

CHAPTER 66

HUMAN SERVICES - SOCIAL SERVICES

SENATE BILL 26-110

BY SENATOR(S) Bright and Mullica, Carson, Exum, Kipp, Kirkmeyer, Snyder, Coleman;
also REPRESENTATIVE(S) Barron and Rydin, Duran, Hamrick, Soper, Titone, Weinberg.

AN ACT

CONCERNING REVISION OF PUBLIC ASSISTANCE FINAL DISPOSITION EXPENSE TERMS.

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

SECTION 1. In Colorado Revised Statutes, 26-2-129, **amend** (1) introductory portion, (1)(a), (1)(d), (1)(e), (1)(f), (2)(a), (2)(b), (3), (4), (5) introductory portion, (6) introductory portion, (6)(c), (7)(b), (7)(c), (8), and (10)(c); **repeal** (2)(f); and **add** (2)(a.5) as follows:

26-2-129. Funeral - final disposition expenses - death benefit - legislative intent - definitions - rules.

(1) The general assembly ~~hereby~~ finds and declares that, subject to available appropriations, the purposes of this section are the following:

(a) To provide appropriate and equitable ~~reimbursement~~ PAYMENT of funeral, cremation, burial, or natural reduction expenses or ~~any~~ A combination of expenses associated with the final disposition of ~~any~~ A deceased public assistance or medical assistance recipient;

(d) To ensure that ~~reimbursement~~ PAYMENT of a provider of funeral or final disposition services is appropriately disbursed by the county department;

(e) To provide that public funds are made available for ~~reimbursement~~ PAYMENT OF SERVICES pursuant to this section only after it has been determined that there are insufficient resources from the estate of the decedent or the decedent's legally responsible family members to cover the funeral or final disposition expenses; AND

(f) To allow family members and friends of a decedent to contribute toward the

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charges of funeral or final disposition expenses to the extent the contributions do not exceed the specified ~~maximum~~ combined REASONABLE charges for the expenses.

(2) As used in this section, unless the context otherwise requires:

(a) ~~"Contributions" means any monetary payment or donation made directly to the service provider or providers by a nonresponsible person to defray the expenses of a deceased public assistance or medical assistance recipient's funeral or final disposition.~~ "COMBINED REASONABLE CHARGES" MEANS THE TOTAL OF ALL CHARGES FROM ALL PROVIDERS BUT IN AN AMOUNT NOT TO EXCEED TWO THOUSAND FIVE HUNDRED DOLLARS.

(a.5) "CONTRIBUTIONS" MEANS ANY MONETARY PAYMENT OR DONATION MADE DIRECTLY TO THE SERVICE PROVIDER OR PROVIDERS BY A NONRESPONSIBLE PERSON TO DEFRAY THE EXPENSES OF A DECEASED PUBLIC ASSISTANCE OR MEDICAL ASSISTANCE RECIPIENT'S FUNERAL OR FINAL DISPOSITION.

(b) "Death ~~reimbursement~~ BENEFIT" means the payment made by the county department to the provider of funeral or final disposition services when adequate resources are not available from legally responsible persons or from the personal resources or income of the decedent or from contributions to cover the charges for funeral or final disposition expenses of a deceased public assistance or medical assistance recipient.

(f) ~~"Maximum combined charges" means the total of all charges from all providers but in an amount not to exceed two thousand five hundred dollars.~~

(3) Subject to available appropriations, THE COUNTY DEPARTMENT SHALL PAY A death ~~reimbursement~~ BENEFIT covering reasonable funeral expenses or reasonable final disposition expenses or ~~any~~ A combination of these expenses ~~shall be paid by the county department~~ for a decedent if the estate of the deceased is insufficient to pay the reasonable expenses and if the persons legally responsible for the support of the deceased are unable to pay the reasonable expenses. The STATE DEPARTMENT SHALL REIMBURSE A county department ~~shall be reimbursed~~ FOR eighty percent of the amount of the death ~~reimbursement~~ BENEFIT paid for recipients of aid to the needy disabled and RECIPIENTS OF assistance under the Colorado works program ESTABLISHED pursuant to part 7 of this article 2 and ~~shall be reimbursed~~ one hundred percent of the amount of the death ~~reimbursement~~ BENEFIT PAID for recipients of old age pensions. If the state department determines that the level of appropriation is insufficient to meet the demand for death ~~reimbursements~~ BENEFITS, the state department shall reduce the amount of the death ~~reimbursement~~ BENEFIT level to meet the amount appropriated by the general assembly for death ~~reimbursements~~ BENEFITS. In the event that a reduction is made, the county department has no additional responsibility beyond the ~~reimbursement~~ BENEFIT level as defined in the state department's rules.

