



## Fiscal Note

### Legislative Council Staff

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## HB 26-1391: SAFE DRINKING WATER IN CHILD CARE CTRS & SCHOOLS

**Prime Sponsors:**

Rep. Brown; Sirota  
Sen. Amabile; Kirkmeyer

**Fiscal Analyst:**

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**Fiscal note status:** The fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of the FY 2026-27 Long Bill budget package.

### Summary Information

**Overview.** The bill extends the Test and Fix Water for Kids Program until June 30, 2029, and expands the program to include high schools. The Department of Public Health and Environment is prevented from issuing or renewing a license for a child care center unless it is in compliance for lead level limits in drinking water.

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis:

- State Expenditures
- School Districts

**Appropriations.** For FY 2026-27, the bill requires an appropriation of \$8.7 million to the Department of Public Health and Environment, with roll-forward spending authority through FY 2028-29.

**Table 1**  
**State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	up to \$8,700,000	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	7.0 FTE	0.0 FTE

Fund sources for these impacts are shown in the tables below. State expenditures of \$8.7 million will be spent over three years from FY 2026-27 to FY 2028-29.

**Table 1A**  
**State Expenditures**

<b>Fund Source</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>
General Fund	\$0	\$0
Cash Funds	\$8,700,000	\$0
Federal Funds	\$0	\$0
Centrally Appropriated	\$0	\$0
<b>Total Expenditures</b>	<b>\$8,700,000</b>	<b>\$0</b>
<b>Total FTE</b>	<b>7.0 FTE</b>	<b>0.0 FTE</b>

## Summary of Legislation

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The bill extends the [Test and Fix Water for Kids](#) grant program from its current repeal date of June 30, 2026, to June 30, 2029. Grant program eligibility is expanded to include high schools.

The Colorado Department of Public Health and Environment (CDPHE) is required to provide training to high schools regarding water filter maintenance, flushing protocols, testing for lead, and reporting on samples within 180 days after the bill's effective date. Subject to available appropriations, testing for the presence of lead in drinking water sources using a state-certified laboratory by high schools, must be completed by May 31, 2027.

The CDPHE is prevented from issuing or renewing a license for a child care center unless it is in compliance with testing requirements for lead levels in drinking water.

At the end of FY 2028-29, any money that remains in the cash fund is transferred to the General Fund.

## Background

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[House Bill 22-1358](#) created the Clean Water in Schools and Child Care Centers program and the associated School and Child Care Clean Drinking Water Fund in the CDPHE to use to help schools, child care centers, and family child care homes comply with the bill requirements and to reimburse as needed for costs. The bill transferred \$21.0 million from the General Fund to the fund. CDPHE currently has roll-forward spending authority for the fund through FY 2025-26.

## State Expenditures

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From FY 2026-27 to FY 2028-29, the CDPHE will spend down the \$8.7 million that remains in the School and Child Care Clean Drinking Water Fund after adjustments in the Long Bill and this bill. Additionally, 7.0 FTE existing staff will continue to support the program, administer grants, and provide required trainings.

CDPHE staff in the Child Care Licensing and Administration Unit are required to ensure that child care centers are in compliance with testing for the presence of lead in drinking. This workload can be accomplished within existing appropriations.

## School Districts

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School districts will incur costs to comply with the testing, remediation, and reporting requirements of the bill, with reimbursements from the CDPHE if sufficient funds are available.

## Effective Date

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The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## State Appropriations

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In FY 2026-27, the bill includes an appropriation of \$8,700,000 from the School and Child Care Clean Drinking Water Cash Fund to the Department of Public Health and Environment, and 7.0 FTE. Any money appropriated but not expended prior to July 1, 2029, is further appropriated to the department through the 2026-29 state fiscal year for the same purpose.

## State and Local Government Contacts

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Joint Budget Committee Staff