

**First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 25-0390.01 Jerry Barry x4341

HOUSE BILL 25-1017

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A BILL FOR AN ACT

101 **CONCERNING A COMMUNITY INTEGRATION PLAN FOR INDIVIDUALS**
102 **WITH DISABILITIES, AND, IN CONNECTION THEREWITH, MAKING**
103 **AN APPROPRIATION.**

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>.)

The bill establishes that public and governmental entities (entities) shall administer services, programs, and activities in the most integrated setting that is appropriate to the needs of individuals with disabilities. The bill establishes when entities are required to provide home- and community-based services (services) to individuals with disabilities.

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.*

SENATE
3rd Reading Unamended
April 25, 2025

SENATE
Amended 2nd Reading
April 24, 2025

HOUSE
3rd Reading Unamended
April 16, 2025

HOUSE
Amended 2nd Reading
April 15, 2025

If an entity cuts services, the entity shall assess whether the service cut increases the risk of institutionalization for individuals receiving services. If so, the entity must develop a plan to reduce that risk.

The bill directs the department of health care policy and financing to develop a comprehensive community integration plan (plan) for implementing its obligation to provide individuals with disabilities with opportunities to live, work, and be served in integrated settings. The plan must be reviewed and updated every 3 years.

An entity is not required to comply with the provisions of the bill if it can establish that doing so would require a fundamental alteration of its program, services, or activities.

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

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3 **SECTION 1.** In Colorado Revised Statutes, **add 8-88-102.5** as
4 follows:

5 **8-88-102.5. Comprehensive community integration plan for**
6 **individuals with disabilities - review and assessment.** (1) ON OR
7 BEFORE SEPTEMBER 1, 2028, CDOO SHALL SERVE AS THE LEAD AGENCY
8 RESPONSIBLE FOR DEVELOPING A COMPREHENSIVE COMMUNITY
9 INTEGRATION PLAN, REFERRED TO IN THIS SECTION AS THE "PLAN", FOR
10 IMPLEMENTING THE STATE'S COMMITMENT TO PROVIDING INDIVIDUALS
11 WITH DISABILITIES OPPORTUNITIES TO LIVE, WORK, AND BE SERVED IN THE
12 LEAST RESTRICTIVE SETTINGS POSSIBLE. IN DEVELOPING THE PLAN, CDOO
13 SHALL COLLABORATE WITH THE DEPARTMENT OF HEALTH CARE POLICY
14 AND FINANCING, THE DEPARTMENT OF HUMAN SERVICES, THE
15 DEPARTMENT OF LOCAL AFFAIRS, OTHER STATE AGENCIES IMPACTED BY
16 THE PLAN, AND STAKEHOLDERS. THE PLAN MUST INCLUDE:

17 (a) AN ANALYSIS OF THE EXTENT TO WHICH THE STATE IS
18 PROVIDING SERVICES IN THE MOST INTEGRATED SETTING;

19 (b) CONCRETE COMMITMENTS TO EXPAND INTEGRATED

1 OPPORTUNITIES FOR INDIVIDUALS WITH DISABILITIES;
2 (c) SPECIFIC AND REASONABLE TIME FRAMES, MEASURABLE GOALS,
3 AND BENCHMARKS FOR WHICH THE STATE IS HELD ACCOUNTABLE;
4 (d) FUNDING SOURCES TO SUPPORT THE PLAN, WHICH MAY COME
5 FROM REALLOCATING EXISTING SERVICE MONEY; AND
6 (e) COMMITMENTS CONCERNING HOW THE STATE WILL MEET ITS
7 GOALS FOR EACH GROUP OF INDIVIDUALS WITH DISABILITIES WHO ARE
8 UNNECESSARILY SEGREGATED.

9 (2) THE CDOO SHALL REVIEW AND UPDATE THE PLAN EVERY
10 THREE YEARS, BEGINNING ON SEPTEMBER 1, 2031. PART OF THE REVIEW
11 MUST BE AN ASSESSMENT OF WHETHER THE TIME FRAMES, GOALS, AND
12 BENCHMARKS SET PURSUANT TO SUBSECTION (1)(c) OF THIS SECTION HAVE
13 BEEN MET. IF THE BENCHMARKS WERE NOT MET, THE UPDATED PLAN MUST
14 INCLUDE A DESCRIPTION OF THE BARRIERS TO IMPLEMENTATION AND HOW
15 THOSE BARRIERS WILL BE ADDRESSED.

