

HOUSE COMMITTEE OF REFERENCE REPORT

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Chair of Committee

May 1, 2026  
Date

Committee on Appropriations.

After consideration on the merits, the Committee recommends the following:

HB26-1327 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

- 1 Strike the Finance Committee Report, dated March 30, 2026, and  
2 substitute:
- 3 "Amend the Health and Human Services Committee Report, dated March  
4 24, 2026, page 1, strike lines 1 and 2 and substitute:
- 5 "Amend printed bill, page 3, line 17, strike "EARN LOW WAGES WHO".
- 6 Page 3 of the bill, strike line 20 and substitute "BENEFITS;".
- 7 Page 4 of the bill, line 1, strike "HEALTHY AND" and substitute  
8 "HEALTHY;".
- 9 Page 4 of the bill, line 2, strike "ILLNESS;" and substitute "ILLNESS, AND  
10 INCREASES WORKER RETENTION;".
- 11 Page 4 of the bill, strike lines 4 and 5 and substitute "LARGE EMPLOYERS'  
12 WORKERS SUPPORTS A LARGE EMPLOYER'S BUSINESS DECISION TO HOLD  
13 DOWN HOURS AND WAGES, WHICH REDUCES COSTS BECAUSE:".
- 14 Page 4 of the bill, line 8, strike "MEDICAL" and substitute "THE  
15 AVAILABILITY OF MEDICAL".
- 16 Page 4 of the bill, line 20, strike "COST" and substitute "AVAILABILITY"  
17 and after "BENEFITS" insert "AND HEALTH-CARE PROVIDERS".
- 18 Page 4 of the bill, strike lines 22 through 24 and substitute:  
19 "(II) PROVIDE REIMBURSEMENT GRANTS FOR LARGE EMPLOYERS'

1 COSTS FOR WORKERS WHO CHOOSE TO BUY INTO AN  
2 EMPLOYER-SPONSORED HEALTH BENEFIT PLAN PURSUANT TO SECTION  
3 25.5-1-1207;"

4 Page 6 of the bill, strike lines 18 through 20.

5 Renumber succeeding subparagraphs accordingly.

6 Page 6 of the bill, strike line 24 and substitute "(6), OR A PUBLIC ENTITY,  
7 AS DEFINED IN SECTION 24-10-103 (5); OR".

8 Page 1 of the report, after line 3 insert:

9 "Page 7 of the bill, line 10, strike "25.5-1-1207." and substitute  
10 "25.5-1-1208."

11 Page 7 of the bill, line 18, strike "OR".

12 Page 7 of the bill, line 20, strike "(23.6)." and substitute "(23.6); OR  
13 (III) A WORKER WHO QUALIFIES FOR SOCIAL SECURITY DISABILITY  
14 INSURANCE UNDER 42 U.S.C. SECS. 401 TO 433 OR SUPPLEMENTAL  
15 SECURITY INCOME UNDER 42 U.S.C. SEC. 1381 ET SEQ."

16 Page 7 of the bill, line strike lines 22 through 24 and substitute "UNDER  
17 THE MEDICAL ASSISTANCE PROGRAM."

18 Page 8 of the bill, line 5, after the period add ""SUPPORTED WORKERS"  
19 DOES NOT INCLUDE WORKERS WHO QUALIFY FOR SOCIAL SECURITY  
20 DISABILITY INSURANCE UNDER 42 U.S.C. SECS. 401 TO 433 OR  
21 SUPPLEMENTAL SECURITY INCOME UNDER 42 U.S.C. SEC. 1381 ET SEQ."

