

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 26-0891.01 Shelby Ross x4510

HOUSE BILL 26-1375

HOUSE SPONSORSHIP

Sirota and Taggart, Brown

SENATE SPONSORSHIP

Amabile and Kirkmeyer, Bridges

House Committees
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING REPEALING THE COUNTY ADMINISTRATION OF**
102 **ASSISTANCE PROGRAMS FUNDING MODEL, AND, IN CONNECTION**
103 **THEREWITH, REDUCING AN APPROPRIATION.**

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. Under current law, the department of human services (department) was required to enter into an agreement with an outside entity no later than January 2, 2024, to develop a county administration of public and medical assistance programs funding model (funding model) to determine the amount of money necessary to fund the

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.

HOUSE
2nd Reading Unamended
April 9, 2026

administration of public and medical assistance programs in each county. The department is required to enter into an agreement with an outside entity to annually update and modify the funding model. Before November 1 of each year, the department is required to submit the results of the funding model to the joint budget committee, the department of health care policy and financing, and the county departments of human or social services (county departments).

The bill repeals the funding model and the requirement to annually update and submit the results of the funding model to the joint budget committee, the department of health care policy and financing, and county departments.

The bill reduces the appropriations made to the department of human services and the department of health care policy and financing in the annual general appropriation act for the 2026-27 state fiscal year.

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

2 **SECTION 1.** In Colorado Revised Statutes, **repeal** 26-1-121.5.

3 **SECTION 2.** In Colorado Revised Statutes, 25.5-8-111, **repeal**

4 (3) as follows:

5 **25.5-8-111. Department - administration - outsourcing.**

6 ~~(3) If the state department uses county departments of human or~~
7 ~~social services to perform functions relating to the administration of the~~
8 ~~children's basic health plan pursuant to subsection (1)(a)(II) of this~~
9 ~~section and allocates money to a county for that purpose, the state~~
10 ~~department shall make the allocation in accordance with the results of the~~
11 ~~public assistance programs funding model described in section~~
12 ~~26-1-121.5.~~

13 **SECTION 3.** In Colorado Revised Statutes, 26-1-121, **repeal**

14 (2)(b) as follows:

15 **26-1-121. Appropriations - food distribution programs.**

16 ~~(2) (b) Beginning with fiscal year 2025-26, before making the~~
17 ~~appropriation described in subsection (2)(a) of this section, the general~~

1 ~~assembly shall consider, but is not required to appropriate amounts~~
2 ~~included in, the results of the public assistance programs funding model~~
3 ~~described in section 26-1-121.5.~~

4 **SECTION 4.** In Colorado Revised Statutes, 26-1-122, **amend**
5 (2)(a) as follows:

6 **26-1-122. County appropriations and expenditures -**
7 **advancements - procedures.**

8 (2) (a) The county boards, in accordance with the rules of the state
9 department, shall file requests with the state department for advancement
10 of funds for the program costs of assistance payments, food stamps
11 (except the value of food stamp coupons), and social services and for the
12 administrative costs of each. The state department shall determine the
13 requirements of each county for program costs AND ADMINISTRATIVE
14 COSTS, taking into consideration available funds and all pertinent facts
15 and circumstances, ~~and administrative costs, in accordance with the~~
16 ~~funding model described in section 26-1-121.5;~~ and shall certify by
17 voucher to the controller the amounts to be paid to each county. The
18 amounts so certified must be paid from the state treasury upon voucher
19 of the state department and warrant of the controller and must be credited
20 by the county treasurer to the county social services fund in accordance
21 with the law and rules of the state department.

22 **SECTION 5. Appropriation - adjustments to 2026 long bill.**

23 (1) Except as provided in subsection (5) of this section, to implement this
24 act, appropriations made in the annual general appropriation act for the
25 2026-27 state fiscal year to the department of human services for use by
26 the office of economic security for administration are adjusted as follows:

27 (a) The general fund appropriation is decreased by \$180,000; and

1 (b) The reappropriated funds appropriation received from the
2 department of health care policy and financing is decreased by \$240,000.

