

**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. 26-0889.01 Stephanie Schrab x4330

HOUSE BILL 26-1406

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House Committees
Appropriations

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Appropriations

A BILL FOR AN ACT

101 **CONCERNING THE REPEAL OF CERTAIN PROVISIONS REGARDING THE**
102 **FUNDING OF CAPITAL CONSTRUCTION, AND, IN CONNECTION**
103 **THEREWITH, REDUCING AN 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/>.)

Joint Budget Committee. Current law requires most state agencies and institutions of higher education that receive an appropriation for capital construction to set aside an amount of money equal to the recorded depreciation of the capital asset that was acquired, repaired, improved, replaced, renovated, or constructed with the appropriation

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.

SENATE
Amended 2nd Reading
April 15, 2026

HOUSE
Amended 3rd Reading
April 11, 2026

HOUSE
2nd Reading Unamended
April 9, 2026

(annual depreciation-lease equivalent payment) to pay for the long-term maintenance costs of the capital asset. Currently, the money that state agencies or institutions of higher education set aside for maintenance costs is credited to the capitol complex renovation fund. The bill repeals the annual depreciation-lease equivalent payment requirement.

Currently, the department of personnel uses the money in the capitol complex renovation fund (fund) for capital construction needs for existing state-owned buildings in the capitol complex. The bill requires the state treasurer to transfer \$15,263,000 from the fund to the general fund on June 30, 2026. The bill also requires the state treasurer to transfer the remaining balance of the fund on June 30, 2027, to the general fund and then repeals the fund. In addition, the bill repeals a reporting requirement in connection with the use of the money in the fund.

The bill also repeals the capitol complex master plan implementation fund, including its ongoing transfers to the fund.

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

2 **SECTION 1.** In Colorado Revised Statutes, **repeal** 24-30-1310.

3 **SECTION 2.** In Colorado Revised Statutes, 24-30-1313, **amend**
4 (1) and (7); **repeal** (6); and **add** (6.8) and (6.9) as follows:

5 **24-30-1313. Capitol complex renovation fund - created -**
6 **repeal.**

7 (1) The capitol complex renovation fund, referred to in this
8 section as the "fund", is created in the state treasury. The fund consists of
9 ~~money credited to the fund pursuant to section 24-30-1310 (2), money~~
10 ~~transferred to the fund pursuant to sections 24-75-307 (2.5) and (4), and~~
11 ~~any other~~ money that the general assembly may appropriate or transfer to
12 the fund.

13 ~~(6) The state treasurer shall transfer all unexpended and~~
14 ~~unencumbered money in the fund on June 30, 2030, to the capital~~
15 ~~construction fund created in section 24-75-302.~~

16 (6.8) ON JUNE 30, 2026, THE STATE TREASURER SHALL TRANSFER
17 FIFTEEN MILLION TWO HUNDRED SIXTY-THREE THOUSAND DOLLARS FROM

1 THE FUND TO THE GENERAL FUND.

2 (6.9) THE STATE TREASURER SHALL TRANSFER THE UNEXPENDED
3 AND UNENCUMBERED BALANCE OF THE FUND ON JUNE 30, 2027, TO THE
4 GENERAL FUND.

5 (7) This section is repealed, effective ~~July 1, 2031~~ JULY 1, 2027.

6 **SECTION 3.** In Colorado Revised Statutes, **repeal** 24-30-1314.

