



Memorandum

To: Joint Budget Committee
From: Eric Kurtz, JBC Staff (303-866-4952)
Date: November 13, 2025
Subject: Long Bill format – replace the General Fund Exempt column with letternotes

To improve the readability of the Long Bill, staff recommends identifying General Fund Exempt with letternotes instead of a column. The proposed format would not change the source of funds, the allowable uses of the funds, or the traceability of the funds for compliance with Referendum C.

Current format:

| | ITEM & SUBTOTAL | TOTAL | APPROPRIATION FROM | | | | |
|--|--------------------|-------|--------------------|----------------------------|----------------------------|-------------------------|------------------|
| | | | GENERAL FUND | GENERAL FUND EXEMPT | CASH FUNDS | REAPPROPRIATED FUNDS | FEDERAL FUNDS |
| | | | \$ | \$ | \$ | \$ | \$ |
| State Share of Districts' Total Program Funding ¹⁰ | 5,463,908,610 | | 3,095,718,552 | 1,292,968,309 ^c | 1,075,221,749 ^d | | |

^e This amount shall be from the General Fund Exempt Account created in Section 24-77-103.6 (2), C.R.S.

Proposed format with no General Fund Exempt column and struck type and small caps to show text changes:

| | ITEM & SUBTOTAL | TOTAL | APPROPRIATION FROM | | | |
|---|--------------------|-------|----------------------------|----------------------------|-------------------------|------------------|
| | | | GENERAL FUND | CASH FUNDS | REAPPROPRIATED FUNDS | FEDERAL FUNDS |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| State Share of Districts' Total Program Funding ¹⁰ | 5,463,908,610 | | 4,388,686,861 ^e | 1,075,221,749 ^d | | |

^e ~~This amount~~ OF THIS AMOUNT, \$1,292,968,309 shall be from the General Fund Exempt Account created in Section 24-77-103.6 (2), C.R.S.

Why do we have a General Fund Exempt column?

Through referendum C in 2005, voters allowed the state to keep additional revenue. The state deposits the additional revenue in the General Fund Exempt Account and must use it for education, health care, transportation projects, and retirement plans for firefighters and police officers. To track appropriations from the General Fund Exempt Account, the JBC created a new General Fund Exempt column in the Long Bill.

In addition, the JBC puts some of the money from tobacco taxes in the General Fund Exempt column. A quirk in the tobacco tax initiative requires the legislature to appropriate a tiny portion of the money to the General Fund. Then the legislature appropriates the same money from the General Fund for health-related purposes. The tobacco tax money appropriated to the General Fund and then from the General Fund is exempt from TABOR. To indicate that the money is exempt from TABOR, the JBC puts the appropriations in the General Fund Exempt column.

Why should we eliminate the column?

The General Fund Exempt column causes unnecessary confusion. Few people know what General Fund Exempt means. For most policy questions, distinguishing between appropriations from the General Fund and the General Fund Exempt adds no insight. The source of General Fund Exempt is general tax revenues, just like General Fund. The allowable uses for General Fund Exempt are broad. Within the allowable uses, General Fund and General Fund Exempt function the same. So, people ask for an explanation of General Fund Exempt only to learn that in most cases they can just add together the General Fund and General Fund Exempt with no change in meaning.

We don't need a column to identify the General Fund Exempt. We can use letternotes. We already use letternotes to identify the sources of cash funds and reappropriated funds. The JBC staff will continue to track appropriations from the General Fund Exempt with or without a dedicated column for that fund source.

We don't need a General Fund Exempt column to comply with limits on the uses of General Fund Exempt. Constitutional and statutory provisions govern how the money can be used, rather than the format of the Long Bill. The statutes already require the Legislative Council Staff to prepare an [annual report](#) on the General Fund Exempt retained and how it was spent.

The General Fund Exempt column crowds out more useful information. General Fund Exempt applies to only a few departments. The column is empty in most departments. The space devoted to the mostly empty column makes it harder for readers to track what column and row aligns with each number. Reserving space for the General Fund Exempt column means less space for line item names. Excessive wrapping of line item names makes it harder to read the table and adds unnecessary length to the Long Bill.

Eliminating the General Fund Exempt column will slightly reduce the coding required to make the Long Bill accessible to people with disabilities who use assistive devices to read.

Why does the JBC need to approve a formatting change?

Making the format change will require some minor conforming changes to the Long Bill headnotes. Currently, the headnotes specifically reference the General Fund Exempt column.

If JBC members object to the proposed format change for some unexpected reason, the staff should know before doing the administrative work to implement the change.