

JBC Staff Fiscal Analysis
House Appropriations Committee

Concerning measures to make appropriate use of prison beds.

Prime Sponsors:

Representative Clifford
Senator Gonzales J.

Date Prepared:

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Fiscal Impacts

Appropriation Required, Amendment in Packet

General Fund/TABOR Impact

Significant Appropriation Decrease in Second and Third Year

Statutory Appropriation Requirement in First and Second Year

Fiscal Note Status

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/10/25.

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

Amendments in This Packet

J.001 Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001

Staff amendment **J.001** (attached) reduces appropriations by a total of \$187,376 General Fund in FY 2025-26. This includes an increase of \$75,448 General Fund and 0.8 FTE for the Judicial Department and a net decrease of \$262,824 General Fund for the Department of Corrections.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2025-26 based on the March 2025 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes \$18.2 million in set-asides for legislation outside of the package (see table below). The budget package accounts for the 15.0 percent reserve associated with the placeholders.

General Fund Appropriation Placeholders for Other 2025 Legislation	
Description	FY 2025-26 Appropriation
Juvenile diversion, deflection, or detention	\$10,000,000
General Assembly legislative priorities	6,521,739
Voter approved initiatives	1,700,000
Total	\$18,221,739

This bill requires a reduction of \$187,376 General Fund for FY 2025-26, increasing the \$18.2 million set aside by the same amount.

TABOR Impact

The March 2025 Office of State Planning and Budgeting (OSPB) revenue forecast projects a TABOR surplus liability of \$642.7 million for FY 2025-26 and \$775.8 million for FY 2026-27 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.

This bill is estimated to increase cash fund revenues by \$10,563 in FY 2025-26 and by \$29,979 in FY 2026-27, which will reduce the available General Fund in each fiscal year by equal amounts. This bill increases the TABOR refund made out of the General Fund by \$10,563 for FY 2025-26, reducing the \$18.2 million General Fund set aside for FY 2025-26 by the same amount.

Significant Appropriation Decrease in Second and Third Year

The bill is projected to decrease General Fund appropriations by \$1,049,350 in FY 2026-27 and \$4,588,519 in FY 2027-28.

Statutory Appropriation Requirement (General Fund to Continuously Appropriated Cash Fund)

The bill, as amended by the House Finance Committee, includes a statutory requirement to appropriate General Fund to a continuously appropriated cash fund in FY 2025-26 and FY 2026-27. The amounts are \$714,690 in FY 2025-26 and \$1,658,037 in FY 2026-27. The cash fund is the Community-Based Reentry Services Cash Fund (the Fund).