

Second Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0798.02 Jacob Baus x2173

HOUSE BILL 26-1292

---

HOUSE SPONSORSHIP

Goldstein,

SENATE SPONSORSHIP

Kipp and Marchman,

---

House Committees  
Education

Senate Committees

---

A BILL FOR AN ACT

101 CONCERNING REQUIREMENTS RELATED TO A FEDERAL TAX PROGRAM  
102 INVOLVING SCHOLARSHIP GRANTING ORGANIZATIONS, AND, IN  
103 CONNECTION THEREWITH, ESTABLISHING REQUIREMENTS FOR  
104 A SCHOOL THAT RECEIVES FUNDS FROM A SCHOLARSHIP  
105 GRANTING ORGANIZATION.

---

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>.)*

If the state voluntarily elects to participate in a federal program that provides a tax credit for a qualified contribution to a scholarship

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.*

granting organization, the bill requires the state to include all eligible scholarship granting organizations on its list identifying scholarship granting organizations to the federal government.

If a school enrolls a student whose education-related expenses are paid, in whole or in part, by a scholarship granting organization, the bill requires the school to comply with nondiscrimination requirements and laws concerning students with disabilities.

If the school that is subject to these requirements violates a requirement, the school is subject to an injunction and may have its eligibility to receive money for a student whose education-related expenses are paid by a scholarship granting organization suspended.

---

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

2           **SECTION 1.** In Colorado Revised Statutes, **add** article 2.5 to title  
3 22 as follows:

4   **ARTICLE 2.5**

5   **Schools Receiving Funds from**  
6   **Scholarship Granting Organizations**

7           **22-2.5-101. Definitions.**

8           AS USED IN THIS ARTICLE 2.5, UNLESS THE CONTEXT OTHERWISE  
9 REQUIRES:

10           (1) "PARENT" MEANS A BIOLOGICAL OR ADOPTIVE PARENT, LEGAL  
11 GUARDIAN, OR ANY PERSON HAVING LEGAL OR PHYSICAL CUSTODY OF A  
12 CHILD.

13           (2) "PARTICIPATING SCHOOL" MEANS A SCHOOL THAT ENROLLS A  
14 STUDENT WHOSE EDUCATION-RELATED EXPENSES ARE PAID, IN WHOLE OR  
15 IN PART, BY A SCHOLARSHIP GRANTING ORGANIZATION.

16           (3) "SCHOLARSHIP GRANTING ORGANIZATION" MEANS AN  
17 ORGANIZATION THAT USES PUBLIC FUNDING OR TAX-FAVORED FUNDING TO  
18 DISTRIBUTE SCHOLARSHIPS FOR A STUDENT'S EDUCATION-RELATED  
19 EXPENSES.

1 (4) "SCHOOL" MEANS A PUBLIC OR NONPUBLIC SCHOOL.

2 (5) "STATE BOARD" MEANS THE STATE BOARD OF EDUCATION  
3 CREATED AND EXISTING PURSUANT TO SECTION 1 OF ARTICLE IX OF THE  
4 STATE CONSTITUTION.

5 (6) "TAX-FAVORED FUNDING" MEANS ANY MECHANISM, INCLUDING  
6 A PROGRAM, ACCOUNT, CREDIT, DEDUCTION, DEFERRAL, OR OTHER  
7 ARRANGEMENT UNDER FEDERAL TAX LAW, UNDER WHICH A  
8 CONTRIBUTION, DISTRIBUTION, OR EXPENDITURE WAS USED TO PAY FOR OR  
9 REIMBURSE EDUCATION-RELATED EXPENSES, THAT RESULTS IN A TAX  
10 BENEFIT FOR THE DONOR, CONTRIBUTOR, STUDENT, STUDENT'S PARENT, OR  
11 OTHER TAXPAYER.

12 **22-2.5-102. State opt-in requirements for federal program.**

13 IF THE STATE VOLUNTARILY ELECTS TO PARTICIPATE IN THE  
14 FEDERAL PROGRAM THAT ALLOWS TAX-FAVORED FUNDING FOR A  
15 CONTRIBUTION TO A SCHOLARSHIP GRANTING ORGANIZATION PURSUANT  
16 TO THE FEDERAL "H.R. 1 OF THE 119TH CONGRESS (2025-2026), PUB.L.  
17 119-21", AND ITS IMPLEMENTING REGULATIONS AND GUIDANCE, THEN THE  
18 STATE SHALL INCLUDE ALL SCHOLARSHIP GRANTING ORGANIZATIONS THAT  
19 SATISFY THE REQUIREMENTS OF THE FEDERAL "H.R. 1 OF THE 119TH  
20 CONGRESS (2025-2026), PUB.L. 119-21", AND ITS IMPLEMENTING  
21 REGULATIONS AND GUIDANCE, IN THE LIST OF SCHOLARSHIP GRANTING  
22 ORGANIZATIONS THAT IT PROVIDES TO THE SECRETARY OF THE TREASURY.

