

Second Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO

**REENGROSSED**

*This Version Includes All Amendments  
Adopted in the House of Introduction*

LLS NO. 26-0264.02 Pierce Lively x2059

**HOUSE BILL 26-1178**

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**House Committees**  
Appropriations

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**A BILL FOR AN ACT**  
101     **CONCERNING THE CONTROLLER'S ALLOWANCE OF EXPENDITURES IN**  
102     **EXCESS OF APPROPRIATIONS.**

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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/>.)*

**Joint Budget Committee.** Under current law, the controller may allow any department, institution, or agency of the state, including any institution of higher education, to make an expenditure in excess of the amount authorized by an item of appropriation for the fiscal year if certain conditions are satisfied. One of those conditions is that the overexpenditure is necessary due to unforeseen circumstances arising

HOUSE  
3rd Reading Unamended  
February 12, 2026

HOUSE  
2nd Reading Unamended  
February 11, 2026

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.

while the general assembly is not meeting in a regular or special session. The bill modifies that condition to also include when an overexpenditure is necessary due to a lapse in a federal appropriation that the joint budget committee determines is reasonably likely to occur while the general assembly is not meeting in regular or special session during which such overexpenditure can be legislatively addressed.

The bill also makes a conforming amendment to the process by which the general assembly can remove the spending restriction that the controller attaches to an overexpenditure. If a supplemental appropriation is enacted for the overexpenditure or a portion of it, the bill requires that:

- The controller's spending restriction is released in full; and
  - The department, institution, or agency of the state's overexpenditure authority ends.
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1       *Be it enacted by the General Assembly of the State of Colorado:*

2           **SECTION 1.** In Colorado Revised Statutes, 24-75-111, **amend**  
3       (1) introductory portion, (1)(b), and (5) as follows:

4           **24-75-111. Additional authority for controller to allow**  
5       **expenditures in excess of appropriations - limitations -**  
6       **appropriations for subsequent fiscal year restricted.**

7           (1) ~~For fiscal years commencing on or after July 1, 1997,~~ In  
8       addition to any overexpenditure allowed pursuant to section 24-75-109,  
9       the controller may allow any department, institution, or agency of the  
10      state, including any institution of higher education, to make an  
11      expenditure in excess of the amount authorized by an item of  
12      appropriation for ~~such~~ THE CURRENT fiscal year if:

13           (b) The overexpenditure is necessary due to EITHER unforeseen  
14      circumstances arising while the general assembly is not meeting in regular  
15      or special session during which such overexpenditure can be legislatively  
16      addressed OR A LAPSE IN A FEDERAL APPROPRIATION THAT THE JOINT  
17      BUDGET COMMITTEE DETERMINES IS REASONABLY LIKELY TO OCCUR  
18      WHILE THE GENERAL ASSEMBLY IS NOT MEETING IN REGULAR OR SPECIAL

1 SESSION DURING WHICH SUCH OVEREXPENDITURE CAN BE LEGISLATIVELY  
2 ADDRESSED; and

3 (5) The joint budget committee of the general assembly shall  
4 introduce a supplemental appropriation for the fiscal year in which the  
5 overexpenditure occurred for ~~the~~ AN amount ~~OF~~ LESS THAN OR EQUAL TO  
6 any overexpenditure allowed pursuant to this section. If a supplemental  
7 appropriation is enacted for the overexpenditure AUTHORIZED BY THIS  
8 SECTION or some portion thereof, the restriction on the succeeding fiscal  
9 year's appropriation shall be released ~~in the amount of the supplemental~~  
10 ~~appropriation enacted~~ AND A DEPARTMENT, INSTITUTION, OR AGENCY OF  
11 THE STATE, INCLUDING ANY INSTITUTION OF HIGHER EDUCATION, SHALL  
12 NOT MAKE AN EXPENDITURE IN EXCESS OF THE AMOUNT ALLOWED BY AN  
13 ITEM OF APPROPRIATION FOR SUCH FISCAL YEAR AS AUTHORIZED BY THE  
14 OVEREXPENDITURE.

15 **SECTION 2. Safety clause.** The general assembly finds,  
16 determines, and declares that this act is necessary for the immediate  
17 preservation of the public peace, health, or safety or for appropriations for  
18 the support and maintenance of the departments of the state and state  
19 institutions.