

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

REVISED

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

LLS NO. 26-0984.01 Anna Petrini x5497

SENATE BILL 26-181

SENATE SPONSORSHIP

Amabile and Kirkmeyer, Bridges, Bright, Coleman, Kipp, Mullica, Pelton B., Pelton R., Rich, Simpson

HOUSE SPONSORSHIP

Brown and Taggart, Sirota

Senate Committees
Appropriations

House Committees
Appropriations

A BILL FOR AN ACT

101 **CONCERNING MODIFYING THE COLORADO WORKS PROGRAM.**

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. Where current law requires, the bill now permits counties to offer households that demonstrate good cause an extension of Colorado works program (works program) assistance beyond the 60-month lifetime maximum.

The bill suspends the works program basic cash assistance grant cost of living adjustment during the 2026-27 and 2027-28 state fiscal years.

Current law establishes minimum reserve balances for the total

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.*

HOUSE
2nd Reading Unamended
May 8, 2026

SENATE
3rd Reading Unamended
May 6, 2026

SENATE
2nd Reading Unamended
May 5, 2026

statewide county TANF reserve and the Colorado long-term works reserve (reserves). The bill removes those reserve minimums. The bill eliminates a requirement for each reserve to replenish money in the other under certain conditions and for the general assembly to effectively backfill the balances of both reserves if their balances fall below specified minimums.

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

2 **SECTION 1.** In Colorado Revised Statutes, 26-2-706.5, **amend**
3 (4) introductory portion and (4)(a) as follows:

4 **26-2-706.5. Restrictions on length of participation - rules.**

5 (4) ~~No later than July 1, 2023,~~ The state board shall promulgate
6 ADOPT rules:

7 (a) Establishing statewide standards and procedures that ~~require~~
8 PERMIT counties to offer extensions beyond the sixty-month lifetime
9 maximum for all households that demonstrate good cause, which
10 includes, but is not limited to, an applicant or participant who is

11 ~~(I) A child-only case;~~

12 ~~(II) the head of a single parent household unit and has a child~~
13 ~~under one year of age; or LESS THAN ONE YEAR OLD; AND~~

14 ~~(III) Experiencing hardship, as defined in rules promulgated by~~
15 ~~the state board; and~~

16 **SECTION 2.** In Colorado Revised Statutes, 26-2-709, **amend**
17 (1)(b)(I); **repeal** (1)(b)(III)(B), (1)(b)(III)(C), and (1)(b)(IV); and **add**
18 (1)(b)(I.5) as follows:

19 **26-2-709. Benefits - cash assistance - programs - rules -**
20 **legislative intent - repeal.**

21 (1) **Standard of need - basic cash assistance grant.**

22 (b) (I) ~~In establishing the calculation for determining the amount~~

1 of an eligible applicant's or participant's basic cash assistance grant, the
2 state department shall ensure that the amount of the basic cash assistance
3 grant that a participant or applicant receives for the state fiscal year
4 commencing July 1, 2022, is equal to or exceeds one hundred percent of
5 the amount of basic cash assistance in 2021, plus ten percent. For the state
6 fiscal year commencing July 1, 2024 JULY 1, 2028, and each state fiscal
7 year thereafter, the amount of basic cash assistance must be equal to or
8 exceed the amount of basic cash assistance for the previous state fiscal
9 year plus a two percent cost of living adjustment or a cost of living
10 adjustment that is equal to the average of the federal social security
11 administration's cost of living adjustment for that fiscal year plus the
12 previous two fiscal years, whichever is greater.

13 (I.5) (A) FOR THE STATE FISCAL YEARS COMMENCING JULY 1,
14 2026, AND JULY 1, 2027, A COST OF LIVING ADJUSTMENT IS NOT APPLIED
15 TO AN APPLICANT'S OR PARTICIPANT'S BASIC CASH ASSISTANCE GRANT.

