



**Colorado
Legislative
Council
Staff**

SB17-266

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 17-1131
Prime Sponsor(s): Sen. Lambert
Rep. Hamner

Date: March 27, 2017
Bill Status: Senate Appropriations
Fiscal Analyst: Kate Watkins (303-866-3446)

BILL TOPIC: STATE GENERAL FUND RESERVE REDUCTION FOR FY 2016-17

Fiscal Impact Summary	FY 2016-2017 (Current Year)	FY 2017-2018	FY 2018-2019
State Revenue			
State Expenditures General Fund	See State Expenditures section.		
TABOR Impact			
Appropriation Required: None.			
Future Year Impacts: None.			

Summary of Legislation

Recommended by the Joint Budget Committee, this bill reduces the FY 2016-17 statutory General Fund reserve from 6.5 percent to 6.0 percent.

Background

Under current law, the statutory reserve is 6.5 percent of General Fund expenditures. Based on the budget passed for FY 2016-17 and the March 2017 Legislative Council Staff revenue forecast for current fiscal year collections, the General Fund reserve will be less than the amount required to meet the 6.5 percent requirement.

State Expenditures

Reducing the required reserve from 6.5 percent to 6.0 percent allows the state to spend an additional \$44.7 million in FY 2016-17 that has already been appropriated. This bill does not impact the General Fund reserve in future fiscal years.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Joint Budget Committee