



Colorado Counties, Inc.

HB26- 1075 Strengthening Local Child Welfare Prevention Efforts

Sponsor: Representative Eliza Hamrick

SUMMARY

This bill supports counties in expanding evidence-based prevention services that keep children safely with their families and reduce the need for foster care. By aligning Colorado's funding structure with available federal reimbursement funds, the bill creates a clear incentive for counties to invest in proven programs and stretch existing child welfare resources further, without requiring new state spending.

BACKGROUND

The federal Family First Prevention Services Act (FFPSA) allows states to receive federal reimbursement for evidence-based, trauma-informed services that help families address challenges before children enter foster care. Eligible services include mental health treatment, substance use treatment, and in-home parenting supports that strengthen family stability and safety. Colorado has an approved prevention plan that authorizes reimbursement for these services when they are delivered to children and families at risk of entering care.

CURRENT FUNDING STRUCTURE

Under current law, federal reimbursement funds associated with FFPSA services are transferred to the Colorado Child Abuse Prevention Trust Fund and distributed through an annual competitive grant process. This structure does not provide a predictable or direct financial pathway for counties that choose to implement Family First-eligible services. As a result, counties must absorb the upfront costs of launching and sustaining prevention programs without certainty that federal reimbursement will support those investments.

ISSUE

Counties face ongoing child welfare budget pressures while working to improve outcomes for children and families. Although evidence-based prevention services qualify for federal reimbursement, the current funding structure separates the delivery of services from the return of reimbursement. This uncertainty makes it difficult for counties to justify upfront investments in new prevention programs and limits their ability to plan for long-term, sustainable implementation of services that can safely reduce foster care placements and strengthen families earlier.

SOLUTION

The bill aligns funding with implementation by allowing federal reimbursement funds generated through Family First-eligible services to be reinvested in local child welfare prevention efforts. This approach provides counties with a clear and reliable incentive to adopt and expand evidence-based programs while using existing resources more effectively. Participation is voluntary and gives communities greater flexibility to design prevention strategies that meet local needs.

IMPACT

By removing financial barriers and creating a straightforward pathway to leverage federal reimbursement, the bill encourages broader adoption of proven prevention services, supports families before crises escalate, and reduces the need for costly out-of-home placements. The result is a stronger, more sustainable child welfare system that directs more resources to children and families and makes better use of both state and federal dollars.