURBO-PROPELLER, OR JET ENGINE AIRCRAFT COLLECTED BY THE STATE  
19 PURSUANT TO SECTION 39-27-102 (1)(a)(IV) THAT IS PLACED IN THE  
20 AVIATION FUND PURSUANT TO SECTION 39-27-112 (2)(b); AND

21 (II) REVENUE FROM THE SALES AND USE TAXES COLLECTED  
22 DURING A FISCAL YEAR BY THE STATE PURSUANT TO SECTIONS 39-26-104  
23 AND 39-26-202 ON AVIATION FUELS USED IN TURBO-PROPELLER OR JET  
24 ENGINE AIRCRAFT THAT IS CREDITED TO THE AVIATION FUND PURSUANT TO  
25 SECTION 43-10-109 (2)(a)(I).

26 (f) "COLLECTIONS FOR ANOTHER GOVERNMENT", WITH RESPECT TO  
27 REVENUE THAT IS RECEIVED IN ACCORDANCE WITH SUBSECTION

1 (1)(b)(IV)(B) OF THIS SECTION, INCLUDES THE FEE REVENUES THAT ARE  
2 COLLECTED BY THE DEPARTMENT OF PUBLIC SAFETY FOR THE PURPOSE OF  
3 CRIMINAL HISTORY RECORD CHECKS PURSUANT TO SECTION 24-33.5-426  
4 AND THAT IS TRANSMITTED TO THE FEDERAL BUREAU OF INVESTIGATION  
5 FOR A REQUIRED FEDERAL COMPONENT OF SUCH CRIMINAL HISTORY  
6 RECORD CHECKS.

7 (2) "Damage award" means any pecuniary compensation received  
8 by the state as a result of:

9 (a) Any judgment or allowance in favor of the state; ~~and~~

10 (b) For state fiscal years commencing on or after July 1, 2024:

11 

12 (IV) A monetary fine or penalty collected by the division of  
13 administration of the department of public health and environment  
14 pursuant to section 25-7-115, 25-7-122, or 25-7-123 and deposited in the  
15 community impact cash fund created in section 25-7-129 or in the motor  
16 vehicle emissions assistance fund created in section 25-7-129.5; ~~and~~

17 (V) A monetary penalty collected by the division of labor  
18 standards and statistics of the department of labor and pursuant to section  
19 8-1-114; AND

20 (c) FOR STATE FISCAL YEARS COMMENCING ON OR AFTER JULY 1,

21 

22 =====

23 2025, MONEY DEPOSITED IN THE CRIME VICTIM COMPENSATION FUND OF  
24 EACH JUDICIAL DISTRICT PURSUANT TO SECTION 24-4.1-117(2) INCLUDING  
25 ALL MONEY PAID AS A COST OR SURCHARGE LEVIED ON CRIMINAL ACTIONS  
26 PURSUANT TO SECTION 24-4.1-119; ALL MONEY RECEIVED FROM ANY  
27 ACTION OR SUIT TO RECOVER DAMAGES FROM AN ASSAILANT FOR A

1 COMPENSABLE CRIME WHICH WAS THE BASIS FOR APPROVAL OF, AND  
2 LIMITED TO, COMPENSATION RECEIVED UNDER PART 1 OF ARTICLE 4.1 OF  
3 THIS TITLE 24; AND ANY RESTITUTION PAID BY AN ASSAILANT TO A VICTIM  
4 FOR DAMAGES FOR A COMPENSABLE CRIME WHICH WAS THE BASIS FOR  
5 APPROVAL OF COMPENSATION RECEIVED UNDER PART 1 OF ARTICLE 4.1 OF  
6 THIS TITLE 24 AND FOR DAMAGES FOR WHICH THE VICTIM HAS RECEIVED  
7 APPROVAL OF, AND LIMITED TO, COMPENSATION RECEIVED UNDER PART 1  
8 OF ARTICLE 4.1 OF THIS TITLE 24.

9 SECTION 3. In Colorado Revised Statutes, 24-4.1-117,  
10 amend (5) as follows:

11 **24-4.1-117. Fund created - control of fund.**


12 (5) (a) FOR STATE FISCAL YEARS COMMENCING PRIOR TO JULY 1,  
13 2026, all money deposited in the fund must be used solely for the  
14 compensation of victims pursuant to this part 1; except that the district  
15 attorney and the court executive may use an aggregate of no more than  
16 twenty-two and one-half percent of the total amount of money in the  
17 crime victim compensation fund for administrative costs incurred  
18 pursuant to this part 1. The district attorney may use no more than twenty  
19 percent of the total amount of money in the fund for administrative costs.  
20 The court executive may use no more than two and one-half percent of  
21 the total amount of money in the fund for administrative costs.

22 (b) FOR STATE FISCAL YEARS COMMENCING ON OR AFTER JULY 1,  
23 2026:

24 (I) ALL MONEY DEPOSITED IN THE FUND MUST BE USED SOLELY FOR  
25 THE COMPENSATION OF VICTIMS PURSUANT TO THIS PART 1; AND

26 (II) THE GENERAL ASSEMBLY SHALL APPROPRIATE MONEY TO THE  
27 DISTRICT ATTORNEY IN EACH JUDICIAL DISTRICT IN AN AMOUNT EQUAL TO

1 TWENTY PERCENT OF THE TOTAL AMOUNT OF MONEY IN THE FUND IN THAT  
2 JUDICIAL DISTRICT FOR ADMINISTRATIVE COSTS AND TO THE COURT  
3 EXECUTIVE IN EACH JUDICIAL DISTRICT IN AN AMOUNT EQUAL TO TWO AND  
4 ONE-HALF PERCENT OF THE TOTAL AMOUNT OF MONEY IN THE FUND IN  
5 THAT JUDICIAL DISTRICT FOR ADMINISTRATIVE COSTS.

6   
7 **SECTION 4. Appropriation.** For the 2026-27 state fiscal year,  
8 \$2,250,000 is appropriated to the judicial department for use by state  
9 courts administration. This appropriation is from the general fund. To  
10 implement this act, the state courts may use this appropriation for  
11 Victims' Compensation Administration.

12 **SECTION 5. Safety clause.** The general assembly finds,  
13 determines, and declares that this act is necessary for the immediate  
14 preservation of the public peace, health, or safety or for appropriations for  
15 the support and maintenance of the departments of the state and state  
16 institutions.