



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1374: KINSHIP CARE FUNDING PROVISIONS

Prime Sponsors:

Rep. Sirota; Taggart
Sen. Amabile; Bridges

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Fiscal note status: This fiscal note reflects the rerevised bill, which was recommended by the Joint Budget Committee as part of its FY 2026-27 budget package.

Summary Information

Overview. The bill eliminates state funding and reimbursements for non-certified kinship care homes.

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

- State Expenditures
- Local Government

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures (General Fund)	-\$5.5 million	-\$5.5 million
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

[Senate Bill 24-008](#) made non-certified kinship care homes eligible for financial assistance payments. Payments were supported by the Colorado Works Long-Term (TANF) Reserve for two fiscal years, and were expected to transition to the General Fund beginning in FY 2026-27. This bill eliminates these payments.

The state is required to reimburse counties for 90 percent of the cost for certified kinship care. The bill clarifies that this provision is subject to available appropriations to align with other state allocations for child welfare.

The Colorado Department of Human Services (CDHS) is required to develop a notice informing non-certified kinship care providers of the end of financial assistance, including the date assistance will end and information on how to become a certified provider. Counties are required to distribute this notice by June 15, 2026.

Background

Kinship foster care is the placement of a child with family, or a family-like relationship to the child. Kinship foster care homes must be certified by a county department of human services. Non-certified kinship care describes the care of a child by a relative or person with a family-like relationship who has not pursued certification. Certification requires families to meet certain requirements, including background checks, home safety checks, and initial and ongoing trainings.

State Expenditures

Payments for non-certified kinship care are expected to total at least \$9.4 million General Fund in FY 2026-27 assuming no change in caseload from FY 2025-26. However, some families are expected to pursue certification and receive larger payments as a result of the elimination of non-certified payments. Therefore, the FY 2026-27 Long Bill includes a net reduction of \$5.5 million General Fund to account for the elimination of payments.

Workload will increase for the CDHS to create a notice for non-certified kinship care providers; this work is absorbable within existing resources.

Local Government

In order to keep receiving payments, non-certified kinship care homes may seek certification. This would result in an increased workload for county departments of human or social services to certify these kinship care homes.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature, except that Section 26-6-904.5 (2) and (3) C.R.S. of Section 1 and Section 2 take effect July 1, 2026.

State Appropriations

The FY 2026-27 Long Bill includes a net reduction of \$5.5 million General Fund to the Department of Human Services to account for the elimination of financial assistance payments to non-certified kinship care homes. Since the reduction is included in the Long Bill, no additional appropriation is required in this bill.

State and Local Government Contacts

Counties

Joint Budget Committee Staff

Human Services

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).