



**Colorado  
Legislative  
Council  
Staff**

**SB17-266**

**FINAL  
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:** May 31, 2017  
**Bill Status:** Signed into Law  
**Fiscal Analyst:** Kate Watkins (303-866-3446)

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

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

This bill was signed into law by the Governor and took effect on April 28, 2017.

**State and Local Government Contacts**

Joint Budget Committee