



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1298: BACKGROUND CHECKS FOR CHILD WELFARE PLACEMENTS

Prime Sponsors:

Rep. Rydin; Keltie
Sen. Cutter

Fiscal Analyst:

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Bill Outcome: Signed into Law

Drafting Number: LLS 26-0821

Version: Final Fiscal Note

Date: July 23, 2026

Fiscal note status: The final fiscal note reflects the enacted bill.

Summary Information

Overview. This bill modifies the background check requirements and certification processes for individuals providing out-of-home care for children in the child welfare system.

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

- State Expenditures

Appropriations. For FY 2026-27, the bill requires and includes a reappropriation of \$350,000 from federal funds from the Colorado Department of Human Services to the Office of Information Technology.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$350,000	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Table 1A
State Expenditures

Fund Source	Budget Year FY 2026-27	Out Year FY 2027-28
General Fund	\$0	\$0
Cash Funds	\$0	\$0
Federal Funds	\$350,000	\$0
Centrally Appropriated	\$0	\$0
Total Expenditures	\$350,000	\$0
Total FTE	0.0 FTE	0.0 FTE

Summary of Legislation

This bill modifies the background check requirements and certification processes for individuals providing out-of-home care for children in the child welfare system. Specifically, the bill:

- clarifies that fingerprint-based criminal history record checks must be submitted to the Colorado Bureau of Investigation (CBI) for a state records check, and then to the Federal Bureau of Investigation (FBI) for a national criminal history record check;
- specifies that information released to facilities, agencies, or county department staff may only indicate whether the applicant is eligible, ineligible, or if the results were inconclusive. If a fingerprint-based criminal history record check identifies an arrest without a disposition that requires further investigation, the information may only be shared with the subject of the background check and cannot be shared with child placement agency;
- specifies that the CBI can only send the results of the FBI fingerprint-based criminal history records check to a county department or state department. Child placement entities, as private entities, are not authorized to directly receive FBI criminal history information;
- adds fingerprint-based criminal history record checks as a requirement for kinship foster care home certification, and establishes certain criminal convictions as disqualifying for kinship foster care providers;
- requires adults residing in a foster care home or kinship foster care home to obtain a fingerprint-based criminal history record check; and
- applies existing licensing and disqualifying conviction requirements for residential of day treatment child care facilities and foster care homes to kinship foster care homes.

Background

Under current law, individuals who provide out-of-home child welfare placements, including a foster care home or kinship foster care home, are required to undergo a background check through both the CBI and the FBI. However, current law does not comply with the FBI standards for background checks. The FBI granted Colorado a temporary grace period to continue conducting these checks through the FBI; that grace period expires in May 2026.

State Expenditures

This bill increases expenditures in the Colorado Department of Human Services (CDHS) by \$350,000 in FY 2026-27. These costs are paid from federal funds.

Under the bill, the CDHS will bring the background check process in-house, and work with the Office of Information Technology (OIT) on system development and ongoing application maintenance. Implementation and ongoing maintenance costs are estimated at \$350,000, with these costs paid using federal Child Abuse Prevention and Treatment Act (CAPTA) funds.

Workload will also increase within the CDHS to update policies and procedures to implement the bill's background check requirements. This workload can be accomplished within existing resources.

Effective Date

This bill was signed into law by the Governor and took effect on June 4, 2026.

State Appropriations

For FY 2026-27, the bill requires and includes a reappropriation of \$350,000 from federal funds from the CDHS to the OIT.

State and Local Government Contacts

Counties	Information Technology
Human Services	Public Safety

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](#).