



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1204: COLORADO INDIAN CHILD WELFARE ACT

Prime Sponsors:
Rep. Duran; Joseph

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Fiscal note status: The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill creates the Colorado Indian Child Welfare Act, which codifies federal protections for Indian children and adds additional state protections.

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

- State Expenditures
- Local Government

Appropriations. For FY 2025-26, the bill requires an appropriation of \$21,352 to the Department of Human Services.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures (General Fund)	\$21,352	\$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 codifies the federal Indian Child Welfare Act of 1978 (ICWA) into state statute as the Colorado Indian Child Welfare Act, which provides the minimum federal standards and protections for the removal and placement of Indian children in homes. It also provides additional protections for Indian children under state law.

For court proceedings involving Indian children, the bill outlines court procedures for determining a child's tribal membership, ensuring tribal participation in proceedings, and prioritizing placement preferences with family and tribe members. The bill requires active efforts in verifying a child's tribal status, requires providing notice to parents and tribes, and provides guidelines for emergency hearings involving Indian children. It recognizes tribal jurisdiction over cases involving Indian children, ensures court-appointed counsel for indigent families, and allows the state to enter into and revise agreements with tribes regarding child welfare cases.

The bill also requires the Judicial Department and Department of Human Services (CDHS) to report certain information on Indian children by September 15, 2027, and every odd year after.

State Expenditures

The bill increases state expenditures in the Department of Human Services by \$21,000 in FY 2025-26 only. These costs, paid from the General Fund, are summarized in Table 2 and discussed below. The bill also minimally affects workload in the Judicial Department and independent judicial agencies.

Table 2
State Expenditures
Department of Human Services

Cost Component	Budget Year FY 2025-26	Out Year FY 2026-27
Trails Update	\$21,352	\$0
Total Costs	\$21,352	\$0

Department of Human Services

The bill requires CDHS to report on the number of Indian children in foster care who fall within each of the placement preference categories and how many of those placements include Indian parents in the home. To comply with reporting requirements, CDHS requires one-time costs of \$21,352 in FY 2025-26 to update the state's child welfare data system, Trails, to develop the ability for caseworkers to input and prioritize placement decisions for ICWA children and youth in the system. This cost for this update is based on previous Trails updates, and include 136 hours of development work at \$157 per hour.

Judicial Department

The bill makes changes to current court processes for ICWA cases, including requiring translation services, allowing access to records by tribal courts, and appointing counsel for indigent families in non dependency and neglect cases. Workload will also increase for required reporting by the Department. Based on the current number of ICWA cases heard annually, and as existing ICWA processes are already in place, the additional workload is expected to be minimal and absorbable within existing resources.

Independent Judicial Agencies

Workload will minimally increase for the Office of the Respondent Parents' Counsel and Office of the Child's Representative to train and support attorneys on the new ICWA requirements. Like the Judicial Department, this impact is expected to be absorbed within existing appropriations as the bill codifies federal law and clarifies state practices.

Local Government

The bill increases workload for county department of human services to comply and train staff on updated ICWA requirements. However, as the bill primarily codifies existing federal law, the impact is expected to be manageable within current resources.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2025-26, the bill requires a General Fund appropriation of \$21,352 to the Department of Human Services.

State and Local Government Contacts

Child Welfare	Judicial
Counties	Law
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](#).