16 (3) MONEY FOR THE CDOO TO DEVELOP, REVIEW, AND UPDATE
17 THE PLAN IS LIMITED TO THE MONEY IN THE DISABILITY SUPPORT FUND
18 CREATED IN SECTION 8-88-205, AND THE GENERAL ASSEMBLY SHALL NOT
19 APPROPRIATE ANY MONEY FROM THE GENERAL FUND FOR THAT PURPOSE.

20 **SECTION 2.** In Colorado Revised Statutes, **add** part 11 to article
21 1 of title 25.5 as follows:

22 PART 11

23 COMMUNITY INTEGRATION

24 **25.5-1-1101. Legislative declaration.** (1) THE GENERAL
25 ASSEMBLY FINDS AND DECLARES THAT:

26 (a) THE UNITED STATES SUPREME COURT DECISION IN *OLMSTEAD*
27 *V. L.C.*, 527 U.S. 581 (1999), REFERRED TO IN THIS PART 11 AS

1 "OLMSTEAD", ENSHRINED IN LAW THE DUTY UPON STATES TO ACTIVELY
2 WORK TOWARD HELPING INDIVIDUALS WITH DISABILITIES TRANSITION OUT
3 OF INSTITUTIONS AND INTO THE COMMUNITY AND TO HAVE
4 COMMUNITY-BASED SERVICES AVAILABLE TO DECREASE THE RISK OF
5 INSTITUTIONALIZATION;

6 (b) OLMSTEAD PLACED ON STATES THE OBLIGATION TO ADMINISTER
7 SERVICES, PROGRAMS, AND ACTIVITIES IN THE MOST INTEGRATED SETTING
8 APPROPRIATE TO THE NEEDS OF QUALIFIED INDIVIDUALS WITH
9 DISABILITIES;

10 (c) SEGREGATING INDIVIDUALS WITH DISABILITIES IN INSTITUTIONS
11 DENIES THOSE INDIVIDUALS THE FREEDOM TO MAKE DECISIONS, KEEPS
12 THEM APART FROM FAMILY AND FRIENDS, AND DENIES THEM
13 OPPORTUNITIES THAT EXIST IN THEIR COMMUNITIES. SEGREGATION ALSO
14 DENIES COMMUNITIES THE CONTRIBUTIONS THAT INDIVIDUALS WITH
15 DISABILITIES MAKE TO THEIR COMMUNITIES.

16 (d) COMMUNITY-BASED SERVICES ARE CHEAPER IN THE LONG RUN
17 THAN INSTITUTIONALIZATION SERVICES.

18 (2) THE GENERAL ASSEMBLY FURTHER DECLARES THAT CODIFYING
19 IN STATE LAW THE RIGHTS THAT WERE LEGALLY RECOGNIZED AS FEDERAL
20 LAW THROUGH OLMSTEAD IS CRUCIAL BECAUSE:

21 (a) THE FUNDAMENTAL RIGHTS FOR INDIVIDUALS WITH
22 DISABILITIES TO LIVE IN THE LEAST RESTRICTIVE SETTING AND TO HAVE
23 ACCESS TO SERVICES IN THE COMMUNITY IS CONSISTENT WITH
24 COLORADO'S RECOGNITION OF THE HUMANITY AND DIGNITY OF ALL
25 INDIVIDUALS;

26 (b) THE OLMSTEAD DECISION REQUIRED STATES TO DEVELOP AN
27 OLMSTEAD PLAN. COLORADO'S PLAN, CALLED THE "COLORADO

1 COMMUNITY LIVING PLAN", WAS DEVELOPED MORE THAN 10 YEARS AGO
2 AS A COLLABORATION BETWEEN THE STATE DEPARTMENTS OF HEALTH
3 CARE POLICY AND FINANCING, HUMAN SERVICES, AND LOCAL AFFAIRS. THE
4 PLAN'S EFFECTIVENESS HAS NEVER BEEN EVALUATED OR UPDATED, AND
5 THE PLAN IS INSUFFICIENT; AND

6 (c) FEDERAL LAW UNDER *OLMSTEAD* CURRENTLY PROVIDES A
7 PRIVATE RIGHT OF ACTION TO ENFORCE THE LAW. THEREFORE, THE
8 GENERAL ASSEMBLY DOES NOT SEE A NEED TO CREATE A NEW RIGHT OF
9 ACTION. HOWEVER, IF THE *OLMSTEAD* PROTECTIONS ARE WEAKENED, WE
10 URGE A FUTURE GENERAL ASSEMBLY TO STRENGTHEN THESE RIGHTS BY
11 CREATING A PRIVATE RIGHT OF ACTION TO FURTHER ENFORCE THIS LAW
12 FOR INDIVIDUALS WITH DISABILITIES.