(4) The total amount of a death ~~reimbursement~~ BENEFIT paid by the county department or state department pursuant to this section must not exceed one thousand five hundred dollars, and the combined REASONABLE charge of a funeral or final disposition or any combination of these expenses must not exceed two thousand five hundred dollars. Contributions from nonresponsible persons may be

made without jeopardizing payment ~~under~~ PURSUANT TO this section and ~~shall~~ MUST be counted as an offset to the ~~maximum~~ combined REASONABLE charges of the providers. If the combined REASONABLE charges from the providers exceed two thousand five hundred dollars, ~~no~~ THE STATE DEPARTMENT AND COUNTY DEPARTMENT SHALL NOT PAY A death ~~reimbursement shall be paid by the state or county department~~ BENEFIT. Providers may seek contributions from nonresponsible persons only to the extent that money is available from ~~such~~ THE parties.

(5) A legally responsible person shall ~~be required to~~ participate financially ~~towards~~ TOWARD the charges for final disposition through a contribution to the ~~maximum death reimbursement~~ COMBINED REASONABLE CHARGES if ~~his or her~~ THE PERSON'S resources are above the federal supplemental security income resource limits. A legally responsible person shall NEED not ~~be required to~~ participate if ~~he or she~~ THE PERSON has fewer resources than the supplemental security income resource limits or if participation would result in fewer resources than the supplemental security income resource limits. Any financial participation from a legally responsible person shall MUST be deducted from the ~~maximum death reimbursement~~ COMBINED REASONABLE CHARGES in the same manner as the personal resources of the decedent and shall DOES not include the survivor's home or other excluded resources as provided for in the state department's rules. Any financial participation by a legally responsible person in excess of the legally required amount shall MUST be used to reduce the amount of the ~~maximum death reimbursement~~ COMBINED REASONABLE CHARGES. Social security lump-sum death benefits payable to a legally responsible person shall MUST not be an automatic deduction from the ~~maximum death reimbursement~~ COMBINED REASONABLE CHARGES. For purposes of this section, "resources" means:

(6) In calculating the amount of the death ~~reimbursement~~ BENEFIT, any personal resources or income of the decedent is counted as a deduction from the maximum allowable ~~death reimbursement~~ COMBINED REASONABLE CHARGES. For purposes of this section, personal resources or income of the decedent includes the following:

(c) ~~Any~~ A death benefit in which ~~reimbursement~~ PAYMENT FOR SERVICES is directly paid to a provider of funeral or final disposition services for the decedent.

(7) (b) Any portion of the purchase price of a final resting place owned by the decedent in excess of two thousand dollars shall MUST be counted as a personal resource of the decedent in calculating the amount of a death ~~reimbursement~~ BENEFIT pursuant to this section.

(c) A final resting place previously acquired by someone other than the decedent and donated for final disposition of that decedent shall MUST not be counted as a personal resource of the decedent or a legally responsible person in calculating the amount of a death ~~reimbursement~~ BENEFIT pursuant to this section.

(8) A statement of agreement between the providers ~~that shall~~ MUST be on a form prescribed by the state department that sets forth the charges and the amounts of ~~any~~ payments or contributions shall AND MUST be completed prior to ~~any~~ disbursement of funds by the county. The agreement shall MUST assure that the charges of all providers have been equitably addressed and shall MUST ascertain that the ~~maximum combined charges~~ COMBINED REASONABLE CHARGES do not exceed two thousand

five hundred dollars and that the combined contributions from all sources do not exceed two thousand five hundred dollars. All payments from a decedent's estate, payments from legally responsible persons, and contributions from nonresponsible persons ~~shall~~ MUST be paid directly to the provider of services. After the provision of all services, the providers ~~shall~~ MUST bill the county department directly for ~~reimbursement~~ PAYMENT for appropriate costs that have not been covered by the resources from or contributions made by the decedent's estate, legally responsible persons, or nonresponsible persons. The county department shall ~~reimburse~~ PAY the appropriate providers directly, based upon the statement of agreement.

(10) The state department shall:

(c) Annually review ~~reimbursement~~ DEATH BENEFIT levels to determine whether the levels are adequate to purchase funeral, cremation, burial, or natural reduction services for deceased public assistance or medical assistance recipients.

SECTION 2. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: April 20, 2026