22 Page 1 of the report, after line 6 insert:

23 "Page 8 of the bill, line 25, strike "BY:" and substitute "BY, AS  
24 DETERMINED BY THE BOARD:"

25 Page 8 of the bill, strike lines 26 and 27 and substitute:

26 "(a) SUPPORTING THE PAYMENT OF MEDICAL ASSISTANCE  
27 PROGRAM PREMIUMS FOR WORKERS RECEIVING MEDICAL ASSISTANCE  
28 BENEFITS WHOSE COVERAGE IS NOT FUNDED BY THE HEALTHCARE  
29 AFFORDABILITY AND SUSTAINABILITY HOSPITAL PROVIDER FEE CASH FUND  
30 PURSUANT TO SECTION 25.5-4-402.4 (5)(b)(IV) AND ENSURING ACCESS TO  
31 HEALTH-CARE PROVIDERS; AND

- 1 (b) PROVIDING REIMBURSEMENT GRANTS FOR LARGE EMPLOYERS'  
2 COSTS FOR WORKERS WHO CHOOSE TO BUY INTO AN  
3 EMPLOYER-SPONSORED HEALTH BENEFIT PLAN PURSUANT TO SECTION  
4 25.5-1-1207."
- 5 Page 9 of the bill, strike lines 1 through 9.
- 6 Page 10 of the bill, strike lines 6 through 9 and substitute "RELATED TO  
7 CONDUCTING THE AFFAIRS OF THE ENTERPRISE."."
- 8 Page 1 of the report, after line 14 insert:
- 9 "Page 10 of the bill, line 25, strike "GOVERNMENT" and substitute  
10 "GOVERNMENT, INCLUDING MATCHING MONEY FOR THE MEDICAL  
11 ASSISTANCE PROGRAM, IF AVAILABLE,".
- 12 Page 11 of the bill line 8, strike "UP TO NINETY-FIVE THOUSAND DOLLARS"  
13 and substitute "MONEY".
- 14 Page 11 of the bill, line 26, strike "THE" and substitute "ANY".
- 15 Page 12 of the bill, line 16, strike "ENTERPRISE".
- 16 Page 13 of the bill, line 7 strike "SEVEN" and substitute "NINE".
- 17 Page 13 of the bill, line 10, strike "SIX" and substitute "EIGHT".
- 18 Page 13 of the bill, line 18, strike "AND".
- 19 Page 13 of the bill, line 20, strike "SERVICES." and substitute "SERVICES;  
20 (VI) ONE MEMBER WHO REPRESENTS A LABOR ORGANIZATION;  
21 AND  
22 (VII) ONE MEMBER WHO HAS EXPERTISE IN HEALTH  
23 INSURANCE."."
- 24 Page 1 of the report, after line 17 insert:
- 25 "Page 14 of the bill, line 24, strike "ADOPT" and substitute "PRIOR TO THE  
26 IMPLEMENTATION OF ENTERPRISE SERVICES, AND AS NECESSARY OR  
27 APPROPRIATE THEREAFTER, ADOPT".
- 28 Page 15 of the bill, line 1, strike "AND".