3 (2) The decrease of the appropriations in subsection (1) of this
4 section is based on the assumption that the anticipated amount of federal
5 funds received for the 2026-27 state fiscal year by the department of
6 human services for use by the office of economic security for
7 administration will decrease by \$180,000.

8 (3) Except as provided in subsection (6) of this section, to
9 implement this act, appropriations made in the annual general
10 appropriation act for the 2026-27 state fiscal year to the department of
11 health care policy and financing for use by transfers to other state
12 department medicaid-funded programs for administration related to the
13 office of economic security are adjusted as follows:

14 (a) The general fund appropriation is decreased by \$72,180, which
15 amount is subject to the "(M)" notation as defined in the general
16 appropriation act for the same fiscal year; and

17 (b) The cash funds appropriation from the healthcare affordability
18 and sustainability hospital provider fee cash fund created in section
19 25.5-4-402.4 (5)(a), C.R.S., is decreased by \$47,820.

20 (4) The decrease of the appropriations in subsection (3) of this
21 section is based on the assumption that the anticipated amount of federal
22 funds received for the 2026-27 state fiscal year by the department of
23 health care policy and financing for use by transfers to other state
24 department medicaid-funded programs for administration related to the
25 office of economic security will decrease by \$120,000.

26 (5) Subsection (1) of this section does not require a reduction of
27 an appropriation in the annual general appropriation act for the 2026-27

1 state fiscal year if:

2 (a) The amount of the general fund appropriation made in the
3 annual general appropriation act for the 2026-27 state fiscal year to the
4 department of human services for use by the office of economic security
5 for administration is less than the amount of the adjustment required in
6 subsection (1)(a) of this section; or

7 (b) The amount of the reappropriated funds appropriation received
8 from the department of health care policy and financing made in the
9 annual general appropriation act for the 2026-27 state fiscal year to the
10 department of human services for use by the office of economic security
11 for administration is less than the amount of the adjustment required in
12 subsection (1)(b) of this section; or

13 (c) The annual general appropriation act for the 2026-27 state
14 fiscal year does not include an appropriation to the department of human
15 services for use by the office of economic security for administration.

16 (6) Subsection (3) of this section does not require a reduction of
17 an appropriation in the annual general appropriation act for the 2026-27
18 state fiscal year if:

19 (a) The amount of the general fund appropriation made in the
20 annual general appropriation act for the 2026-27 state fiscal year to the
21 department of health care policy and financing for use by transfers to
22 other state department medicaid-funded programs for administration
23 related to the office of economic security is less than the amount of the
24 adjustment required in subsection (3)(a) of this section; or

25 (b) The amount of the cash funds appropriation from the
26 healthcare affordability and sustainability hospital provider fee cash fund
27 created in section 25.5-4-402.4 (5)(a), C.R.S., in the annual general

1 appropriation act for the 2026-27 state fiscal year to the department of
2 health care policy and financing for use by transfers to other state
3 department medicaid-funded programs for administration related to the
4 office of economic security is less than the amount of the adjustment
5 required in subsection (3)(b) of this section; or

6 (c) The annual general appropriation act for the 2026-27 state
7 fiscal year does not include an appropriation to the department of health
8 care policy and financing for use by transfers to other state department
9 medicaid-funded programs for administration related to the office of
10 economic security.

11 **SECTION 6. Effective date.** This act takes effect upon passage;
12 except that section 5 of this act takes effect only if the annual general
13 appropriation act for the 2026-27 state fiscal year becomes law, in which
14 case section 5 takes effect upon the effective date of this act or of the
15 annual general appropriation act for state fiscal year 2026-27, whichever
16 is later.

17 **SECTION 7. Safety clause.** The general assembly finds,
18 determines, and declares that this act is necessary for the immediate
19 preservation of the public peace, health, or safety or for appropriations for
20 the support and maintenance of the departments of the state and state
21 institutions.