7

8 **SECTION 4.** In Colorado Revised Statutes, 24-75-302, **amend**

9 (1)(a) as follows:

10 **24-75-302. Capital construction fund - capital assessment fees**
11 **- calculation - information technology capital account - repeal.**

12 (1) (a) The capital construction fund is created. The fund consists
13 of money transferred to the fund by the general assembly. ~~and money~~
14 ~~credited to the fund pursuant to section 24-30-1310.~~ Money in the capital
15 construction fund may be appropriated for capital construction, capital
16 renewal, controlled maintenance, or state highway reconstruction, repair,
17 and maintenance projects as requested pursuant to section 43-1-113 (2.5);
18 except that any money transferred to the capital construction fund for
19 state highway reconstruction, repair, and maintenance projects may only
20 be appropriated for such projects. The appropriation for projects must be
21 set forth in a single line item as a total sum. For state fiscal years
22 commencing on or before July 1, 2024, all unappropriated balances in the
23 fund at the close of any fiscal year must remain in the fund and may not
24 revert to the general fund. For state fiscal years commencing on or after
25 July 1, 2025, the state treasurer shall transfer any unappropriated balances
26 in the fund or any otherwise unexpended and unencumbered money
27 remaining in the fund at the end of a fiscal year to the general fund. All

1 unexpended or unencumbered money from a capital construction fund
2 appropriation to a state agency or state institution of higher education
3 reverts, for state fiscal years commencing on or before July 1, 2024, to the
4 capital construction fund, and, for state fiscal years commencing on or
5 after July 1, 2025, to the general fund at the end of the period for which
6 the money is appropriated. Except as provided in sections 2-3-1304
7 (1)(a.5) and 24-30-1303.7 (1), no portion of the unexpended balance of
8 a state agency's or state institution of higher education's capital
9 construction fund appropriation may be used by the state agency or the
10 state institution of higher education for any additional projects that are
11 beyond the scope or design of the original project without further
12 approval by the capital development committee of such additional project.
13 Anticipation warrants or checks may be issued against the revenues of the
14 fund as provided by law. Except as provided in subsections (1)(c) and (7)
15 of this section, all interest earned from the investment of money in the
16 capital construction fund must remain in the fund and become a part
17 thereof.

18 **SECTION 5.** In Colorado Revised Statutes, 24-75-302.5, **amend**
19 (2)(a) as follows:

20 **24-75-302.5. Controlled maintenance - trust fund - legislative**
21 **declaration.**

22 (2) (a) There is hereby created the controlled maintenance trust
23 fund, the principal of which shall consist of any general fund revenues
24 appropriated or transferred thereto by law ~~moneys credited thereto~~
25 ~~pursuant to section 24-30-1310~~, and proceeds of leveraged leasing
26 agreements deposited thereto pursuant to section 24-82-1003 (3). For the
27 1996-97 fiscal year and fiscal years thereafter, the principal of the trust

1 fund may constitute all or some portion of the state emergency reserve
2 established pursuant to section 24-77-104 and may be expended in any
3 given fiscal year as provided in said section. The principal of the trust
4 fund shall not be expended or appropriated for any purpose other than use
5 as part of the state emergency reserve. The state treasurer may in the state
6 treasurer's discretion deposit, redeposit, invest, and reinvest ~~moneys~~
7 MONEY accrued or accruing to the controlled maintenance trust fund in
8 the types of deposits and investments authorized in sections 24-36-109,
9 24-36-112, and 24-36-113.

10 **SECTION 6.** In Colorado Revised Statutes, **repeal** 24-75-307.

11 **SECTION 7. Appropriation - adjustments to 2026 long bill.**

12 (1) Except as provided in subsection (2) of this section, to implement this
13 act, appropriations made in the annual general appropriation act for the
14 2026-27 state fiscal year to the department of agriculture are adjusted as
15 follows:

16 (a) The cash funds appropriation from the agricultural
17 management fund created in section 35-1-106.9 (1), C.R.S., for annual
18 depreciation-lease equivalent payment is decreased by \$203,337;

19 (b) The cash funds appropriation from the inspection and
20 consumer services cash fund created in section 35-1-106.5 (1), C.R.S., for
21 annual depreciation-lease equivalent payment is decreased by \$10,000;
22 and

23 (c) The cash funds appropriation from various sources of cash
24 funds for annual depreciation-lease equivalent payment is decreased by
25 \$248,280.