13 **25.5-1-1102. Definitions.** AS USED IN THIS PART 11, UNLESS THE
14 CONTEXT OTHERWISE REQUIRES:

15 (1) "COMMUNITY-BASED SERVICES" MEANS ANY OF THE
16 FOLLOWING:

17 (a) HOME HEALTH-CARE SERVICES AUTHORIZED PURSUANT TO
18 PARAGRAPH (7) OF SECTION 1905(a) OF THE "SOCIAL SECURITY ACT", 42
19 U.S.C. SEC. 1396d(a);

20 (b) PERSONAL CARE SERVICES AUTHORIZED PURSUANT TO
21 PARAGRAPH (24) OF SECTION 1905(a) OF THE "SOCIAL SECURITY ACT", 42
22 U.S.C. SEC. 1396d(a);

23 (c) PACE SERVICES AUTHORIZED PURSUANT TO PARAGRAPH (26)
24 OF SECTION 1905(a) OF THE "SOCIAL SECURITY ACT", 42 U.S.C. SEC.
25 1396d(a);

26 (d) HOME- AND COMMUNITY-BASED SERVICES AUTHORIZED
27 PURSUANT TO SUBSECTIONS (b), (c), (i), (j), AND (k) OF SECTION 1915 OF

1 THE "SOCIAL SECURITY ACT", 42 U.S.C. SEC. 1396n; SERVICES
2 AUTHORIZED PURSUANT TO A WAIVER UNDER SECTION 1115 OF THE
3 "SOCIAL SECURITY ACT", 42 U.S.C. SEC. 1315; AND SERVICES THROUGH
4 COVERAGE AUTHORIZED UNDER SECTION 1937 OF THE "SOCIAL SECURITY
5 ACT", 42 U.S.C. SEC. 1396u-7;

6 (e) CASE MANAGEMENT SERVICES AUTHORIZED UNDER SECTION
7 1905(a)(19) OF THE "SOCIAL SECURITY ACT", 42 U.S.C. SEC.
8 1396d(a)(19), AND SECTION 1915(g) OF THE "SOCIAL SECURITY ACT", 42
9 U.S.C. SEC. 1396n(g);

10 (f) REHABILITATIVE SERVICES, INCLUDING THOSE RELATED TO
11 BEHAVIORAL HEALTH, DESCRIBED IN SECTION 1905(a)(13) OF THE "SOCIAL
12 SECURITY ACT", 42 U.S.C. SEC. 1396d(a)(13); AND

13 (g) ANY OTHER SERVICES SPECIFIED BY THE UNITED STATES
14 SECRETARY OF HEALTH AND HUMAN SERVICES.

15 (2) "DISABILITY" HAS THE SAME MEANING AS SET FORTH IN THE
16 FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC.
17 12101 ET SEQ.

18 (3) "FUNDAMENTAL ALTERATION" MEANS A MODIFICATION THAT
19 ALTERS THE ESSENTIAL NATURE OF THE GOODS, SERVICES, FACILITIES,
20 PRIVILEGES, ADVANTAGES, OR ACCOMMODATIONS OFFERED BY A STATE OR
21 PUBLIC ENTITY.

22 ■ ■ ■

23 (4) "MOST INTEGRATED SETTING" AND "LEAST RESTRICTIVE
24 SETTING" BOTH MEAN THE SETTING THAT ENABLES A QUALIFIED
25 INDIVIDUAL WITH A DISABILITY TO INTERACT TO THE FULLEST EXTENT
26 POSSIBLE WITH PERSONS WHO DO NOT HAVE A DISABILITY.

27 (5) "PLAN" MEANS THE STATE'S COMPREHENSIVE COMMUNITY

1 INTEGRATION PLAN, DEVELOPED PURSUANT TO SECTION 8-88-102.5.

2 (6) "PUBLIC OR GOVERNMENTAL ENTITY" MEANS:

3 (a) THE STATE OR ANY DEPARTMENT, BOARD, AGENCY,
4 INSTRUMENTALITY, AUTHORITY, OR COMMISSION OF THE STATE; AND

5 (b) ANY POLITICAL SUBDIVISION OF THE STATE, INCLUDING:

6 (I) A COUNTY, CITY, OR CITY AND COUNTY;

7 (II) A SCHOOL DISTRICT AS DEFINED IN SECTION 22-36-107;

