



Fiscal Note
Legislative Council Staff
Nonpartisan Services for Colorado’s Legislature

SB 25-263: SPENDING AUTHORITY STATUTES

Prime Sponsors:

Sen. Amabile; Bridges
Rep. Bird; Taggart

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Fiscal note status: The fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of the FY 2025-26 Long Bill budget package.

Summary Information

Overview. The bill extends the authority of state agencies to overexpend appropriations or to transfer funds between agencies to cover certain costs.

Types of impacts. The bill is projected to affect the following areas through FY 2029-30:

- State Transfers
- State Expenditures

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

Current law establishes circumstances and limitations under which state departments can make transfers or incur overexpenditures, which are limited to \$5 million in the executive branch and \$1 million in the judicial branch in any fiscal year. These authorizations are scheduled to repeal on September 1, 2025. The bill continues them for five years, until September 1, 2030.

Background

The circumstances that currently allow for transfers or overexpenditures include:

- transfers of centralized appropriations;
- transfers between the Department of Health Care and Policy Financing and the Department of Human Services for materially similar and corresponding appropriations, based on Medicaid earned funds or as allowed by a Long Bill footnote;
- transfers of appropriations within a department for "like purposes," subject to approval by the Governor or Chief Justice, as applicable; and
- overexpenditures of an appropriation within the statutory purpose of a program, accomplishable within the available fund balance, and with permission of the Governor or Chief Justice, as applicable, provided that the department's subsequent fiscal year budget is restricted by the same amount, unless it seeks a supplemental appropriation.

State Transfers

The bill may result in transfers for the purposes described above. To the extent that transfers are necessary, they will be addressed by agencies within the authority granted under the bill and reconciled during the annual budget process.

State Expenditures

Beginning in FY 2025-26, by extending the overexpending authority of state agencies, the bill potentially increases spending compared to a situation where such authority expires and is not allowed. To the extent such overexpenditures occur, they will be addressed through the annual budget process and no appropriation is required in this bill.

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 Staff

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).