

JBC Staff Fiscal Analysis
House Appropriations Committee

Concerning the over-refund amount for state fiscal year 2024-25 of state revenues in excess of the state fiscal year spending limit under section 20 of article X of the state constitution.

Prime Sponsors:

Representatives Sirota; Brown
Senators Amabile; Bridges

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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 04/22/26.

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

Amendments in This Packet

J.001 Staff-prepared appropriation amendment

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 \$18,021 General Fund to the Legislative Department for FY 2026-27. The appropriation reflects 0.2 FTE.

Points to Consider

The Joint Budget Committee has proposed a budget package for FY 2026-27 based on the March 2026 Office of State Planning and Budgeting (OSPB) revenue forecast. The forecast does not anticipate a TABOR surplus liability for FY 2025-26, but does anticipate a surplus liability of \$711.1 million for FY 2026-27 to be refunded to

taxpayers out of the General Fund. The budget package includes \$57.3 million in set-asides for legislation outside of the package (see table below). The budget package accounts for the 13.0 percent reserve associated with the placeholders.

General Fund Appropriation Placeholders for Other 2026 Legislation

Item	FY 2026-27
SB 26-149 (Pathways for Individuals with Mental Health Disorders)	\$23,222,868
Competency services	20,000,000
Potential prison capacity supplemental	5,900,000
Applied Behavioral Analysis Licensing	5,000,000
County Administration shared services	3,100,000
Medicaid Working Group	500,000
HB 26-1331 (Modify 2026 Interim Committees)	-396,469
Total - Placeholders for other legislation	\$57,326,399

TABOR/ Excess State Revenues Impact

Under the OSPB forecast, this bill is projected to reduce the surplus liability by \$153.0 million per year in both FY 2026-27 and FY 2027-28. The JBC has included as part of its FY 2026-27 budget package an assumption that this bill will make an additional \$153.0 million General Fund available in FY 2026-27.

However, as discussed in the Legislative Council Staff Fiscal Note, after incorporating the other changes in the FY 2026-27 Budget Package, legislative staff project that state TABOR revenues would exceed the TABOR/Referendum C cap in FY 2025-26 under the OSPB forecast. Under that scenario, the bill would create TABOR refunds in FY 2025-26 (to be paid in FY 2026-27). Legislative staff estimate that the bill would result in a FY 2025-26 TABOR surplus of \$97.6 million, which would be wholly offset by reduced General Fund obligations for property tax reimbursements under the Homestead Property Tax Exemption in FY 2026-27.

General Fund Impact

This bill requires a General Fund appropriation of \$18,021 for FY 2026-27, reducing the \$57.3 million set aside by the same amount. The FY 2026-27 budget package accounts for the additional General Fund projected to be made available as a result of this bill in FY 2026-27 but does not account for the appropriation.