8 (III) A LOCAL IMPROVEMENT DISTRICT AS DEFINED IN SECTION
9 32-7-103;

10 (IV) A LAW ENFORCEMENT AUTHORITY;

11 (V) A WATER, SANITATION, FIRE PROTECTION, METROPOLITAN,
12 IRRIGATION, DRAINAGE, OR OTHER SPECIAL DISTRICT CREATED PURSUANT
13 TO TITLE 32;

14 (VI) ANY OTHER MUNICIPAL, QUASI-MUNICIPAL, OR PUBLIC
15 CORPORATION ORGANIZED PURSUANT TO THE STATE CONSTITUTION OR
16 OTHER LAW; AND

17 (VII) ANY DEPARTMENT, BOARD, AGENCY, INSTRUMENTALITY,
18 AUTHORITY, OR COMMISSION OF A POLITICAL SUBDIVISION OF THE STATE.

19 (7) "QUALIFIED INDIVIDUAL WITH A DISABILITY" HAS THE SAME
20 MEANING AS SET FORTH IN THE FEDERAL "AMERICANS WITH DISABILITIES
21 ACT OF 1990", 42 U.S.C. SEC. 12101 ET SEQ.

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23 25.5-1-1103. Case management-based services and activities.

24 EACH PUBLIC AND GOVERNMENTAL ENTITY SHALL ADMINISTER SERVICES,
25 PROGRAMS, AND ACTIVITIES IN THE MOST INTEGRATED SETTING
26 APPROPRIATE TO THE NEEDS OF A QUALIFIED INDIVIDUAL WITH A
27 DISABILITY.

1 **25.5-1-1104. Community-based services - cutting services by**
2 **state or public entity - plan to ameliorate risk of institutionalization**
3 **for qualified individuals with disabilities.** (1) EACH PUBLIC AND
4 GOVERNMENTAL ENTITY SHALL PROVIDE █ COMMUNITY-BASED SERVICES
5 TO A QUALIFIED INDIVIDUAL WITH A DISABILITY WHEN:

6 (a) THE SERVICES ARE APPROPRIATE, AS DETERMINED BY THE
7 STATE'S TREATING PROFESSIONALS;

8 (b) THE AFFECTED INDIVIDUAL DOES NOT OPPOSE RECEIVING █
9 COMMUNITY-BASED █ SERVICES; AND

10 (c) COMMUNITY-BASED SERVICES CAN BE REASONABLY
11 ACCOMMODATED, TAKING INTO ACCOUNT THE RESOURCES AVAILABLE TO
12 THE PUBLIC OR GOVERNMENTAL ENTITY AND THE NEEDS OF OTHER
13 QUALIFIED INDIVIDUALS WITH DISABILITIES.

14 == ==

15 (2) IF THE PUBLIC OR GOVERNMENTAL ENTITY CUTS SERVICES, IT
16 SHALL ASSESS WHETHER THE SERVICE CUTS INCREASE THE RISK OF
17 INSTITUTIONALIZATION FOR THOSE INDIVIDUALS WHO ARE RECEIVING
18 SERVICES. _____ IN MAKING SUCH BUDGET CUTS, PUBLIC AND
19 GOVERNMENTAL ENTITIES HAVE A DUTY TO TAKE ALL REASONABLE STEPS
20 TO AVOID PLACING QUALIFIED INDIVIDUALS WITH DISABILITIES AT RISK OF
21 INSTITUTIONALIZATION.

22 █ █

23 **25.5-1-1105. Exception for fundamental alteration of an**
24 **entity's program.** (1) A PUBLIC OR GOVERNMENTAL ENTITY IS NOT
25 REQUIRED TO COMPLY WITH THIS PART 11 IF DOING SO WOULD REQUIRE A
26 FUNDAMENTAL ALTERATION OF THE ENTITY'S PROGRAM.

27 (2) (a) THE FOLLOWING FACTORS MUST BE CONSIDERED FOR

1 PURPOSES OF EVALUATING A FUNDAMENTAL ALTERATION DEFENSE TO NOT
2 COMPLYING WITH THIS PART 11:

3 (I) THE AMOUNT OF MONEY THE PUBLIC OR GOVERNMENTAL
4 ENTITY ALLOTS, SPENDS, RECEIVES, OR COULD RECEIVE IF THE ENTITY
5 APPLIED FOR AVAILABLE FEDERAL FUNDING TO PROVIDE SERVICES TO
6 QUALIFIED INDIVIDUALS WITH DISABILITIES;

