



Fiscal Note
Legislative Council Staff
Nonpartisan Services for Colorado’s Legislature

SB 25-081: TREASURER'S OFFICE

Prime Sponsors:

Sen. Bridges; Amabile
Rep. Bird; Sirota

Fiscal Analyst:

Brendan Fung, 303-866-4781
brendan.fung@coleg.gov

Bill Outcome: Signed into Law
Drafting number: LLS 25-0292

Version: Final Fiscal Note
Date: July 28, 2025

Fiscal note status: This final fiscal note reflects the enacted bill.

Summary Information

Overview. The bill creates the Building Urgent Infrastructure and Leveraging Dollars (BUILD) Authority and revises state capital financing standards.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

- State Revenue
- State Expenditures
- Statutory Public Entity

Appropriations. For FY 2025-26, the bill requires, but does not include, an appropriation of \$13,832 to the Department of State. See Appropriations Section for additional information.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures	\$13,832	\$985
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Table 1B
State Expenditures

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27
General Fund	\$0	\$985
Cash Funds	\$13,832	\$0
Federal Funds	\$0	\$0
Centrally Appropriated	\$0	\$0
Total Expenditures	\$13,832	\$985
Total FTE	0.0 FTE	0.0 FTE

Table 1E
**Comparison of LCS Fiscal Note Estimate and
FY 2025-26 Appropriations Included in Bill¹**

Department	LCS Estimate	Current Appropriation	Difference
Department of State	\$13,832	\$0	\$13,832
Total Appropriations	\$13,832	\$0	\$13,832

¹ The final version of this fiscal note includes costs that were identified after the bill was passed and sent to the Governor for signature. Therefore, the General Assembly did not consider these expenditures in the legislative process and no appropriation was included in the enacted bill.

Summary of Legislation

The bill creates the Building Urgent Infrastructure and Leveraging Dollars (BUILD) Authority as an independent statutory public entity to leverage capital and finance certain infrastructure projects related to transportation, energy, water systems, and public facilities. It also modifies the State Public Financing Cash Fund and state capital financing options.

Building Urgent Infrastructure and Leveraging Dollars Authority

Governance

The authority is governed by a 13-member board of directors, which includes the State Treasurer, the State Architect, and the Chair of the General Assembly's Capital Development Committee (CDC), among others. The board has the power to:

- issue tax-exempt bonds payable solely by the authority;
- enter into partnerships and seek federal matching funds to finance projects;

- negotiate interest rate exchange agreements and credit enhancements;
- levy fees and charges on state agencies for reimbursement; and
- invest money held in reserve or in securities, among other things.

The bill creates the BUILD Authority Operational Fund to support administrative functions.

Bonds

The bill establishes the terms and requirements for the authority to issue and sell bonds to fund projects. Additionally, the BUILD Authority Bonding Fund is created to pay principal and interest on bonds issued. All income and assets, including real property and bonds, are exempt from state and local income, property, and sales and use taxes.

Infrastructure and Long-Term Development Assistance Program

The bill creates the Infrastructure and Long-Term Development Assistance Program and requires the authority to administer the program, develop policies, and determine an application process for eligible infrastructure projects. To be considered for financing, an applicant must submit an application in accordance with the authority's prescribed procedures. The authority must consider an applicant's financial contribution toward a project, long-term commitments to hiring local residents, presence of a project labor agreement, and engagement with under-represented communities. The bill creates the Eligible Project Revolving Fund to administer the program.

If the BUILD authority determines that a project is eligible for financing from the Colorado Education and Cultural Facilities Authority (CECFA), the BUILD authority must notify the CECFA, which must then determine whether to finance the project. Additionally, the BUILD authority may not participate in the financing of any projects that fall under the statutory authority of the Colorado Housing and Finance Authority (CHFA).

Reporting

Starting September 2026, and each year thereafter, the authority must submit a report to the General Assembly, the Governor, and the CDC outlining its activities as well as operating and financial statements from the previous fiscal year.

State Capital Financing

State Public Financing Cash Fund

Current law requires any debts incurred or bonds issued on behalf of the state to include an issuance fee of up to \$100,000 or two percent of the total borrowed amount, whichever is less. This fee is credited into the State Public Financing Cash Fund to reimburse the State Treasurer for administration of the debt or bond and other activities. The bill removes the upper limit on the issuance fee amount and the requirement that the bond counsel approve reimbursements.

Security Tokens

The bill permits the State Treasurer to use a security token offering for state capital financing, and adopt rules to implement this process. Security tokens are defined in statute as digital, liquid contracts made verifiable and secure using blockchain technology that establish an owner's right to a fraction of a financial asset, such as a stock, bond, or certificate.

Assumptions

The fiscal note assumes that the Department of Treasury will convene the board; however, operating costs for the BUILD authority will be covered using funding sources determined by the board and have not been identified at this time.