26 (2) (a) If the cash funds appropriation from the agricultural
27 management fund created in section 35-1-106.9 (1), C.R.S., made in the

1 annual general appropriation act for the 2026-27 state fiscal year to the
2 department of agriculture for annual depreciation-lease equivalent
3 payment is less than the amount of the adjustment required in subsection
4 (1)(a) of this section, the cash funds appropriation from the agricultural
5 management fund created in section 35-1-106.9 (1), C.R.S., is decreased
6 to \$0.

7 (b) If the cash funds appropriation from the inspection and
8 consumer services cash fund created in section 35-1-106.5 (1), C.R.S.,
9 made in the annual general appropriation act for the 2026-27 state fiscal
10 year to the department of agriculture for annual depreciation-lease
11 equivalent payment is less than the amount of the adjustment required in
12 subsection (1)(b) of this section, the cash funds appropriation from the
13 inspection and consumer services cash fund created in section 35-1-106.5
14 (1), C.R.S., is decreased to \$0.

15 (c) If the cash funds appropriation from various sources of cash
16 funds made in the annual general appropriation act for the 2026-27 state
17 fiscal year to the department of agriculture for annual depreciation-lease
18 equivalent payment is less than the amount of the adjustment required in
19 subsection (1)(c) of this section, the cash funds appropriation from
20 various sources of cash funds is decreased to \$0.

21 (d) If the annual general appropriation act for the 2026-27 state
22 fiscal year does not include an appropriation to the department of
23 agriculture for annual depreciation-lease equivalent payment, then
24 subsection (1) of this section does not require a reduction of an
25 appropriation in the 2026-27 state fiscal year.

26 (3) Except as provided in subsection (4) of this section, to
27 implement this act, the general fund appropriation made in the annual

1 general appropriation act for the 2026-27 state fiscal year to the
2 department of corrections for annual depreciation-lease equivalent
3 payments is decreased by \$659,571.

4 (4) (a) If the general fund appropriation made in the annual
5 general appropriation act for the 2026-27 state fiscal year to the
6 department of corrections for annual depreciation-lease equivalent
7 payments is an amount less than the amount of the adjustment required in
8 subsection (3) of this section, the general fund appropriation is decreased
9 to \$0.

10 (b) If the annual general appropriation act for the 2026-27 state
11 fiscal year does not include an appropriation to the department of
12 corrections for annual depreciation-lease equivalent payments, then
13 subsection (3) of this section does not require a reduction of an
14 appropriation in the annual general appropriation act for the 2026-27 state
15 fiscal year.

16 (5) Except as provided in subsection (6) of this section, to
17 implement this act, the general fund appropriation made in the annual
18 general appropriation act for the 2026-27 state fiscal year to the
19 department of higher education for annual depreciation-lease equivalent
20 payment is decreased by \$13,100,234.

21 (6) (a) If the general fund appropriation made in the annual
22 general appropriation act for the 2026-27 state fiscal year to the
23 department of higher education for annual depreciation-lease equivalent
24 payment is an amount less than the amount of the adjustment required in
25 subsection (5) of this section, the general fund appropriation is decreased
26 to \$0.

27 (b) If the annual general appropriation act for the 2026-27 state

1 fiscal year does not include an appropriation to the department of higher
2 education for annual depreciation-lease equivalent payment, then
3 subsection (5) of this section does not require a reduction of an
4 appropriation in the annual general appropriation act for the 2026-27 state
5 fiscal year.

6 (7) Except as provided in subsection (8) of this section, to
7 implement this act, the general fund appropriation made in the annual
8 general appropriation act for the 2026-27 state fiscal year to the
9 department of human services for annual depreciation-lease equivalent
10 payment is decreased by \$7,781,784.

