

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

REREVISED

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

LLS NO. 26-0924.01 Anna Petrini x5497

HOUSE BILL 26-1376

HOUSE SPONSORSHIP

Brown and Sirota, Taggart,

SENATE SPONSORSHIP

Bridges and Kirkmeyer, Amabile

House Committees
Appropriations

Senate Committees
Appropriations

A BILL FOR AN ACT

101 **CONCERNING UPDATING PERMISSIBLE USES OF MONEY IN THE EXCESS**
102 **FEDERAL TITLE IV-E REIMBURSEMENTS CASH FUND.**

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/>.)

Joint Budget Committee. Current law creates the excess federal Title IV-E reimbursements cash fund (cash fund), which includes federal revenue in excess of the amount required to reimburse certain eligible foster care, prevention, and permanency services. The bill renames the fund and updates the permissible uses of the money in the cash fund to align with current federal requirements, which permit the state to apply

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 16, 2026

SENATE
2nd Reading Unamended
April 15, 2026

HOUSE
3rd Reading Unamended
April 11, 2026

HOUSE
2nd Reading Unamended
April 9, 2026

savings associated with federal funding increases to a range of child welfare services. The bill specifically authorizes the use of cash fund money for services to support a positive permanency outcome for a child or youth who might otherwise enter or reenter foster care.

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

2 **SECTION 1.** In Colorado Revised Statutes, 26-1-111, **amend**
3 (2)(d)(II)(C) as follows:

4 **26-1-111. Activities of the state department under the**
5 **supervision of the executive director - cash fund - report - rules -**
6 **statewide adoption resource registry.**

7 (2) The state department, under the supervision of the executive
8 director, shall:

9 (d) (II) (C) For ~~fiscal year 2003-04~~ and each fiscal year, thereafter
10 after the amounts described in subsections (2)(d)(II)(A) and (2)(d)(II)(B)
11 of this section are set aside, the total amount of money remaining shall be
12 transmitted to the state treasurer, who shall credit the ~~same~~ MONEY to the
13 ~~excess~~ federal Title IV-E reimbursements cash fund, which ~~fund is hereby~~
14 ~~IS~~ created IN THE STATE TREASURY and referred to in this subsection
15 (2)(d)(II)(C) as the "fund". The money in the fund is subject to annual
16 appropriation by the general assembly to the state department. ~~for~~
17 ~~allocation to counties to help defray the costs of performing~~
18 ~~administrative functions related to obtaining federal reimbursement~~
19 ~~money available under the Title IV-E program. In addition, the general~~
20 ~~assembly may annually appropriate money in the fund to the department~~
21 ~~of early childhood for allocation to the counties for the provision of child~~
22 ~~care assistance, as described in section 26.5-4-105, and to the state~~
23 ~~department for allocation to the counties for the provision of assistance,~~

1 as defined in section 26-2-703 (2); social services, as defined in section
2 26-2-103 (11); and child welfare services, as defined in section 26-5-101
3 (3). For fiscal year 2004-05, and in subsequent years if so specified by the
4 general assembly in the annual appropriations act, the counties shall
5 expend the money allocated by the department of early childhood for the
6 provision of child care assistance and by the state department for the
7 provision of assistance, social services, and child welfare services
8 pursuant to this subsection (2)(d)(II)(C) in a manner that will be applied
9 toward the state's maintenance of historic effort as specified in section
10 409 (a)(7) of the federal "Social Security Act", as amended. FOR STATE
11 FISCAL YEAR 2026- 27, AND EACH FISCAL YEAR THEREAFTER, THE MONEY
12 IN THE FUND MUST BE USED IN ACCORDANCE WITH SECTION 473 (a)(8) OF
13 THE FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. SEC. 673 (a)(8).
14 PERMISSIBLE USES OF THE MONEY IN THE FUND INCLUDE
15 POST-PERMANENCY SERVICES TO SUPPORT AND SUSTAIN POSITIVE,
16 PERMANENT OUTCOMES FOR A CHILD OR YOUTH WHO MIGHT OTHERWISE
17 ENTER OR REENTER FOSTER CARE. Any money in the fund not expended
18 for the purposes specified in this subsection (2)(d)(II)(C) may be invested
19 by the state treasurer as provided by law. The state treasurer shall credit
20 all interest and income derived from the investment and deposit of money
21 in the fund to the fund. Any unexpended and unencumbered money
22 remaining in the fund at the end of a fiscal year remains in the fund and
23 ~~is not credited or transferred or~~ DOES NOT revert to the general fund or
24 another fund.

25 **SECTION 2. Safety clause.** The general assembly finds,
26 determines, and declares that this act is necessary for the immediate
27 preservation of the public peace, health, or safety or for appropriations for

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.