As a statutorily created public entity, the authority is not entitled to legal services provided by the Department of Law; however, the bill permits the authority to contract with state agencies to perform duties and functions. The fiscal note assumes that the authority will use outside general counsel, rather than legal services provided by the Department of Law. Similarly, the authority may contract with the Department of Personnel and Administration for administrative services. The fiscal note assumes the authority will manage their own administration.

The Office of the State Architect in the Department of Personnel and Administration (DPA) oversees state-funded construction projects and enforces policies related to project labor agreements (PLA). The bill requires that the authority review financing applications and consider whether a project has a PLA. The fiscal note assumes that the state can use a blanket PLA for multiple public projects, rather than one for each individual project. If the note assumes the latter, expenditures in DPA will increase from additional staffing costs to review, negotiate, and enforce separate PLAs for each project.

State Revenue

The bill increases revenue to the Department of the Treasury from issuance fees to the extent that reimbursement rates from borrowed money exceeds current limits of \$100,000 or two percent of the total borrowed amount. This fee is credited into the State Public Financing Cash Fund in the Department of the Treasury and is not subject to TABOR.

The bill also increases revenue to the Department of State to the extent that the BUILD Authority submits certain financial filings and the department collects a corresponding fee. The fiscal note does not estimate the fee revenue collected due to a wide range of possible filings submitted by the authority.

The bill may also reduce state revenue from income, sales, and use tax. This revenue impact will depend on the actions taken by the authority and the projects and transactions that would have otherwise occurred under current law, and thus cannot be estimated.

State Expenditures

The bill increases state expenditures by about \$14,000 in FY 2025-26 and \$1,000 starting in FY 2026-27. These costs are incurred by the Department of State and the Legislative Department and paid from the Department of State Cash Fund and General Fund, respectively. The bill also minimally affects workload in the Department of the Treasury, DPA and the Department of Law as described in the sections below.

Department of State

In FY 2025-26 only, expenditures in the Department of State will increase by \$13,832 to modify the statutory liens filing system to support new filing types created under the bill. Based on these requirements, the fiscal note estimates that this work will require 104 hours of programmer time at a rate of \$133 per hour.

Legislative Department

Starting in FY 2026-27, expenditures in the Legislative Department will increase by \$985 per year for two legislative members of the Capital Development Committee to sit on the board and incur per diem and expense reimbursement costs that occur during the legislative interim. The fiscal note assumes that the board will meet four times per year, with two occurring during the interim.

Department of the Treasury

Workload in the Department of the Treasury will minimally increase to provide initial staff support to the board, assist in hiring a director for the authority, provide administrative assistance to the State Treasurer related to the new board and authority, and adopt rules for using security tokens for capital financing projects. This workload is expected to be minimal and can be accomplished within existing appropriations.

Department of Personnel and Administration

Workload in the DPA will increase for the Office of the State Architect to staff the board and manage additional project labor agreements for public projects. This workload is expected to be minimal and no change in appropriation is required. If the authority chooses to contract with DPA for administrative services, the costs will increase, paid using revenue provided by the authority.

Department of Law

If the authority chooses to contract with the Department of Law for legal services, costs and workload will increase for the department, paid using money provided by the authority.

Statutory Public Entity

BUILD Authority

The bill creates the BUILD Authority as a statutory public entity, which will be administered by an appointed board. The authority may generate revenue from the issuance of bonds, bond proceeds, fees and service charges, loan repayments, investment income, federal funds, government entities, and gifts, grant and donations. The exact revenue streams and amount of revenue to the authority will depend on future decisions by the board and cannot be estimated at this time.

The authority will also incur operating and program expenditures, including staff costs, computer systems, and costs related to the distribution of project financing. The fiscal note assumes that these costs will be paid using bond revenue and other income generated by the authority. However, as discussed above, the initial workload to convene the board is assumed to be handled by the Department of the Treasury.

CECFA

Expenditures may increase in the CECFA to review infrastructure projects that are eligible for financing, and to finance said projects. Due to a wide variety of potential projects and financing decisions made by both the BUILD Authority and CECFA, the fiscal note cannot estimate these costs. However, it is assumed that any cost increases will be paid from bond issuances and other revenue sources to the CECFA.

State Appropriations

For FY 2025-26, the bill requires an appropriation of \$13,832 from the Department of State Cash Fund to the Department of State. However, these costs were identified after the bill was sent to the Governor for signature and were not considered by the General Assembly. Therefore, the bill does not include an appropriation.

Effective Date

The bill was signed into law by the Governor on May 31, 2025, and takes effect on August 6, 2025, assuming no referendum petition is filed.

State and Local Government Contacts

Governor	Personnel
Labor	Revenue
Law	Treasury
Legislative Council Staff	