



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1061: COMMUNITY INTEGRATION HOUSING TAX CREDITS

Prime Sponsors:

Rep. Brooks

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Version: Initial Fiscal Note

Date: February 12, 2026

Fiscal note status: This fiscal note reflects the introduced bill.

Summary Information

Overview. The bill requires that at least ten percent of the annual federal low-income housing tax credits be reserved for qualified community integration housing developments and these projects receive preference in the competitive state affordable housing credit application process.

Types of impacts. The bill is projected to affect the following areas:

- Minimal State Workload
- Statutory Public Entity

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

| Type of Impact | Budget Year FY 2026-27 | Out Year FY 2027-28 |
|-------------------------|---------------------------|------------------------|
| State Revenue | \$0 | \$0 |
| State Expenditures | \$0 | \$0 |
| Transferred Funds | \$0 | \$0 |
| Change in TABOR Refunds | \$0 | \$0 |
| Change in State FTE | 0.0 FTE | 0.0 FTE |

Summary of Legislation

The bill requires the Colorado Housing and Finance Authority (CHFA) to reserve at least ten percent of the total amount of annual federal low-income house tax credits for qualified community integration housing developments. Any unused credits from those reserved may be allocated to other qualified housing developments.

The housing development must qualify as a low-income housing project under [Section 42 of the Internal Revenue Code](#) and comply with federal requirements for home and community-based services (HCBS) for individuals with intellectual and developmental disabilities. At least 20 percent of residential units must be reserved for these individuals. The development must also provide evidence of partnership with a community-centered board or a case management agency certified by the Department of Health Care Policy and Financing (HCPF).

Finally, the bill requires CHFA to give priority scoring preference to qualified community integration housing developments in the competitive state affordable housing credit application process.

State Expenditures

The bill will minimally increase HCPF's workload to consult with CHFA on whether the qualified community integration housing development meets the bill's requirements. The additional workload can be accomplished within existing resources.

Statutory Public Entity

The bill will minimally increase the workload for CHFA as it will need to verify whether developments meet the bill's requirements and update the application process.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

| | |
|----------------------------------|-----------|
| CHFA | Personnel |
| Health Care Policy and Financing | Revenue |