11 (8) (a) If the general fund appropriation made in the annual
12 general appropriation act for the 2026-27 state fiscal year to the
13 department of human services for annual depreciation-lease equivalent
14 payment is an amount less than the amount of the adjustment required in
15 subsection (7) of this section, the general fund appropriation is decreased
16 to \$0.

17 (b) If the annual general appropriation act for the 2026-27 state
18 fiscal year does not include an appropriation to the department of human
19 services for annual depreciation-lease equivalent payment, then
20 subsection (7) of this section does not require a reduction of an
21 appropriation in the annual general appropriation act for the 2026-27 state
22 fiscal year.

23 (9) Except as provided in subsection (10) of this section, to
24 implement this act, the general fund appropriation made in the annual
25 general appropriation act for the 2026-27 state fiscal year to the
26 department of military and veterans affairs for annual depreciation-lease
27 equivalent payment is decreased by \$87,994.

1 (10) (a) If the general fund appropriation made in the annual
2 general appropriation act for the 2026-27 state fiscal year to the
3 department of military and veterans affairs for annual depreciation-lease
4 equivalent payment is an amount less than the amount of the adjustment
5 required in subsection (9) of this section, the general fund appropriation
6 is decreased to \$0.

7 (b) If the annual general appropriation act for the 2026-27 state
8 fiscal year does not include an appropriation to the department of military
9 and veterans affairs for annual depreciation-lease equivalent payment,
10 then subsection (9) of this section does not require a reduction of an
11 appropriation in the annual general appropriation act for the 2026-27 state
12 fiscal year.

13 (11) Except as provided in subsection (12) of this section, to
14 implement this act, appropriations made in the annual general
15 appropriation act for the 2026-27 state fiscal year to the department of
16 natural resources are adjusted as follows:

17 (a) The general fund appropriation for annual depreciation-lease
18 equivalent payment is decreased by \$651,475; and

19 (b) The cash funds appropriation from the parks and outdoor
20 recreation cash fund created in section 33-10-111 (1), C.R.S., for annual
21 depreciation-lease equivalent payment is decreased by \$143,912.

22 (12) (a) If the general fund appropriation made in the annual
23 general appropriation act for the 2026-27 state fiscal year to the
24 department of natural resources for annual depreciation-lease equivalent
25 payment is an amount less than the amount of the adjustment required in
26 subsection (11)(a) of this section, the general fund appropriation is
27 decreased to \$0.

1 (b) If the cash funds appropriation from the parks and outdoor
2 recreation cash fund created in section 33-10-111 (1), C.R.S., made in the
3 annual general appropriation act for the 2026-27 state fiscal year to the
4 department of natural resources for annual depreciation-lease equivalent
5 payment is an amount less than the amount of the adjustment required in
6 subsection (11)(b) of this section, the cash funds appropriation from the
7 parks and outdoor recreation cash fund created in section 33-10-111 (1),
8 C.R.S., is decreased to \$0.

9 (c) If the annual general appropriation act for the 2026-27 state
10 fiscal year does not include an appropriation to the department of natural
11 resources for annual depreciation-lease equivalent payment, then
12 subsection (11) of this section does not require a reduction of an
13 appropriation in the annual general appropriation act for the 2026-27 state
14 fiscal year.

15 (13) Except as provided in subsection (14) of this section, to
16 implement this act, the general fund appropriation made in the annual
17 general appropriation act for the 2026-27 state fiscal year to the
18 department of personnel for annual depreciation-lease equivalent payment
19 is decreased by \$2,600,060.

20 (14) (a) If the general fund appropriation made in the annual
21 general appropriation act for the 2026-27 state fiscal year to the
22 department of personnel for annual depreciation-lease equivalent payment
23 is an amount less than the amount of the adjustment required in
24 subsection (13) of this section, the general fund appropriation is
25 decreased to \$0.

26 (b) If the annual general appropriation act for the 2026-27 state
27 fiscal year does not include an appropriation to the department of

1 personnel for annual depreciation-lease equivalent payment, then
2 subsection (13) of this section does not require a reduction of an
3 appropriation in the annual general appropriation act for the 2026-27 state
4 fiscal year.

