

2026 Legislative Priority Proposal
Updated: 9/26/25

Revisions to the Legislative Fiscal Note Process	
Larimer County (Commissioner John Kefalas)	
Preferred Contact:	kefalajm@co.larimer.co.us
Co-Sponsoring Counties/Commissioners:	N/A
Who is your subject matter expert?	<p>Heather O'Hayre, Director, Larimer County Human Services. ohayrehj@co.larimer.co.us, (970) 498-6310</p> <p>Hannah Ditzenberger, Policy Analyst, Larimer County Human Services. ditzenha@co.larimer.co.us, (970) 498-6322</p>
Has this proposal been approved by your BoCC?	Yes.
Have you reviewed the CCI Instructional Memo?	Yes.
Describe the problem your proposal will solve.	<p>Counties administer human services programs in Colorado under the supervision of multiple state departments. Despite this, the Colorado General Assembly has no formal process to thoroughly understand the fiscal impact changes to human services programs will have on counties. As a result, unfunded and under-funded state mandates create a significant strain on county human services budgets. Over the last several years, counties have been forced to pause, reduce, or eliminate certain services to community members due to unfunded mandates.</p> <p>Additional Background:</p> <p>County human services agencies are experiencing significant budget challenges across programs due to increased costs of business, reduced or flat funds from the state, and increased requirements from state and federal rule or statutory changes. This current reality is prior to any future changes that might come from federal budgets or programmatic changes. If implemented, federal changes to Medicaid, SNAP, and other programs would add to county administrative and budget burden.</p> <p>Over at least the past five years, the state legislature has made significant changes to the administration of county human services programs without providing needed funds to implement these changes. For example, in 2025, the state enacted at least four human services bills (HB25-1035, HB25-1097, HB25-1200, HB25-1271) that increase county</p>

	<p>administration or case management with no appropriations listed in the fiscal note. In other recent bills (for example, HB22-1259, HB21-1094, and SB24-008), the legislature has appropriated funds to the state, but the appropriations did not consider the county costs or adequately cover implementation. In addition, in some program areas, specifically in services to older adults and adults with disabilities, funding has remained flat, despite increasing costs of operations.</p> <p>Currently, legislative council staff must provide information related to the fiscal impact and the potential administrative aspects of a proposed legislation to local government in the bill's fiscal note. However, the process for soliciting and incorporating county feedback is not robust and does not adequately consider county budgets or operations. Legislative council staff must solicit more specific budget calculations and justifications from state departments and agencies (C.R.S. 2-2-322), and this should be the practice for county human services agencies as well.</p> <p>In addition, the process of soliciting and incorporating information from counties is not standardized. The inclusion of accurate county fiscal information in a bill's fiscal note can be dependent on the specific fiscal analyst working on a bill. For example, in 2025, CCI lobbyists worked diligently with a fiscal note staffer to include certain county costs in the fiscal note for HB25-1271. The inclusion of county information was welcome but, unfortunately, unique and required building a relationship with the analyst. Including anticipated county costs should be standard practice and required by statute.</p>
Areas of Impact:	Because unfunded human services mandates increase our costs, the problem impacts our day-to-day operations, the functionality of county programs and services, and our ability to provide certain services to community members.
What is the ultimate source of this problem?	Colorado does not require legislative staff to solicit and incorporate county fiscal information in the fiscal note. As a result, the legislature does not understand how certain legislation would impact county human services operations.
What is your initial proposal to solve this problem?	<p>The bill would seek to modify C.R.S. 29-1-304.9 by adding something similar to the language below:</p> <p>"Beginning July 1, 2026, for any bill that relates to a human services program that counties are mandated to administer on behalf of the state, staff of the legislative council must request fiscal information from an association of statewide county commissioners that is representative of all counties in the state.</p>

	<p>The association shall provide information on the fiscal impact of a legislative measure in the manner requested by the staff of the legislative council for consideration by the staff in connection with the preparation of a fiscal note for the measure. The association shall substantiate the calculation of the fiscal impact of the legislative measure in its response to a request for information by providing any documentation that clearly identifies any assumptions supporting that calculation and a narrative discussion of the justification for any increase or decrease in workload. Staff of the legislative council must include the fiscal information received from county human services in the fiscal note.”</p>
Please provide sample language for this solution.	Please see above for sample language.
Are there any solutions that do not require state-level legislation? Has your county explored these alternatives?	No.
Has CCI or any other organizations sought a solution to this problem before?	<p>No. This proposal is unique in that it focuses on the problem of unfunded mandates to human services programs specifically.</p> <p>In 2023, CCI brought forward legislation (HB23-1113) that would require an analysis of the potential impact of a pending bill on a county or a city and county. This legislation was focused broadly, and it received pushback from environmental and other advocacy groups unrelated to human services.</p>
What possible organization(s) would support your proposed solution?	We have not had conversations about the proposal with interested parties. However, this bill would provide the Joint Budget Committee with a better understanding of Colorado's fiscal environment, so we expect JBC members would be supportive of this legislation. Additionally, we have heard through CCI that many other counties are supportive of a bill concept like this.
What possible organization(s) would oppose your proposed solution?	The bill could potentially increase legislative staff workload; however, this process exists today although legislative staff often don't include the county fiscal impact data they receive.
Have you spoken with any legislators about your proposed solution? If so, what was their response?	We have not had specific conversations with local legislators. However, we know that Senator Kirkmeyer is very interested in addressing human services unfunded mandates, and Senator Marchman is also interested in this topic based on an update from our peers in Boulder County.

<p>What are the financial implications of this problem to your county?</p> <p>Are there any financial implications to this solution either?</p>	<p>Because unfunded human services mandates increase our costs, the problem impacts our day-to-day operations, the functionality of county programs and services, and our ability to provide certain services to community members.</p>
<p>What are the financial implications of this problem to any other impacted parties?</p> <p>What are the financial implications of this solution to any other impacted parties? <i>Please consider any relevant Colorado State Departments.</i></p>	<p>County commissioners are responsible for county budgets. Inadequate funding and unfunded mandates related to human services programs have forced counties in Colorado to reduce, eliminate, or pause services to community members. Additionally, if implemented, Colorado Counties, Inc (CCI) as the statewide association for counties along with the Colorado Human Services Directors Association (CHSDA) would create a more formalized structure for providing fiscal impact data through this new process.</p> <p>It is our hope that county costs would be funded in future legislation; however, this bill alone does not have a fiscal impact. There may be minimal resources required from CCI and CHSDA to provide this data in the future but the outcome of having county costs clearly documented for the legislative process will provide greater benefits.</p>
<p>Staff Feedback</p>	<p><u>Risk / Difficulty:</u> Medium - The primary challenge for this bill proposal is finding bill sponsors because many legislators rely on vague fiscal notes to pass bills through the Appropriations Committees. This bill proposal will make that harder to do.</p> <p><u>Time Commitment:</u> Low - There are few entities and individuals interested in the fiscal note process at the General Assembly, which makes outreach and stakeholder efforts rather easy. Most of the time needed for this bill proposal is to receive and address feedback from three state agencies (Department of Early Childhood, Department of Health Care Policy and Financing, and Department of Human Services) and the Legislative Council Staff that write the fiscal notes for each bill.</p>