

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 26-0497.01 Ken Fowler x2372

SENATE BILL 26-110

SENATE SPONSORSHIP

Bright and Mullica,

HOUSE SPONSORSHIP

(None),

Senate Committees
Health & Human Services

House Committees

A BILL FOR AN ACT

101 **CONCERNING REVISION OF PUBLIC ASSISTANCE FINAL DISPOSITION**
102 **EXPENSE TERMS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill changes the term "death reimbursement" to "death benefit" and changes the term "maximum death reimbursement" to "combined reasonable charges" related to county payments for reasonable funeral expenses or reasonable final disposition expenses of any deceased public assistance or medical assistance recipient if the decedent's estate is insufficient to pay and the persons legally responsible for the support of

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

the deceased are unable to pay the reasonable expenses.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 26-2-129, **amend** (1)
3 introductory portion, (1)(a), (1)(d), (1)(e), (1)(f), (2)(a), (2)(b), (3), (4), (5)
4 introductory portion, (6) introductory portion, (6)(c), (7)(b), (7)(c), (8),
5 and (10)(c); **repeal** (2)(f); and **add** (2)(a.5) as follows:

6 **26-2-129. Funeral - final disposition expenses - death benefit**
7 **- legislative intent - definitions - rules.**

8 (1) The general assembly ~~hereby~~ finds and declares that, subject
9 to available appropriations, the purposes of this section are the following:

10 (a) To provide appropriate and equitable ~~reimbursement~~ PAYMENT
11 of funeral, cremation, burial, or natural reduction expenses or ~~any~~ A
12 combination of expenses associated with the final disposition of ~~any~~ A
13 deceased public assistance or medical assistance recipient;

14 (d) To ensure that ~~reimbursement~~ PAYMENT of a provider of
15 funeral or final disposition services is appropriately disbursed by the
16 county department;

17 (e) To provide that public funds are made available for
18 ~~reimbursement~~ PAYMENT OF SERVICES pursuant to this section only after
19 it has been determined that there are insufficient resources from the estate
20 of the decedent or the decedent's legally responsible family members to
21 cover the funeral or final disposition expenses; AND

22 (f) To allow family members and friends of a decedent to
23 contribute toward the charges of funeral or final disposition expenses to
24 the extent the contributions do not exceed the specified ~~maximum~~
25 combined REASONABLE charges for the expenses.

1 (2) As used in this section, unless the context otherwise requires:

2 (a) ~~"Contributions" means any monetary payment or donation~~
3 ~~made directly to the service provider or providers by a nonresponsible~~
4 ~~person to defray the expenses of a deceased public assistance or medical~~
5 ~~assistance recipient's funeral or final disposition~~ "COMBINED REASONABLE
6 CHARGES" MEANS THE TOTAL OF ALL CHARGES FROM ALL PROVIDERS BUT
7 IN AN AMOUNT NOT TO EXCEED TWO THOUSAND FIVE HUNDRED DOLLARS.

8 (a.5) "CONTRIBUTIONS" MEANS ANY MONETARY PAYMENT OR
9 DONATION MADE DIRECTLY TO THE SERVICE PROVIDER OR PROVIDERS BY
10 A NONRESPONSIBLE PERSON TO DEFRAY THE EXPENSES OF A DECEASED
11 PUBLIC ASSISTANCE OR MEDICAL ASSISTANCE RECIPIENT'S FUNERAL OR
12 FINAL DISPOSITION.

13 (b) "Death ~~reimbursement~~ BENEFIT" means the payment made by
14 the county department to the provider of funeral or final disposition
15 services when adequate resources are not available from legally
16 responsible persons or from the personal resources or income of the
17 decedent or from contributions to cover the charges for funeral or final
18 disposition expenses of a deceased public assistance or medical assistance
19 recipient.

20 (f) ~~"Maximum combined charges" means the total of all charges~~
21 ~~from all providers but in an amount not to exceed two thousand five~~
22 ~~hundred dollars.~~

23 (3) Subject to available appropriations, THE COUNTY DEPARTMENT
24 SHALL PAY a death ~~reimbursement~~ BENEFIT covering reasonable funeral
25 expenses or reasonable final disposition expenses or ~~any~~ A combination
26 of these expenses ~~shall be paid by the county department~~ for a decedent
27 if the estate of the deceased is insufficient to pay the reasonable expenses

1 and if the persons legally responsible for the support of the deceased are
2 unable to pay the reasonable expenses. The STATE DEPARTMENT SHALL
3 REIMBURSE A county department ~~shall be reimbursed~~ FOR eighty percent
4 of the amount of the death ~~reimbursement~~ BENEFIT paid for recipients of
5 aid to the needy disabled and RECIPIENTS OF assistance under the
6 Colorado works program ESTABLISHED pursuant to part 7 of this article
7 2 and ~~shall be reimbursed~~ one hundred percent of the amount of the death
8 ~~reimbursement~~ BENEFIT PAID for recipients of old age pensions. If the
9 state department determines that the level of appropriation is insufficient
10 to meet the demand for death ~~reimbursements~~ BENEFITS, the state
11 department shall reduce the amount of the death ~~reimbursement~~ BENEFIT
12 level to meet the amount appropriated by the general assembly for death
13 ~~reimbursements~~ BENEFITS. In the event that a reduction is made, the
14 county department has no additional responsibility beyond the
15 ~~reimbursement~~ BENEFIT level as defined in the state department's rules.

