



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1238: DESIGNATING EMS ESSENTIAL SERVICES

Prime Sponsors:

Rep. Johnson; Lukens

Sen. Baisley; Lindstedt

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

Summary Information

Overview. The bill designates emergency medical services, including ambulance and air ambulance services, an essential service in the state.

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

- Minimal State Expenditures
- 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 designates emergency medical services (EMS), including ambulance and air ambulance services, an essential service in the state. Specifically, the bill:

- authorizes licensed ambulance services to participate in, and receive reimbursement from, certain statewide public safety and communications systems coordinated by the Department of Personnel and Administration (DPA) and the Department of Public Safety (CDPS);
- permits the Governor to transfer funds from the Disaster Emergency Fund to the EMS Account in the Highway User Tax Fund (HUTF) to support EMS in response to a declared disaster emergency;
- allows the Department of Public Health and Environment (CDPHE) to disburse money from the EMS Account to local governments that operate ambulance services in their jurisdiction.

Lastly, the bill clarifies that off-duty EMS providers are not obligated to respond to medical emergencies.

Background and Assumptions

The Office of Public Safety Communications in CDPS operates the statewide Digital Trunked Radio System (DTRS) in partnership with local governments, which enables direct communications to more than 1,000 state, local, federal, and tribal public safety agencies and emergency responders. The system currently supports about 135,000 users across 195 state-owned sites and 72 locally-owned sites, and is comprised of both public and private ambulance agencies.

The CDPHE licenses about 210 ground ambulance agencies, of which 33 are privately-owned and operate about 350 permitted ambulances.¹ Under current DTRS criteria, government-owned ambulance agencies may participate in the DTRS system as “primary” members who hold voting rights, own communication channels, and have access to full daily operations and dispatch. Privately-owned agencies are eligible to participate as “associate” members if sponsored by a primary member, which provides access to limited coordination and mutual aid functions. Therefore, the fiscal note assumes that access to the DTRS as an associate member already complies with the bill’s provisions.

If the bill is interpreted to require access to the full DTRS system available to primary members, state expenditures in the DPS could increase by up to \$15.5 million and 5.0 FTE to expand the system’s infrastructure by 534 transmitters across 267 sites.

¹ Colorado Department of Public Health and Environment, [Emergency Medical and Trauma Services Annual Report](#), 2024.

State Transfers

Beginning in FY 2026-27, the Governor's Office may transfer funds from the Disaster Emergency to the EMS Account in the HUTF in the event of a declared disaster emergency. Since such incidents are unpredictable and subsequent transfer amounts depend of future actions and decisions by the Governor, the fiscal note cannot estimate these impacts. For context, 51 state disaster emergencies were declared between 2018 and 2022.²

State Expenditures

The bill minimally increases state expenditures in the CDPHE to update EMS standards and provider scope of practice. Given the limited scope of these changes, it is assumed this workload and any costs can be accomplished within existing resources and no change in appropriations is required.

The bill also authorizes the DPA and CDPS to reimburse licensed ambulance services for services related to certain public safety-related systems. At this time, no reimbursement is assumed and any proposal to design and begin providing such reimbursement would be requested through the annual budget process.

Local Government and Special Districts

The bill may reduce expenditures for local governments and special districts that operate ambulance and EMS services to the extent that the General Assembly appropriates funding for use by eligible jurisdictions or services are reimbursed.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

² Colorado Department of Public Safety, [The Disaster Emergency Fund Performance Audit](#), 2022.

Departmental Difference

The CDPS estimates that the bill will increase state expenditures by \$15.5 million and 5.0 FTE in FY 2026-27 and \$836,000 per year beginning in FY 2027-28 to expand state and local DTRS infrastructure. This estimate assumes that all 205 licensed ground ambulance agencies, 31 licensed air ambulance agencies, and 19,500 certified EMS providers in the state will begin using the full functionality of the DTRS system, and that the bill mandates this transition. It also accounts for the DTRS being at full channel capacity, which necessitates the infrastructure upgrade,

The fiscal note does not include these costs because the bill creates a permissive structure for licensed ambulance agencies to participate in the DTRS, a majority of government-owned entities already use the system, and the limited number of privately-owned operations not currently using the system are permitted to access associate member functions, thus complying with the bill without additional infrastructure needs. As noted in the Background and Assumptions section, if the bill intends to give privately-owned operations primary member functionality in the DTRS, costs will be incurred.

State and Local Government Contacts

Counties	Public Safety
Governor	Regulatory Agencies
Health Care Policy and Financing	Special District Association
Municipalities	Transportation
Personnel	Treasury
Public Health and Environment	

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](#).