



Legislative Council Staff

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Fiscal Note

Drafting Number: LLS 21-0931 Date: April 05, 2021
Prime Sponsors: Sen. Moreno Bill Status: Senate Appropriations
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Bill Topic: INCREASE THE GENERAL FUND RESERVE

- Summary of Fiscal Impact:
State Revenue
State Expenditure
State Transfer
TABOR Refund
Local Government
Statutory Public Entity

Budget package bill. This bill increases the statutory General Fund reserve requirement to 13.54 percent of General Fund appropriations for FY 2021-22 and to 15.00 percent of appropriations beginning in FY 2022-23. It decreases the amount of money available for discretionary General Fund appropriations beginning in FY 2021-22.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee.

Summary of Legislation

For FY 2021-22 and later years, the bill increases the balance required to be retained in the General Fund at the end of each fiscal year. Table 1 compares the reserve requirements under the bill to those in current law.

Table 1
General Fund Reserve Requirements under Current Law and SB 21-226
Percentage of General Fund Appropriations

Table with 3 columns: Year, Current Law, SB 21-226. Rows include FY 2020-21, FY 2021-22, and FY 2022-23 and later years.

State Expenditures

This bill does not directly decrease state expenditures, but decreases the amount of money available for appropriation at the discretion of the General Assembly during the 2021 and subsequent legislative sessions. The reserve requirement calculated using the percentages in the bill will depend on actual appropriations for FY 2021-22 and later years. Assuming General Fund appropriations of approximately \$12.84 billion for FY 2021-22, the bill is estimated to increase the reserve requirement by about \$1.37 billion, from \$0.37 billion to \$1.74 billion.

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