16 (4) The total amount of a death ~~reimbursement~~ BENEFIT paid by
17 the county department or state department pursuant to this section must
18 not exceed one thousand five hundred dollars, and the combined
19 REASONABLE charge of a funeral or final disposition or any combination
20 of these expenses must not exceed two thousand five hundred dollars.
21 Contributions from nonresponsible persons may be made without
22 jeopardizing payment ~~under~~ PURSUANT TO this section and ~~shall~~ MUST be
23 counted as an offset to the ~~maximum~~ combined REASONABLE charges of
24 the providers. If the combined REASONABLE charges from the providers
25 exceed two thousand five hundred dollars, ~~no~~ THE STATE DEPARTMENT
26 AND COUNTY DEPARTMENT SHALL NOT PAY A death ~~reimbursement~~ ~~shall~~
27 ~~be paid by the state or county department~~ BENEFIT. Providers may seek

1 contributions from nonresponsible persons only to the extent that money
2 is available from ~~such~~ THE parties.

3 (5) A legally responsible person shall ~~be required to~~ participate
4 financially ~~towards~~ TOWARD the charges for final disposition through a
5 contribution to the ~~maximum death reimbursement~~ COMBINED
6 REASONABLE CHARGES if ~~his or her~~ THE PERSON'S resources are above the
7 federal supplemental security income resource limits. A legally
8 responsible person shall NEED not ~~be required to~~ participate if ~~he or she~~
9 THE PERSON has fewer resources than the supplemental security income
10 resource limits or if participation would result in fewer resources than the
11 supplemental security income resource limits. Any financial participation
12 from a legally responsible person shall MUST be deducted from the
13 ~~maximum death reimbursement~~ COMBINED REASONABLE CHARGES in the
14 same manner as the personal resources of the decedent and shall DOES not
15 include the survivor's home or other excluded resources as provided for
16 in the state department's rules. Any financial participation by a legally
17 responsible person in excess of the legally required amount shall MUST be
18 used to reduce the amount of the ~~maximum death reimbursement~~
19 COMBINED REASONABLE CHARGES. Social security lump-sum death
20 benefits payable to a legally responsible person shall MUST not be an
21 automatic deduction from the ~~maximum death reimbursement~~ COMBINED
22 REASONABLE CHARGES. For purposes of this section, "resources" means:

23 (6) In calculating the amount of the death ~~reimbursement~~ BENEFIT,
24 any personal resources or income of the decedent is counted as a
25 deduction from the maximum allowable ~~death reimbursement~~ COMBINED
26 REASONABLE CHARGES. For purposes of this section, personal resources
27 or income of the decedent includes the following:

1 (c) ~~Any~~ A death benefit in which ~~reimbursement~~ PAYMENT FOR
2 SERVICES is directly paid to a provider of funeral or final disposition
3 services for the decedent.

4 (7) (b) Any portion of the purchase price of a final resting place
5 owned by the decedent in excess of two thousand dollars ~~shall~~ MUST be
6 counted as a personal resource of the decedent in calculating the amount
7 of a death ~~reimbursement~~ BENEFIT pursuant to this section.

8 (c) A final resting place previously acquired by someone other
9 than the decedent and donated for final disposition of that decedent ~~shall~~
10 MUST not be counted as a personal resource of the decedent or a legally
11 responsible person in calculating the amount of a death ~~reimbursement~~
12 BENEFIT pursuant to this section.

13 (8) A statement of agreement between the providers ~~that shall~~
14 MUST be on a form prescribed by the state department that sets forth the
15 charges and the amounts of ~~any~~ payments or contributions ~~shall~~ AND
16 MUST be completed prior to ~~any~~ disbursement of funds by the county. The
17 agreement ~~shall~~ MUST assure that the charges of all providers have been
18 equitably addressed and ~~shall~~ MUST ascertain that the ~~maximum combined~~
19 ~~charges~~ COMBINED REASONABLE CHARGES do not exceed two thousand
20 five hundred dollars and that the combined contributions from all sources
21 do not exceed two thousand five hundred dollars. All payments from a
22 decedent's estate, payments from legally responsible persons, and
23 contributions from nonresponsible persons ~~shall~~ MUST be paid directly to
24 the provider of services. After the provision of all services, the providers
25 ~~shall~~ MUST bill the county department directly for ~~reimbursement~~
26 PAYMENT for appropriate costs that have not been covered by the
27 resources from or contributions made by the decedent's estate, legally

1 responsible persons, or nonresponsible persons. The county department
2 shall ~~reimburse~~ PAY the appropriate providers directly, based upon the
3 statement of agreement.

4 (10) The state department shall:

5 (c) Annually review ~~reimbursement~~ DEATH BENEFIT levels to
6 determine whether the levels are adequate to purchase funeral, cremation,
7 burial, or natural reduction services for deceased public assistance or
8 medical assistance recipients.

9 **SECTION 2. Act subject to petition - effective date.** This act
10 takes effect at 12:01 a.m. on the day following the expiration of the
11 ninety-day period after final adjournment of the general assembly (August
12 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a
13 referendum petition is filed pursuant to section 1 (3) of article V of the
14 state constitution against this act or an item, section, or part of this act
15 within such period, then the act, item, section, or part will not take effect
16 unless approved by the people at the general election to be held in
17 November 2026 and, in such case, will take effect on the date of the
18 official declaration of the vote thereon by the governor.