- 1 Page 15 of the bill, strike lines 2 through 5 and substitute:  
2 "(III) THE USE OF ENTERPRISE REVENUE TO SUPPORT THE PAYMENT  
3 OF MEDICAL ASSISTANCE PROGRAM PREMIUMS FOR WORKERS RECEIVING  
4 MEDICAL ASSISTANCE BENEFITS WHOSE COVERAGE IS NOT FUNDED BY THE  
5 HEALTHCARE AFFORDABILITY AND SUSTAINABILITY HOSPITAL PROVIDER  
6 FEE CASH FUND PURSUANT TO SECTION 25.5-4-402.4 (5)(b)(IV) AND TO  
7 ENSURE THE AVAILABILITY OF HEALTH-CARE PROVIDERS WHO SERVE  
8 SUPPORTED WORKERS; AND  
9 (IV) REIMBURSEMENT GRANTS FOR LARGE EMPLOYERS' COSTS FOR  
10 WORKERS WHO CHOOSE TO BUY INTO AN EMPLOYER-SPONSORED HEALTH  
11 BENEFIT PLAN PURSUANT TO SECTION 25.5-1-1207."."
- 12 Page 2 of the report, strike lines 1 through 5.
- 13 Page 2 of the report, line 6, strike "**25.5-1-1206.**" and substitute  
14 ""**25.5-1-1206.**".
- 15 Page 2 of the report, line 8, strike "**-rules.**" and substitute "**- rules -**  
16 **repeal.**".
- 17 Page 2 of the report, strike lines 32 through 36 and substitute:  
18 (III) THE ENTERPRISE MAY EXEMPT AN EMPLOYER FROM FILING  
19 THE REPORT REQUIRED PURSUANT TO SUBSECTION (2)(a)(I) OF THIS  
20 SECTION IF THE EMPLOYER DEMONSTRATES TO THE ENTERPRISE, IN THE  
21 FORM AND MANNER DETERMINED BY THE ENTERPRISE, THAT THE  
22 EMPLOYER PROVIDES AFFORDABLE HEALTH COVERAGE TO ALL WORKERS  
23 WORKING TWENTY OR MORE HOURS PER WEEK OR EIGHTY OR MORE HOURS  
24 PER MONTH."
- 25 Page 2 of the report, line 37, after "(IV)" insert "(A)".
- 26 Page 2 of the report, line 38, strike "OR (2)(a)(III)".
- 27 Page 3 of the report, after line 1 insert:  
28 "(B) IF AN EMPLOYER FILES A REPORT PURSUANT TO SUBSECTION  
29 (2)(a)(I) OF THIS SECTION, AND THERE IS A REASONABLE BELIEF BASED ON  
30 THE INFORMATION PROVIDED IN THE REPORT OR FROM INFORMATION  
31 SUBMITTED IN PRIOR OR SUBSEQUENT ANNUAL EMPLOYER REPORTS THAT  
32 THE EMPLOYER HAS INTENTIONALLY MISCLASSIFIED OR RECLASSIFIED  
33 EMPLOYEES AS FULL-TIME, PART-TIME, 1099, OR SUBCONTRACTED  
34 EMPLOYEES TO AVOID PAYING THE FEE, THE ENTERPRISE SHALL SEND A  
35 NOTICE OF REVIEW TO THE EMPLOYER AND PERMIT THE EMPLOYER TO  
36 SUBMIT CORRECTED OR UPDATED INFORMATION. THE EMPLOYER MUST

1 SUBMIT CORRECTED OR UPDATED INFORMATION TO THE ENTERPRISE  
2 WITHIN THIRTY DAYS. THE EMPLOYER MAY REQUEST A HEARING ON THE  
3 INFORMATION IN THE REPORT OR THE CORRECTED OR UPDATED  
4 INFORMATION. IF, AFTER THE REVIEW IS COMPLETED, THE ENTERPRISE  
5 DETERMINES THAT THE EMPLOYER HAS INTENTIONALLY MISCLASSIFIED OR  
6 RECLASSIFIED EMPLOYEES IN AN ANNUAL EMPLOYER REPORT, THE  
7 EMPLOYER IS SUBJECT TO A FINE OF UP TO THAN FIVE THOUSAND DOLLARS  
8 FOR EACH MISCLASSIFIED OR RECLASSIFIED EMPLOYEE."

9 Page 3 of the report, line 27, after "EMPLOYER," insert "TO REVIEW".

10 Page 3 of the report, strike lines 29 through 34 and substitute "THIS  
11 SECTION."

12 Page 4 of the report, strike lines 6 and 7 and substitute "THE ENTERPRISE  
13 SHALL HOLD A HEARING ON THE REQUEST FOR REVIEW. BASED UPON THE  
14 EVIDENCE".

15 Page 4 of the report, line 18, strike "THE" and substitute "ONCE THE  
16 LARGE EMPLOYER HEALTH-CARE SUPPORT FEE IS IMPOSED, THE".

