

JBC Staff Fiscal Analysis House Appropriations Committee

Concerning the calculation of the consumer price index for the 2025 calendar year.

Prime Sponsors:

Representatives Sirota; Taggart
Senators Bridges; Kirkmeyer

Date Prepared:

April 6, 2026

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Fiscal Impacts

Appropriation Required, 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 04/02/26.

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

Amendments in This Packet

- J.001 Staff-prepared appropriation amendment
- L.001 Bill Sponsor amendment - does not change fiscal impact.

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) appropriates a total of \$9,057,743 cash funds from the State Education Fund to the Department of Education for FY 2026-27.

L.001

Bill Sponsor amendment **L.001** (attached) eliminates the bill's application to sections of statute that use a consumer price index other than the Denver-Boulder-Lakewood consumer price index for all urban consumers and all items (the index used for TABOR purposes). As introduced, the bill applies the revised inflation calculation to other indices for 2025 as well. The amendment eliminates references to sections that use indices

specific to medical care components (Secs. 10-16-119.5 and 1303, C.R.S.), national indices for all urban consumers (Secs. 15-10-112, 25.5-6-101, and 25.5-6-204, C.R.S.), and the national consumer price index for urban wage earners and clerical workers (Sec. 31-31.5-410, C.R.S.). Amendment **L.001** would clarify that the bill only impacts programs that use the same index as the TABOR calculation.

The Committee should adopt amendment J.001 regardless of whether or not it adopts amendment L.001.

Points to Consider

TABOR/ Excess State Revenues Impact

The March 2026 Office of State Planning and Budgeting (OSPB) revenue forecast projects a TABOR surplus liability of \$711.1 million for FY 2026-27 to be refunded to taxpayers out of the General Fund. The Joint Budget Committee (JBC) has proposed a budget package for FY 2026-27 based on the March 2025 Office of State Planning and Budgeting revenue forecast. This bill is estimated to increase the TABOR/Referendum C cap by \$19.8 million for FY 2026-27, decreasing the refund liability and making that amount of additional General Fund available for the FY 2026-27 budget. The JBC has assumed the associated increase in available General Fund as part of its FY 2026-27 budget package.

General Fund/State Education Fund Impact

This bill requires an appropriation of \$9.1 million to the Department of Education for FY 2026-27. This appropriation could come from the General Fund, the State Education Fund, or the State Public School Fund. The Legislative Council Staff Fiscal Note assumes that the appropriation for FY 2026-27 will be from the State Education Fund, and amendment **J.001** makes the appropriation from that fund. However, further depleting the State Education Fund in FY 2026-27 will require additional General Fund appropriations in subsequent years.