

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0957.01 Jed Franklin x5484

HOUSE BILL 26-1361

HOUSE SPONSORSHIP

Brown and Taggart, Sirota

SENATE SPONSORSHIP

Bridges and Kirkmeyer, Amabile

House Committees
Appropriations

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE REPEAL OF THE PAY FOR SUCCESS CONTRACTS
102 PROGRAM.

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/>.)

Joint Budget Committee. Currently, the office of economic development (office) administers a pay for success contracts program (program) by entering into agreements with lead contractors for the provision of program-eligible interventions.

Currently, the office uses money in the pay for success contracts fund (fund) and the office of state planning and budgeting youth pay for

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.

success initiatives account within the fund (account) to make payments to a lead contractor for managing the program and for any administrative expenses incurred with respect to an agreement related to the program. The office also uses money in the account for specified projects. The bill requires the state treasurer to transfer all of the money in the fund and the account to the general fund on June 30, 2026, and repeals the program, the fund, and the account on July 1, 2026.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-37-403, **amend**
3 (6)(b); and **add** (9) as follows:

4 **24-37-403. Establishment of state pay for success contracts**
5 **program - pay for success contracts fund - creation - repeal.**

6 (6) (b) (I) Interest and income earned on the deposit and
7 investment of money in the fund is credited to the fund; except that
8 interest and income earned on the deposit and investment of money in the
9 account is credited to the account. Subject to annual appropriation by the
10 general assembly, the office shall expend money in the fund and in the
11 account to make payments to the lead contractor as required by a contract
12 and to pay any administrative expenses incurred in connection with a
13 contract. The office shall expend money in the account solely for the
14 programs listed in section 24-37-404, but the department of human
15 services may expend any money appropriated to it from the account for
16 personal services and operating expenses related to the administration of
17 any contract.

18 (II) ON JUNE 30, 2026, THE STATE TREASURER SHALL TRANSFER
19 THE BALANCE OF MONEY IN THE ACCOUNT AND THE MONEY IN THE FUND
20 TO THE GENERAL FUND.

21 (9) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2026.

22 **SECTION 2. Safety clause.** The general assembly finds,

1 determines, and declares that this act is necessary for the immediate
2 preservation of the public peace, health, or safety or for appropriations for
3 the support and maintenance of the departments of the state and state
4 institutions.