

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. 26-0924.01 Anna Petrini x5497

HOUSE BILL 26-1376

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HOUSE SPONSORSHIP

**Brown and Sirota**, Taggart

SENATE SPONSORSHIP

**Bridges and Kirkmeyer**, Amabile

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**House Committees**  
Appropriations

**Senate Committees**

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A BILL FOR AN ACT

101 CONCERNING UPDATING PERMISSIBLE USES OF MONEY IN THE EXCESS  
102 FEDERAL TITLE IV-E REIMBURSEMENTS CASH FUND.

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**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.** Current law creates the excess federal Title IV-E reimbursements cash fund (cash fund), which includes federal revenue in excess of the amount required to reimburse certain eligible foster care, prevention, and permanency services. The bill renames the fund and updates the permissible uses of the money in the cash fund to align with current federal requirements, which permit the state to apply

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

savings associated with federal funding increases to a range of child welfare services. The bill specifically authorizes the use of cash fund money for services to support a positive permanency outcome for a child or youth who might otherwise enter or reenter foster care.

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

2 **SECTION 1.** In Colorado Revised Statutes, 26-1-111, **amend**  
3 (2)(d)(II)(C) as follows:

4 **26-1-111. Activities of the state department under the**  
5 **supervision of the executive director - cash fund - report - rules -**  
6 **statewide adoption resource registry.**

7 (2) The state department, under the supervision of the executive  
8 director, shall:

9 (d) (II) (C) For ~~fiscal year 2003-04~~ and each fiscal year, ~~thereafter~~  
10 after the amounts described in subsections (2)(d)(II)(A) and (2)(d)(II)(B)  
11 of this section are set aside, the total amount of money remaining shall be  
12 transmitted to the state treasurer, who shall credit the ~~same~~ MONEY to the  
13 ~~excess~~ federal Title IV-E reimbursements cash fund, which ~~fund is hereby~~  
14 IS created IN THE STATE TREASURY and referred to in this subsection  
15 (2)(d)(II)(C) as the "fund". The money in the fund is subject to annual  
16 appropriation by the general assembly to the state department. ~~for~~  
17 ~~allocation to counties to help defray the costs of performing~~  
18 ~~administrative functions related to obtaining federal reimbursement~~  
19 ~~money available under the Title IV-E program. In addition, the general~~  
20 ~~assembly may annually appropriate money in the fund to the department~~  
21 ~~of early childhood for allocation to the counties for the provision of child~~  
22 ~~care assistance, as described in section 26.5-4-105, and to the state~~  
23 ~~department for allocation to the counties for the provision of assistance,~~

1 as defined in section 26-2-703 (2); social services, as defined in section  
2 26-2-103 (11); and child welfare services, as defined in section 26-5-101  
3 (3). For fiscal year 2004-05, and in subsequent years if so specified by the  
4 general assembly in the annual appropriations act, the counties shall  
5 expend the money allocated by the department of early childhood for the  
6 provision of child care assistance and by the state department for the  
7 provision of assistance, social services, and child welfare services  
8 pursuant to this subsection (2)(d)(II)(C) in a manner that will be applied  
9 toward the state's maintenance of historic effort as specified in section  
10 409 (a)(7) of the federal "Social Security Act", as amended. FOR STATE  
11 FISCAL YEAR 2026- 27, AND EACH FISCAL YEAR THEREAFTER, THE MONEY  
12 IN THE FUND MUST BE USED IN ACCORDANCE WITH SECTION 473 (a)(8) OF  
13 THE FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. SEC. 673 (a)(8).  
14 PERMISSIBLE USES OF THE MONEY IN THE FUND INCLUDE  
15 POST-PERMANENCY SERVICES TO SUPPORT AND SUSTAIN POSITIVE,  
16 PERMANENT OUTCOMES FOR A CHILD OR YOUTH WHO MIGHT OTHERWISE  
17 ENTER OR REENTER FOSTER CARE. Any money in the fund not expended  
18 for the purposes specified in this subsection (2)(d)(II)(C) may be invested  
19 by the state treasurer as provided by law. The state treasurer shall credit  
20 all interest and income derived from the investment and deposit of money  
21 in the fund to the fund. Any unexpended and unencumbered money  
22 remaining in the fund at the end of a fiscal year remains in the fund and  
23 ~~is not credited or transferred or~~ DOES NOT revert to the general fund or  
24 another fund.

25           **SECTION 2. Safety clause.** The general assembly finds,  
26 determines, and declares that this act is necessary for the immediate  
27 preservation of the public peace, health, or safety or for appropriations for

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.