5 (15) Except as provided in subsection (16) of this section, to
6 implement this act, appropriations made in the annual general
7 appropriation act for the 2026-27 state fiscal year to the department of
8 public health and environment are adjusted as follows:

9 (a) The general fund appropriation for annual depreciation-lease
10 equivalent payments is decreased by \$380,068; and

11 (b) The cash funds appropriation from the newborn screening and
12 genetic counseling cash funds created in section 25-4-1006 (1), C.R.S.,
13 for annual depreciation-lease equivalent payments is decreased by
14 \$103,558.

15 (16) (a) If the general fund appropriation made in the annual
16 general appropriation act for the 2026-27 state fiscal year to the
17 department of public health and environment for annual
18 depreciation-lease equivalent payments is an amount less than the amount
19 of the adjustment required in subsection (15)(a) of this section, the
20 general fund appropriation is decreased to \$0.

21 (b) If the cash funds appropriation from the newborn screening
22 and genetic counseling cash funds created in section 25-4-1006 (1),
23 C.R.S., made in the annual general appropriation act for the 2026-27 state
24 fiscal year to the department of public health and environment for annual
25 depreciation-lease equivalent payments is an amount less than the amount
26 of the adjustment required in subsection (15)(b) of this section, the cash
27 funds appropriation from the newborn screening and genetic counseling

1 cash funds created in section 25-4-1006 (1), C.R.S., is decreased to \$0.

2 (c) If the annual general appropriation act for the 2026-27 state
3 fiscal year does not include an appropriation to the department of public
4 health and environment for annual depreciation-lease equivalent
5 payments, then subsection (15) of this section does not require a reduction
6 of an appropriation in the annual general appropriation act for the
7 2026-27 state fiscal year.

8 (17) Except as provided in subsection (18) of this section, to
9 implement this act, the cash funds appropriation from the highway users
10 tax fund created in section 43-4-201 (1)(a), C.R.S., and appropriated
11 pursuant to section 43-4-201 (3)(a)(I)(C), C.R.S., made in the annual
12 general appropriation act for the 2026-27 state fiscal year to the
13 department of public safety for annual depreciation-lease equivalent
14 payment is decreased by \$67,700.

15 (18) (a) If the cash funds appropriation from the highway users tax
16 fund created in section 43-4-201 (1)(a), C.R.S., and appropriated pursuant
17 to section 43-4-201 (3)(a)(I)(C), C.R.S., made in the annual general
18 appropriation act for the 2026-27 state fiscal year to the department of
19 public safety for annual depreciation-lease equivalent payment is an
20 amount less than the amount of the adjustment required in subsection (17)
21 of this section, the cash funds appropriation from the highway users tax
22 fund created in section 43-4-201 (1)(a), C.R.S., and appropriated pursuant
23 to section 43-4-201 (3)(a)(I)(C), C.R.S., is decreased to \$0.

24 (b) If the annual general appropriation act for the 2026-27 state
25 fiscal year does not include an appropriation to the department of public
26 safety for annual depreciation-lease equivalent payment, then subsection
27 (17) of this section does not require a reduction of an appropriation in the

1 annual general appropriation act for the 2026-27 state fiscal year.

2 **SECTION 8. Effective date.** This act takes effect upon passage;
3 except that section 7 of this act takes effect only if the annual general
4 appropriation act for the 2026-27 state fiscal year becomes law, in which
5 case section 7 takes effect upon the effective date of this act or of the
6 annual general appropriation act for state fiscal year 2026-27, whichever
7 is later.

8 **SECTION 9. Safety clause.** The general assembly finds,
9 determines, and declares that this act is necessary for the immediate
10 preservation of the public peace, health, or safety or for appropriations for
11 the support and maintenance of the departments of the state and state
12 institutions.