

**JBC Staff Fiscal Analysis**  
**Senate Appropriations Committee**

Concerning transit and housing investment zones, and, in connection therewith, making an appropriation.

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**Prime Sponsors:**

Representative McCluskie; Woodrow  
Senator Roberts; Exum

**Date Prepared:**

May 8, 2026

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**Fiscal Impacts**

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Appropriation Required, Amendment in Packet

General Fund and TABOR Impact

**Fiscal Note Status**

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The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 05/08/26.

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

**Amendments in This Packet**

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J.002            Staff-prepared appropriation amendment

**Current Appropriations Clause in Bill**

The bill includes an appropriation clause which appropriates \$190,849 General Fund to the Office of the Governor and reflects 1.0 FTE. However, no cash funds were appropriated from the transit investment zones cash fund because the fund was continuously appropriated to the Office of the Governor. This continuous spending authority was subsequently removed through a second reading floor amendment in the House, necessitating an appropriation from the cash fund.

**Description of Amendments in This Packet**

**J.002**

Staff amendment **J.002** (attached) retains the \$190,849 General Fund appropriation from the reengrossed bill and adds a \$22,500 appropriation from the transit investment zones cash fund.

## Points to Consider

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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 budget package includes \$42.3 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 (\$ in millions)

| Item  | FY 2026-27    |
|---|---------------|
| SB 26-149 (Pathways for Individuals with Mental Health Disorders) | \$25.9        |
| Potential prison capacity supplemental                            | 5.9           |
| Applied behavioral analysis licensing                             | 5.0           |
| County Administration shared services                             | 3.1           |
| SB 26-042 (Revenue Classification TABOR)                          | 2.3           |
| Medicaid working group  | 0.5           |
| HB 26-1331 (Modify 2026 Interim Committees)                       | -0.4          |
| <b>Total - Placeholders for other legislation</b>                 | <b>\$42.3</b> |

Additionally, 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 and \$515.6 million in FY 2027-28 to be refunded to taxpayers out of the General Fund. Legislation that increases non-exempt revenue (such as cash funds) will increase the TABOR refund from the General Fund.

### General Fund Impact

This bill requires a General Fund appropriation of \$190,849 for FY 2026-27, reducing the \$57.3 million set aside by the same amount.

### TABOR/ Excess State Revenues Impact

This bill is estimated to reduce General Fund revenues by \$0.6 million in FY 2026-27 and by \$5.4 million in FY 2027-28, which will result in a reduction in the TABOR surplus liability of equal amounts.

Meanwhile, the bill increases cash fund revenues by \$22,500 in FY 2026-27 and by \$46,200 in FY 2027-28, which will reduce the available General Fund in each year by equal amounts. This bill increases the TABOR refund paid from the General Fund by \$22,500 for FY 2026-27, reducing the \$57.3 million General Fund set aside for FY 2026-27 by the same amount.