17 Page 4 of the report, line 19, strike "LARGE EMPLOYER HEALTH-CARE  
18 SUPPORT".

19 Page 5 of the report, line 19, strike "(I)".

20 Page 5 of the report, strike lines 33 through 35 and substitute "AMOUNT  
21 AND A PENALTY EQUAL TO TEN PERCENT OF THE UNPAID AMOUNT, PLUS  
22 ONE-HALF".

23 Page 6 of the report, line 31, after "(4)", insert "(a)".

24 Page 6 of the report, after line 35 insert:

25 "(b) (I) IF THE IMPOSITION OF THE FEE PURSUANT TO SUBSECTION  
26 (2)(b)(I) OF THIS SECTION IS ESTIMATED TO RESULT IN THE COLLECTION OF  
27 FEES AND SURCHARGES THAT EXCEED ONE HUNDRED MILLION DOLLARS IN  
28 THE ENTERPRISE'S FIRST FIVE FISCAL YEARS, THE ENTERPRISE SHALL  
29 ADJUST THE FEES, LOWER THE FEES, OR STOP COLLECTING THE FEES IN  
30 ORDER TO NOT COLLECT FEES OR SURCHARGES THAT EXCEED ONE  
31 HUNDRED MILLION DOLLARS IN THE ENTERPRISE'S FIRST FIVE FISCAL  
32 YEARS, WHICH FIVE-YEAR PERIOD, FOR THE PURPOSE OF SECTION  
33 24-77-108, ENDS ON JULY 1, 2030. THEREFORE, THE ENTERPRISE IS IN  
34 COMPLIANCE WITH SECTION 24-77-108.

1 (II) THIS SUBSECTION (4)(b) IS REPEALED, EFFECTIVE JULY 1,  
2 2031."

3 Page 7 of the report, after line 7 insert:

4 "Page 19 of the bill, strike line 16 and substitute:

5 **"25.5-1-1207. Worker buy-in program - access to large**  
6 **employer-sponsored health coverage - employer reimbursement**  
7 **grants - rules.**

8 (1) THERE IS CREATED A WORKER BUY-IN PROGRAM TO USE  
9 REVENUE FROM THE FEE TO AWARD GRANTS TO LARGE EMPLOYERS TO  
10 REIMBURSE SOME OR ALL OF A LARGE EMPLOYER'S COSTS INCURRED IN  
11 PROVIDING WORKERS ACCESS TO ENROLLMENT IN EMPLOYER-SPONSORED  
12 HEALTH BENEFIT PLANS FOR WORKERS WHO WORK AT LEAST TWENTY  
13 HOURS PER WEEK OR EIGHTY HOURS PER MONTH, BUT WHO DO NOT WORK  
14 THE MINIMUM HOURS NECESSARY TO QUALIFY FOR ENROLLMENT IN  
15 EMPLOYER-SPONSORED HEALTH BENEFIT PLANS.

16 (2) A LARGE EMPLOYER THAT CHOOSES TO PARTICIPATE IN THE  
17 WORKER BUY-IN PROGRAM SHALL NOTIFY THE ENTERPRISE AND SATISFY  
18 THE REQUIREMENTS FOR PARTICIPATION IN AND REIMBURSEMENT FROM  
19 THE PROGRAM.

20 (3) AFTER CONSULTATION WITH THE DIVISION OF INSURANCE AND  
21 LARGE EMPLOYERS INTERESTED IN PARTICIPATING IN THE PROGRAM, THE  
22 BOARD SHALL ADOPT RULES TO IMPLEMENT AND ADMINISTER THE  
23 PROGRAM, INCLUDING RULES:

24 (a) THAT ENSURE THAT FEE REVENUE ALLOCATED FOR THE  
25 PURPOSE SPECIFIED IN THIS SECTION IS USED TO INCENTIVIZE LARGE  
26 EMPLOYERS THAT CHOOSE TO ALLOW PART-TIME WORKERS WHO DO NOT  
27 OTHERWISE QUALIFY FOR ENROLLMENT IN EMPLOYER-SPONSORED HEALTH  
28 BENEFIT PLANS, ON OR BEFORE THE EFFECTIVE DATE OF THIS PART 20, TO  
29 BUY INTO EMPLOYER-SPONSORED HEALTH BENEFIT PLANS;