16 (B) THIS SUBSECTION (1)(b)(I.5) IS REPEALED, EFFECTIVE JULY 31,
17 2028.

18 (III) (B) ~~If the total statewide county TANF reserve falls below~~
19 ~~fifteen percent of the county block grant amount, the general assembly~~
20 ~~shall appropriate money from the Colorado long-term works reserve to~~
21 ~~the county block grant until the balance of the total statewide county~~
22 ~~TANF reserve exceeds fifteen percent of the county block grant amount~~
23 ~~or until the Colorado long-term works reserve falls below twenty-five~~
24 ~~percent of the state block grant amount.~~

25 (C) ~~If the Colorado long-term works reserve falls below~~
26 ~~twenty-five percent of the state block grant amount and the total statewide~~
27 ~~county TANF reserve exceeds fifteen percent of the county block grant~~

1 amount, the counties shall fund the TANF program from available TANF
2 funds until the total statewide county TANF reserve falls below fifteen
3 percent of the county block grant amount. Counties are only required to
4 spend available TANF money, including county TANF reserves and the
5 maintenance of effort, for the Colorado works program.

6 (IV) Beginning January 2023, and each January thereafter, the
7 joint budget committee shall at least annually review the balance of the
8 Colorado long-term works reserve and the total statewide county TANF
9 reserve, and, if the joint budget committee determines that the balance of
10 the Colorado long-term works reserve will fall below twenty-five percent
11 of the state block grant amount and the balance of the total statewide
12 county TANF reserve will fall below fifteen percent of the county block
13 grant amount in the current or next state fiscal year, the general assembly
14 shall appropriate money from the state general fund or the unclaimed
15 property trust fund to cover any increase in basic cash assistance above
16 the amount of basic cash assistance in state fiscal year 2021-22 until the
17 balance of the Colorado long-term works reserve exceeds twenty-five
18 percent of the state block grant amount and the total statewide county
19 TANF reserve exceeds fifteen percent of the county block grant amount.

20 **SECTION 3.** In Colorado Revised Statutes, 26-2-709.5, **repeal**
21 (2) as follows:

22 **26-2-709.5. Exit interviews and follow-up interviews of**
23 **participants - reporting.**

24 (2) If the state department, in consultation with counties, identifies
25 additional need for funding to administer the works program, the state
26 department is strongly encouraged to request state general fund money or,
27 if the balance of the state TANF reserve is greater than the mandatory

1 floor, ~~appropriate additional state TANF money to fund counties'~~
2 ~~administration of the works program.~~

3 **SECTION 4.** In Colorado Revised Statutes, 26-2-714, **repeal** (11)
4 as follows:

5 **26-2-714. County block grants formula - use of money - rules.**

6 (11) ~~The works allocation committee shall:~~

7 (a) ~~Review, at least quarterly, the balance of the Colorado~~
8 ~~long-term works reserve, the balance of the total statewide county TANF~~
9 ~~reserve, and the amount of basic cash assistance grants provided to~~
10 ~~participants to monitor whether the balance of the Colorado long-term~~
11 ~~works reserve will fall below twenty-five percent of the state block grant~~
12 ~~amount and whether the balance of the total statewide county TANF~~
13 ~~reserve will fall below fifteen percent of the county block grant amount;~~

14 (b) ~~Submit a written report to the joint budget committee detailing~~
15 ~~the current Colorado long-term works reserve level, the total statewide~~
16 ~~county TANF reserve level as a whole and by county, and any projections~~
17 ~~regarding deficits in the reserves; and~~

18 (c) ~~Establish a mitigation fund for counties whose TANF reserves~~
19 ~~fall below fifteen percent of the county's block grant amount.~~

20 **SECTION 5. Safety clause.** The general assembly finds,
21 determines, and declares that this act is necessary for the immediate
22 preservation of the public peace, health, or safety or for appropriations for
23 the support and maintenance of the departments of the state and state
24 institutions.