7 (II) ALL RELEVANT COSTS, NOT JUST THOSE FUNDED BY THE
8 SINGLE AGENCY THAT OPERATES OR FUNDS THE SEGREGATED OR
9 INTEGRATED SETTING FOR QUALIFIED INDIVIDUALS WITH DISABILITIES;

10 (III) CHANGES IN THE COSTS OF THE SEGREGATED SETTING
11 COMPARED WITH CHANGES IN COSTS OF COMMUNITY-BASED SERVICES;

12

13 (IV) ANY POSSIBLE TRANSITIONAL COSTS OF CONVERTING FROM
14 SEGREGATED TO INTEGRATED SETTINGS FOR QUALIFIED INDIVIDUALS WITH
15 DISABILITIES. TRANSITIONAL COSTS MAY BE CONSIDERED, BUT ARE NOT
16 DETERMINATIVE; AND

17 (V) WHETHER THE PROPOSED MODIFICATION RESULTS IN THE
18 REDUCTION OR DELAY OF THE RECEIPT OF COMMUNITY-BASED SERVICES
19 FOR OTHER INDIVIDUALS WITH DISABILITIES.

20 (b) IF A PUBLIC OR GOVERNMENTAL ENTITY DECIDES TO SERVE
21 NEW QUALIFIED INDIVIDUALS WITH DISABILITIES IN SEGREGATED SETTINGS
22 AFTER INDIVIDUALS WITH DISABILITIES IN A PLAINTIFF CLASS ARE MOVED
23 TO INTEGRATED SETTINGS, RATHER THAN TO CLOSE OR DOWNSIZE THE
24 SEGREGATED SETTINGS, THE COSTS ASSOCIATED WITH SUCH A DECISION
25 MUST NOT BE INCLUDED IN THE FUNDAMENTAL ALTERATION ANALYSIS.

26 **25.5-1-1106. No private right of action - consistency with**
27 **federal *Olmstead* standard. (1) NOTHING IN THIS PART 11 CREATES:**

1 (a) A NEW RIGHT OF ACTION AGAINST THE STATE OF COLORADO OR
2 OTHER PUBLIC ENTITIES; OR

3 (b) A STANDARD DIFFERENT THAN THAT DELINEATED IN
4 OLMSTEAD, SUBSEQUENT CASES INTERPRETING OLMSTEAD, AND UNITED
5 STATES DEPARTMENT OF JUSTICE GUIDANCE INTERPRETING OLMSTEAD, AS
6 OF APRIL 20, 2025.

7 **SECTION 3.** In Colorado Revised Statutes, **amend** 8-88-205 as
8 follows:

9 **8-88-205. Disability support fund.** (1) There is created in the
10 state treasury the disability support fund, which consists of money that
11 may be appropriated or transferred to the fund by the general assembly;
12 and any gifts, grants, or donations received by the department for the
13 purpose of implementing this **part 2** ARTICLE 88.

14 (2) The money in the fund is subject to annual appropriation by
15 the general assembly for the direct and indirect costs associated with the
16 implementation of this **part 2** ARTICLE 88. Any money in the fund not
17 expended for the purpose of this section may be invested by the state
18 treasurer as provided by law. All interest and income derived from the
19 investment and deposit of money in the fund must be credited to the fund.
20 Any unexpended and unencumbered money remaining in the fund at the
21 end of a fiscal year must remain in the fund for use as provided in this
22 **part 2** ARTICLE 88 and must not be credited or transferred to the general
23 fund or another fund. If this section is repealed, prior to its repeal, all
24 unexpended and unencumbered money remaining in the fund must be
25 transferred to the general fund.

26 **SECTION 4. Appropriation.** For the 2025-26 state fiscal year,
27 \$658,410 is appropriated to the department of labor and employment.

1 This appropriation is from the disability support fund created in section
2 8-88-205 (1), C.R.S., and is based on an assumption that the department
3 will require an additional 1.8 FTE. To implement this act, the department
4 may use this appropriation for the Colorado disability opportunity office.

5 **SECTION 5. Act subject to petition - effective date.** This act
6 takes effect at 12:01 a.m. on the day following the expiration of the
7 ninety-day period after final adjournment of the general assembly; except
8 that, if a referendum petition is filed pursuant to section 1 (3) of article V
9 of the state constitution against this act or an item, section, or part of this
10 act within such period, then the act, item, section, or part will not take
11 effect unless approved by the people at the general election to be held in
12 November 2026 and, in such case, will take effect on the date of the
13 official declaration of the vote thereon by the governor.