



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1300: HEALTH SERVICE DISTRICT AFFORDABLE HOUSING SERVICE

Prime Sponsors:

Rep. Woodrow; Soper
Sen. Kipp

Fiscal Analyst:

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Bill Outcome: Postponed Indefinitely**Drafting Number:** LLS 26-0681**Version:** Final Fiscal Note**Date:** June 23, 2026

Fiscal note status: The final fiscal note reflects the reengrossed bill. This bill was postponed indefinitely by the Senate Local Government & Housing Committee on April 22, 2026; therefore, the impacts identified in this analysis do not take effect.

Summary Information

Overview. The bill would have allowed a health service district to provide affordable housing services without the change being considered a material modification or departure from its approved service plan, so long as a majority of the board of directors of the district approves the addition.

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

- Local Government

Appropriations. No appropriation would have been 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

Under current law, a material modification in service requires a special district to petition the local governing body that approved its formation for approval of the change. This bill allows a health service district to provide or terminate affordable housing services without the change being considered a material modification or departure from its approved service plan, so long as the majority of the board of directors of the district approves the addition or termination. The bill defines “affordable housing services” as the planning, financing, acquisition, construction, reconstruction, or rehabilitation of affordable housing or the provision of related supportive services.

Background

A health service district is a special district and political subdivision of the state governed by an elected board with the powers to tax and/or assess fees for services. Health service districts are created to fill gaps in county and municipal services related to providing health care and emergency services. Colorado currently has 29 health service districts located primarily on unincorporated county land.

Local Government

Because the bill expands the authority of health service districts services, it may increase the expenditures for districts that choose to provide affordable housing services or reduce expenditures for districts that choose to terminate the provision of affordable housing services. Districts that provide affordable housing services may also see an increase in revenue generated from the sale or rental of residential property or a reduction when such services are terminated.

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	Municipalities
Judicial	Public Health and Environment
Local Affairs	Special District 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](#).