23 **22-2.5-103. Nondiscrimination.**

24 (1)(a) A PARTICIPATING SCHOOL SHALL NOT DISCRIMINATE ON THE  
25 BASIS OF ANY STUDENT'S, STUDENT'S PARENT'S, OR STUDENT'S FAMILY  
26 MEMBER'S DISABILITY, SPECIAL EDUCATION STATUS, RACE, ETHNICITY,  
27 RELIGION, CREED, COLOR, SEX, SEXUAL ORIENTATION, GENDER IDENTITY,

1 GENDER EXPRESSION, FAMILY COMPOSITION, AGE, NATIONAL ORIGIN,  
2 ANCESTRY, LANGUAGE PROFICIENCY, OR SOCIOECONOMIC STATUS.

3 (b) THE PROHIBITION DESCRIBED IN THIS SUBSECTION (1) APPLIES  
4 TO ALL CONDUCT BY A PARTICIPATING SCHOOL, INCLUDING ADMISSIONS,  
5 ENROLLMENT, ACADEMIC PERFORMANCE, ACCESS TO OR PARTICIPATION IN  
6 EDUCATIONAL SERVICES, AND RETENTION.

7 (2) A PARTICIPATING SCHOOL SHALL PUBLISH THE PROHIBITION  
8 DESCRIBED IN SUBSECTION (1) OF THIS SECTION ON ITS PUBLIC-FACING  
9 WEBSITE, ON ITS APPLICATION FOR ENROLLMENT, AND IN ANY  
10 ENROLLMENT MATERIALS.

11 (3) (a) FOR ANY STUDENT, A PARTICIPATING SCHOOL SHALL  
12 COMPLY WITH STATE AND FEDERAL LAWS CONCERNING STUDENTS WITH  
13 DISABILITIES, INCLUDING:

14 (I) SECTION 504 OF THE FEDERAL "REHABILITATION ACT OF 1973",  
15 29 U.S.C. SEC. 701 ET SEQ., AS AMENDED, AND ITS IMPLEMENTING  
16 REGULATIONS;

17 (II) TITLE II OF THE FEDERAL "AMERICANS WITH DISABILITIES ACT  
18 OF 1990", AS AMENDED, AND ITS IMPLEMENTING REGULATIONS;

19 (III) THE FEDERAL "INDIVIDUALS WITH DISABILITIES EDUCATION  
20 ACT", 20 U.S.C. SEC. 1400 ET SEQ., AS AMENDED, AND ITS IMPLEMENTING  
21 REGULATIONS; AND

22 (IV) THE "EXCEPTIONAL CHILDREN'S EDUCATIONAL ACT",  
23 ARTICLE 20 OF THIS TITLE 22.

24 (b) A PARTICIPATING SCHOOL SHALL NOT CHARGE ADDITIONAL  
25 TUITION OR FEES TO A STUDENT WHO REQUIRES ACCOMMODATIONS OR  
26 SERVICES PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION.

27 (4) NOTWITHSTANDING A REQUIREMENT IN SUBSECTION (1) OR (3)

1 OF THIS SECTION, THIS SECTION DOES NOT PROHIBIT A PARTICIPATING  
2 SCHOOL THAT IS A NONPUBLIC SCHOOL FROM:

3 (a) MAINTAINING ITS RELIGIOUS MISSION, CHARACTER,  
4 GOVERNANCE, OR INSTRUCTIONAL PHILOSOPHY, OR FROM MAKING  
5 EMPLOYMENT DECISIONS CONSISTENT WITH CONSTITUTIONAL  
6 PROTECTIONS; OR

7 (b) OFFERING RELIGIOUS INSTRUCTION OR WORSHIP.

8 **22-2.5-104. Oversight.**

9 (1) IF A PARTICIPATING SCHOOL VIOLATES A REQUIREMENT OF THIS  
10 ARTICLE 2.5:

11 (a) AN INJURED PARTY, OR A SCHOLARSHIP GRANTING  
12 ORGANIZATION THAT DISTRIBUTED MONEY TO THE SCHOOL, MAY FILE AN  
13 ACTION IN A COURT OF COMPETENT JURISDICTION SEEKING INJUNCTIVE  
14 RELIEF THAT COMPELS THE SCHOOL TO COMPLY WITH THIS ARTICLE 2.5;  
15 AND

16 (b) THE STATE BOARD, UPON FINDING THAT THE PARTICIPATING  
17 SCHOOL VIOLATED A REQUIREMENT OF THIS ARTICLE 2.5, MAY SUSPEND  
18 THE SCHOOL'S ELIGIBILITY TO RECEIVE MONEY FOR A STUDENT WHOSE  
19 EDUCATION-RELATED EXPENSES ARE PAID, IN WHOLE OR IN PART, BY A  
20 SCHOLARSHIP GRANTING ORGANIZATION, FOR A PERIOD NOT TO EXCEED  
21 FIVE YEARS.

22 **SECTION 2. Act subject to petition - effective date.** This act  
23 takes effect at 12:01 a.m. on the day following the expiration of the  
24 ninety-day period after final adjournment of the general assembly (August  
25 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a  
26 referendum petition is filed pursuant to section 1 (3) of article V of the  
27 state constitution against this act or an item, section, or part of this act

1     within such period, then the act, item, section, or part will not take effect  
2     unless approved by the people at the general election to be held in  
3     November 2026 and, in such case, will take effect on the date of the  
4     official declaration of the vote thereon by the governor.