

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.

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.

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 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 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.