



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1146: ALLOW APPROVED FACILITY SCHOOLS PARTICIPATE IN PERA

Prime Sponsors:

Rep. Phillips; Hamrick
Sen. Kolker; Kipp

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Version: Initial Fiscal Note

Date: February 13, 2026

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

Summary Information

Overview. The bill allows facility schools to affiliate with the Public Employees' Retirement Association's Local Government Division.

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

- School District
- Statutory Public Entity

Appropriations. No appropriation is 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 allows facility schools to affiliate with the Public Employees' Retirement Association (PERA) Local Government Division.

Background

Facility schools are public schools that are administered by private or nonprofit entities to provide educational services to students with physical, behavioral, mental health, or special education needs. There are currently 35 approved facility schools, with just under 1,000 full- and part-time staff overall as of December 2025. To affiliate with PERA's Local Government Division, a governing board must pass a resolution at a public meeting and then submit an application to the PERA board.

School District

Conditional upon a facility school opting to affiliate with PERA, the school will have an increase in expenditures and workload to enroll employees, remit contributions, and ensure PERA has essential information necessary to calculate and process retirement benefits. Local Government Division employers contribute 15.8 percent of the member's salary, while members contribute 11.0 percent.

Statutory Public Entity

Given the small number of facility schools that may affiliate with PERA, the bill is not expected to have a significant impact on the Local Government Division Trust Fund. Generally, it is assumed that increased contributions from affiliated facility schools will offset future liabilities owed to retired employees. PERA staff will have a slight increase in workload to implement and administer the bill's provisions.

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

Counties
Education

Municipalities
Public Employees' Retirement Association

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](#).