



Memorandum

To: Joint Budget Committee Members
From: Craig Harper, JBC Staff (303-866-3481)
Date: January 22, 2026
Subject: Optional Supplemental Adjustments for the Legislative Branch

Staff is flagging, though not recommending, four potential adjustments related to current-year funding for the Legislative Branch. Two of these would amend the Long Bill and would make sense for a “regular” supplemental bill if the Committee wishes to make the adjustments. The other two relate to appropriations in the Legislative Appropriation Bill and staff recommends making any such changes with the 2026 Legislative Appropriation Bill.

Long Bill/Regular Supplemental

JBC Staff is not recommending running a regular supplemental bill for the Legislature because of the minimal nature of the adjustments. However, for transparency, staff raises two items related to Long Bill appropriations for the Committee’s consideration. A regular supplemental bill would be the most appropriate vehicle for these changes if desired. Making both adjustments would result in a net increase of \$30,672 General Fund.

Payments to OIT

The common policy supplemental request for Payments to OIT (OIT S1 – Real Time Billing) indicates that OIT expects to reduce the General Assembly’s payments in FY 2025-26 by \$3,328 General Fund. JBC Staff is not recommending running a bill just to make that adjustment.

Maintenance of Legislative Space (Capitol Complex Leased Space)

The Department of Personnel noted a \$34,000 drafting error in the FY 2025-26 Long Bill. The Long Bill included \$2,296,508 General Fund for the Maintenance of Legislative Space line item. That was the correct amount for the Capitol Complex Leased Space component of the appropriation but omitted \$34,000 associated with parking and rental of the conference center at 1525 Sherman St.

The Department of Personnel flagged the error and JBC Staff will correct it for FY 2026-27. The Department has also said that it can absorb the shortfall in the current year. Given the budget climate and the indication the Department can absorb it, staff is not recommending adding funding. However, this was an oversight by JBC Staff and staff wanted the Committee to have the opportunity to decide on the issue.

Legislative Appropriation Bill

The Legislative Appropriation Bill carries the vast majority of the Legislative Branch’s funding, including all salaries and benefits for legislators and staff. As a result, changing funding for salaries or benefits requires amending that bill. Staff is aware of two categories of potential changes to funding in the Legislative Appropriation Bill. **Legislative staff recommend that the FY 2026-27 Legislative Appropriation Bill also carry any changes related to the current year appropriations related to salaries and benefits.**

Health, Life, and Dental Insurance (HLD)

The Executive Branch request assumes that the Legislative Department will need an additional \$207,490 General Fund for HLD in the current year. The actual need is still uncertain because the Legislature does not have a separate line item for HLD. Rather, the funding is included in each of the “program lines” funded through the Legislative Appropriation Bill. Each agency director is analyzing the need for additional HLD funding vs. available resources, and JBC Staff assumes that some of the agencies may need additional funding. Staff assumes that the total increase is likely to be less than \$207,490.

Other Reversions/Reductions

Reversions from the Legislative Branch currently go to the Legislative Department Cash Fund rather than the General Fund. As a result, the reversions do not directly benefit budget balancing. Staff agencies are also analyzing potential reversions for the current year. If the General Assembly wishes to capture those reversions for balancing purposes under the current framework, staff offers two basic options. **Staff recommends making any such changes as part of the FY 2026-27 Legislative Appropriation Bill or potentially the Long Bill package.**

- **Transfer estimated reversions to the General Fund.** The General Assembly could transfer funds from the Legislative Department Cash Fund at the end of the fiscal year for balancing purposes. Branch-wide, reversions have been above \$5.0 million per year for the past three years. Staff assumes that total reversions will be lower this year because of budget reductions taken in FY 2025-26.¹ The reversions are also hard to predict, in part because big-ticket items are unknown until after the legislative session (e.g., actual per-diem and aide hour utilization). Regardless, legislative staff are confident that the fund balance could support a transfer in anticipation of reversions. **Staff would recommend this option as the most flexible, and it would likely allow for greater General Fund relief.**
- **Reduce appropriations to the program lines.** The General Assembly could also reduce appropriations to each of the program line items based on anticipated reversions. However, the actual reversions are still quite uncertain and staff would recommend being cautious to minimize risks of overexpenditure at the end of the year. Conversely, transferring from the cash fund balance as outlined above could allow the General Assembly to be less conservative in its assumptions as the fund balance would allow room for error.

¹ Examples of significant reductions in the current year include the elimination of funding for special sessions (identified as \$485,689) and the 1.5 percent personal services base reduction (identified as \$591,332 branch-wide).