30 (b) TO DETERMINE THE CRITERIA FOR AND THE AMOUNT OF LARGE  
31 EMPLOYER REIMBURSEMENT GRANTS BASED ON AVAILABLE FEE REVENUE  
32 AND THE NUMBER OF LARGE EMPLOYERS AND WORKERS PARTICIPATING IN  
33 THE PROGRAM; AND

34 (c) THAT REQUIRE A PARTICIPATING LARGE EMPLOYER TO REPORT  
35 TO THE ENTERPRISE INFORMATION NECESSARY TO VERIFY THE NUMBER OF  
36 WORKERS PARTICIPATING IN THE WORKER BUY-IN PROGRAM AND THE  
37 LARGE EMPLOYER'S COSTS FOR PROVIDING ACCESS TO ENROLLMENT IN AN  
38 EMPLOYER-SPONSORED HEALTH BENEFIT PLAN FOR SUCH WORKERS.

39 **25.5-1-1208. Large employer health-care support fund -".**

40 Page 19 of the bill, line 25, strike "MONEY" and substitute "ANY

1 MONEY".

2 Page 7 of the report, after line 9 insert:

3 "Page 20 of the bill, strike lines 9 and 10 and substitute:

4 "(3) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE  
5 ENTERPRISE:"

6 Page 20 of the bill, line 11, strike "THE" and substitute "FOR THE" and  
7 strike "AND".

8 Page 20 of the bill, after line 11 insert:

9 "(b) TO SUPPORT WORKERS' ACCESS TO MEDICAL ASSISTANCE  
10 BENEFITS AND HEALTH-CARE PROVIDERS;

11 "(c) TO REIMBURSE LARGE EMPLOYERS' COSTS ASSOCIATED WITH  
12 PERMITTING WORKERS TO BUY INTO AN EMPLOYER-SPONSORED HEALTH  
13 BENEFIT PLAN; AND".

14 Reletter succeeding paragraph accordingly.

15 Page 20 of the bill, line 12, strike "ANY" and substitute "FOR ANY".

16 Page 20 of the bill, before line 13 insert:

17 "**25.5-1-1209. Severability.**

18 IF ANY PROVISION OF THIS PART 12 OR THE APPLICATION OF THIS  
19 PART 12 TO ANY PERSON OR CIRCUMSTANCE IS HELD INVALID, THE  
20 INVALIDITY DOES NOT AFFECT OTHER PROVISIONS OR APPLICATIONS OF  
21 THIS PART 12 THAT CAN BE GIVEN EFFECT WITHOUT THE INVALID  
22 PROVISION OR APPLICATION, AND TO THIS END THE PROVISIONS OF THIS  
23 PART 12 ARE DECLARED TO BE SEVERABLE.".

24 Page 7 of the report, after line 18, insert:

25 "Page 22 of the bill, after line 11 insert:

26 "**SECTION 5. Appropriation.** (1) For the 2026-27 state fiscal  
27 year, \$59,625 is appropriated to the department of law. This appropriation  
28 is from the legal services cash fund created in section 24-31-108 (4),  
29 C.R.S., from revenue received from the large employer health-care  
30 support enterprise that is continuously appropriated from the large  
31 employer health-care support fund created in section 25.5-1-1207 (1),  
32 C.R.S. The appropriation to the department of law is based on an

1 assumption that the department will require an additional 0.3 FTE. To  
2 implement this act, the department of law may use this appropriation to  
3 provide legal services for the large employer health-care support  
4 enterprise."

5 Renumber succeeding section accordingly.

6 Page 1 of the bill, line 102, strike "WORKERS." and substitute "WORKERS,  
7 AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION." ". "

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