

  
*Colorado Legislative Council Staff Fiscal Note*  
**STATE**  
**FISCAL IMPACT**

**Drafting Number:** LLS 10-1054  
**Prime Sponsor(s):** Rep. Pommer  
 Sen. White

**Date:** March 26, 2010  
**Bill Status:** House Appropriations  
**Fiscal Analyst:** Chris Ward (303-866-5834)

**TITLE:** CONCERNING THE GENERAL FUND RESERVE REQUIRED FOR THE 2010-11 STATE FISCAL YEAR.

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012
<b>State Revenue</b>		
<b>State Expenditures</b> General Fund	See State Expenditures section.	
<b>FTE Position Change</b>		
<b>Effective Date:</b> Upon signature of the Governor, or upon becoming law without his signature.		
<b>Appropriation Summary for FY 2010-2011:</b> None required.		
<b>Local Government Impact:</b> None.		

**Summary of Legislation**

This bill is recommended by the Joint Budget Committee as part of the FY 2010-11 budget package. It allows the Governor to lower the FY 2010-11 statutory General Fund reserve from the current 4 percent to at least 2 percent if the June 2010 revenue estimate of the Governor's Office of State Planning and Budgeting (OSPB) indicates that General Fund revenue will be insufficient to cover FY 2010-11 appropriations. The reserve can not be reduced more than is necessary to cover the shortfall.

**State Expenditures**

The bill will not directly affect state expenditures, but it allows the Governor to reduce the statutory General Fund reserve to cover a revenue shortfall of up to \$138.7 million in FY 2010-11. Based on the FY 2010-11 budget package recommended by the Joint Budget Committee, a 4 percent reserve would be \$277.5 million. This bill allows the Governor to reduce the reserve to cover a shortfall of up to \$138.7 million.

**Departments Contacted**

Governor

Legislature