



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1285: ADMISSION TO MENTAL HEALTH RESIDENTIAL FACILITY

Prime Sponsors:

Rep. Goldstein
Sen. Mullica

Fiscal Analyst:

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Bill Outcome: Postponed Indefinitely**Drafting number:** LLS 26-0749**Version:** Final Fiscal Note**Date:** May 26, 2026

Fiscal note status: The final fiscal note reflects the introduced bill. The bill was postponed indefinitely by the House Judiciary Committee on April 14, 2026; therefore, the impacts identified in this analysis do not take effect.

Summary Information

Overview. The bill would have prohibited mental health facilities located near schools from admitting registered sex offenders.

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

- Minimal State Workload

Appropriations. No appropriation was 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	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill prohibits mental health residential facilities located within 1,000 feet of a public or private K-12 school from admitting a registered sex offender.

State Expenditures

The bill minimally increases workload in several state agencies that regulate mental health facilities, and the Department of Health Care Policy and Financing (HCPF), as described below.

State-Regulated Facilities

Workload in the Behavioral Health Administration and the Department of Public Health and Environment will increase to revise existing rules and regulations, and conduct outreach to regulated mental health facilities and assisted living facilities located near schools. This workload is expected to be minimal and no change in appropriations is required.

Department of Human Services

The Office of Civil and Forensic Mental Health in the Department of Human Services operates Mental Health Transitional Living Homes, which are used to transition individuals from more restrictive settings to the community. The bill minimally increases workload in the department to ensure that registered sex offenders are not placed in transitional living homes located near schools, and arrange alternative options. This workload is expected to be minimal and absorbable within existing appropriations.

Department of Health Care Policy and Financing

HCPF operates Qualified Residential Treatment Programs and Psychiatric Residential Treatment Facilities for Medicaid-eligible youth with serious emotional or psychiatric needs. These facilities often operate accredited on-site school programs or are located within 1,000 feet of a K-12 school. If an admitted individual is also on the sex offender registry, costs in HCPF may increase to transfer individuals to out-of-state facilities. Due to a small number of such cases, the fiscal note assumes that no change in appropriations is required.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Behavioral Health Administration

Human Services

Education

Public Health and Environment

Health Care Policy and Financing

Public Safety