



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1202: STRATEGY TO REDUCE & PREVENT HOMELESSNESS

Prime Sponsors:

Rep. Rutinel; Sirota
Sen. Amabile

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Published for: House Trans., Hous. & Local Gov.**Drafting number:** LLS 26-0504**Version:** Initial Fiscal Note**Date:** February 25, 2026**Fiscal note status:** The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill allows for the creation of regional multijurisdictional homelessness response authorities and requires the Department of Local Affairs to conduct planning related to homelessness services.

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

- Minimal State Workload
- Local Government

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 for the creation of multijurisdictional homelessness response authorities (authorities) to implement regional strategies to reduce homelessness. Authorities are governmental entities that are political subdivisions and public corporations of the state. An authority may be created through an agreement between multiple local governments and the participating local government decided how the authority will be governed. If feasible, an authority must be administered by a continuum of care organization, which are planning bodies designated by the federal Department of Housing and Urban Development.

Once created, an authority may coordinate with and enter into contracts with federal and state agencies, including DOLA and any other relevant body. Authorities may collect revenue through:

- the sale of property or services;
- incurring debt;
- accepting gifts, grants, or donations;
- issuing bonds;
- sales tax revenue levied by the participating local governments, as apportioned to them through the intergovernmental agreement and approved through ballot initiatives; and
- documentary fee revenue, as apportioned to them by the county in their jurisdiction that collects the fee (see Background and Assumptions section).

Additionally, the bill requires the Department of Local Affairs (DOLA) to present a strategy to reduce homelessness during their 2027 SMART Act presentation.

Background and Assumptions

County clerks are responsible for recording the transfers of property titles and assess a documentary fee to cover the cost of this work. The bill authorizes county clerks to distribute this current fee revenue for use in affordable housing projects once county clerk administrative costs are paid. The fiscal note assumes that the fee revenue available for distribution is minimal.

State Expenditures

Workload will increase in DOLA to produce the required SMART Act report. Given the current duties of DOLA regarding homelessness services, this work can be accomplished within existing resources. To the extent that authorities are created, workload will increase in DOLA to coordinate with the authorities. Workload will also increase in the Division of Local Government related to tracking the new authorities and receiving budget filings. DPA's Risk Management

Services oversees the state response to liability claims and lawsuits. To the extent that authorities are created, workload would increase to oversee the additional entities, which are public corporations of the state, and any required legal services and settlement costs would be paid from the state liability fund.

Local Governments

The bill conditionally increases sales and use tax revenue for local governments who, with voter approval and through a multijurisdictional homeless response authority, impose sales and use taxes to plan, coordinate, and implement regional strategies to reduce and prevent homelessness. Revenue will depend on the rate of sales and use taxes that the new authorities impose.

The bill will conditionally shift workload, expenditure, and revenue from local governments to multijurisdictional homelessness response authorities, if they are formed. The exact nature of this impact will depend on the terms of the agreements entered into by local governments that creates an authority.

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	Personnel
County Clerks	Revenue
County Treasurers	Secretary of State
Local Affairs	Treasury
Municipalities	

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](#).