

**First Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO**

**INTRODUCED**

LLS NO. 25-0613.01 Pierce Lively x2059

**HOUSE BILL 25-1125**

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**HOUSE SPONSORSHIP**

**Luck,**

**SENATE SPONSORSHIP**

**(None),**

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**House Committees**  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING THE TRANSPARENCY OF STATE AGENCY BUDGETS.**

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**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>.)*

Under current law, every department, commission, council, board, bureau, committee, agency, or other governmental unit of the executive, legislative, or judicial branch of state government (state agency) is required to submit a budget request to the joint budget committee on or before November 1 of every year. The bill clarifies what each state agency must include in its budget request beginning with the 2027-28 state fiscal year. The bill requires a state agency, as part of the state agency's budget request, to submit the following to the joint budget

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.

committee and relevant committee of reference:

- An ideal budget that identifies the least critical 10% in the budget and any duplicative programs administered by the state agency; and
- A budget that is at least 5% less than the current year's appropriations for the state agency.

The bill requires a state agency to submit a budget request to the joint budget committee and relevant committee of reference every 10 years that justifies and explains every expense of the state agency.

Lastly, the bill expands an existing reporting requirement and requires all principal departments, as part of the principal department's "State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act" hearing, to report all grants made to the state agency during the immediately preceding state fiscal year.

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

2 **SECTION 1.** In Colorado Revised Statutes, 2-3-208, **amend (6);**  
3 and **add (2)(a.5)** as follows:

4 **2-3-208. Budget requests - amendments - supplemental**  
5 **appropriation requests - deadlines - definitions.**

6 (2) (a.5) (I) BEGINNING WITH THE 2027-28 STATE FISCAL YEAR,  
7 EXCLUDING A YEAR IN WHICH A STATE AGENCY SUBMITS A BUDGET IN  
8 ACCORDANCE WITH SUBSECTION (2)(a.5)(II) OF THIS SECTION, IN  
9 SUBMITTING A BUDGET REQUEST FOR THE UPCOMING STATE FISCAL YEAR  
10 TO THE JOINT BUDGET COMMITTEE PURSUANT TO SUBSECTION (2)(a) OF  
11 THIS SECTION, A STATE AGENCY SHALL SUBMIT THE FOLLOWING TO THE  
12 JOINT BUDGET COMMITTEE AND AS A PART OF ITS PRESENTATION TO ITS  
13 COMMITTEE OF REFERENCE AT A HEARING HELD PURSUANT TO SECTION  
14 2-7-203 (2)(a) OF THE "STATE MEASUREMENT FOR ACCOUNTABLE,  
15 RESPONSIVE, AND TRANSPARENT (SMART) GOVERNMENT ACT":

16 (A) AN IDEAL BUDGET THAT IDENTIFIES THE LEAST CRITICAL TEN  
17 PERCENT IN THE BUDGET AND ANY PROGRAMS ADMINISTERED BY THE

1 STATE AGENCY THAT ARE DUPLICATIVE WITH OTHER PROGRAMS  
2 ADMINISTED BY THAT STATE AGENCY OR ANY OTHER STATE AGENCY; AND

3 (B) A BUDGET THAT IS AT LEAST FIVE PERCENT LESS THAN THE  
4 CURRENT YEAR'S APPROPRIATIONS FOR THE STATE AGENCY.

5 (II) (A) EVERY STATE FISCAL YEAR, BEGINNING WITH THE 2027-28  
6 STATE FISCAL YEAR, THE JOINT BUDGET COMMITTEE SHALL REQUEST THAT  
7 ALL OF THE STATE AGENCIES IN AT LEAST TWO DESIGNATED PRINCIPAL  
8 DEPARTMENTS, IN SUBMITTING A BUDGET REQUEST FOR THE UPCOMING  
9 STATE FISCAL YEAR TO THE JOINT BUDGET COMMITTEE PURSUANT TO  
10 SUBSECTION (2)(a) OF THIS SECTION, SUBMIT A ZERO-BASED BUDGETING  
11 REQUEST THAT JUSTIFIES AND EXPLAINS EVERY EXPENSE OF THE STATE  
12 AGENCY.

13 (B) IN REQUESTING A ZERO-BASED BUDGETING REQUEST FROM A  
14 STATE AGENCY PURSUANT TO SUBSECTION (2.5)(a.5)(II)(A) OF THIS  
15 SECTION, THE JOINT BUDGET COMMITTEE SHALL ENSURE THAT EACH  
16 PRINCIPAL DEPARTMENT SUBMITS A ZERO-BASED BUDGETING REQUEST AT  
17 LEAST ONCE EVERY TEN FISCAL YEARS.

18 (C) A STATE AGENCY SHALL SUBMIT A BUDGET REQUEST  
19 PURSUANT TO SUBSECTION (2.5)(a.5)(II)(A) OF THIS SECTION TO THE JOINT  
20 BUDGET COMMITTEE AND THE PRINCIPAL DEPARTMENT THAT A STATE  
21 AGENCY IS WITHIN SHALL SUBMIT A STATE AGENCY'S BUDGET REQUEST AS  
22 A PART OF THE PRINCIPAL DEPARTMENT'S PRESENTATION TO ITS  
23 COMMITTEE OF REFERENCE AT A HEARING HELD PURSUANT TO SECTION  
24 2-7-203 (2)(a) OF THE "STATE MEASUREMENT FOR ACCOUNTABLE,  
25 RESPONSIVE, AND TRANSPARENT (SMART) GOVERNMENT ACT".

26 (6) For purposes of this section, EXCEPT FOR SUBSECTION (2)(a.5)  
27 OF THIS SECTION, the office of administrative services for independent

1 agencies in the judicial department, created in section 13-100-103, is a  
2 state agency. Included agencies, as defined in section 13-100-102, are not  
3 state agencies for purposes of budget request submissions.

4 **SECTION 2.** In Colorado Revised Statutes, 24-75-1303, **amend**  
5 (1) as follows:

6 **24-75-1303. Report to general assembly.** (1) On or before  
7 November 1, 2011, and on or before November 1 of each year thereafter,  
8 each state agency shall submit to the joint budget committee of the  
9 general assembly, AND THE PRINCIPAL DEPARTMENT THAT A STATE  
10 AGENCY IS WITHIN SHALL SUBMIT AS A PART OF THE PRINCIPAL  
11 DEPARTMENT'S PRESENTATION TO ITS COMMITTEE OF REFERENCE AT A  
12 HEARING HELD PURSUANT TO SECTION 2-7-203 (2)(a) OF THE "STATE  
13 MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE, AND TRANSPARENT  
14 (SMART) GOVERNMENT ACT", a report, in accordance with generally  
15 accepted accounting principles, of all grants made to the state agency  
16 during the immediately preceding state fiscal year, which grants provided  
17 funding for a bill enacted by the general assembly that relies entirely on  
18 grant moneys for the funding source of the program, service, study,  
19 interim committee, or other governmental function required by the bill.  
20 The state agency shall be prepared to review the report at the state  
21 agency's briefing with the joint budget committee in connection with its  
22 annual budget request.

23 **SECTION 3. Act subject to petition - effective date.** This act  
24 takes effect at 12:01 a.m. on the day following the expiration of the  
25 ninety-day period after final adjournment of the general assembly; except  
26 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
27 of the state constitution against this act or an item, section, or part of this

1 act within such period, then the act, item, section, or part will not take  
2 effect unless approved by the people at the general election to be held in  
3 November 2026 and, in such case, will take effect on the date of the  
4 official declaration of the vote thereon by the governor.