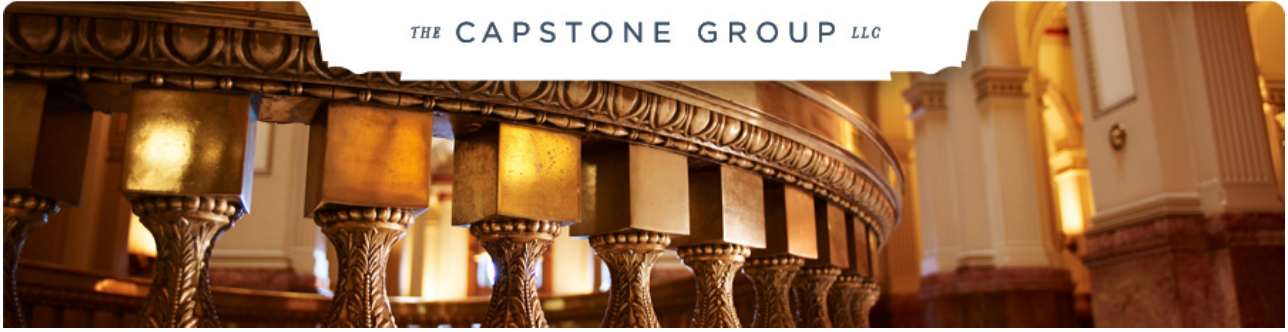

2026 Colorado General Assembly Adjourns Sine Die

2026 Colorado State Legislative Session

House of Representatives: 43 Democrats, 22 Republicans
Senate: 23 Democrats, 12 Republicans
Number of bills introduced: 632
Number of bills signed by the Governor as of May 13, 2026: 156
Number of bills vetoed as of May 13, 2026: 0
Last day for the Governor to act: Friday, June 12, 2026. Bills with a safety clause are effective immediately upon signature by the Governor. The effective date for bills enacted without a safety clause is August 12, 2026, unless otherwise specified in the legislation.

Although the second regular session of the 75th General Assembly did not follow a general election, several new lawmakers were sworn in during its opening weeks. In the Senate, those members were Lynda Zamora Wilson, William Lindstedt, and Adrienne Benavidez. In the House, Ava Flanell, Scott Slaugh, Kenny Nguyen, and Lori Goldstein were sworn in to office. Each was chosen by a local district vacancy committee to fill a resignation. Senator Cathy Kipp was selected by her colleagues to serve as Senate President Pro Tem. More than a quarter of all state lawmakers—27 of 100—now hold seats filled through vacancy committee appointments.

From the outset, lawmakers faced a major budget shortfall despite midyear cuts adopted during a special session in August 2025 and an executive order issued by Governor Polis soon afterward. What began as a projected $850 million gap grew to more than $1.5 billion after the March revenue forecast, forcing the Joint Budget Committee to rely on deep cuts and one-time accounting measures to balance the budget.

Several issues that had failed or been vetoed in prior sessions returned in 2026. One was HB 1005 Worker Protection Collective Bargaining, which would change the state's longstanding Labor Peace Act. Before the bill was introduced, the governor said he would veto it again unless supporters reached agreement with the business community. Because the bill was introduced and passed without such negotiations, many view it as a messaging bill in an election year. Supporters of HB 1272 Extreme Temperatures Worker Protections took a different approach after a similar bill failed last session and succeeded in passing a significantly narrower version. Earlier efforts to ban credit card swipe fees had also failed, but this session lawmakers passed an amended version—SB 134 Payment Card Networks' Fees—that exempts state-chartered banks and credit unions. HB 1210 Prohibit Surveillance Price & Wage Setting also passed after a bill with similar goals died in committee in 2025. The governor has 30 days after adjournment to act on passed bills, so advocacy around these measures now shifts to the first floor.

Affordability

Affordability was a central theme in opening-day speeches, though Democrats and Republicans—and often Democrats themselves—differed on how to address it.

HB 1012 Consumer Protections to Promote Fair Market Pricing sought to cap prices on food, services, and goods in captive settings such as stadiums, airports, correctional facilities, and hospitals. It also would have required food delivery apps to disclose in-store prices. The bill was postponed indefinitely in its first committee.

Lawmakers approved SB 155 Increase Access Homeowner's Insurance Enterprise, creating the Strengthen Colorado Homes Enterprise. The enterprise will assess a fee on insurers that offer comprehensive homeowners' insurance and use the revenue to help homeowners retrofit residential properties with resilient roof systems designed to reduce hail damage.

Colorado lawmakers have been working to stabilize the state's Health Insurance Affordability Enterprise since the federal government declined to extend health insurance premium tax credits in 2025. The legislature passed a one-year fix during the 2025 special session, then introduced SB 178 Health Insurance Affordability Measures late in the 2026 session after months of negotiation. The introduced bill proved controversial and was significantly amended in the Senate to revise its funding sources before moving to the House, where it cleared final passage with one day left in the session. The bill again provides a one-year allocation to reduce premiums for people in the individual market and extend the OmniSalud program, meaning stakeholders are likely to return soon to discussions about a longer-term plan for the enterprise.

The first bills introduced in both chambers focused on affordable housing. HB 1001 Housing Developments on Qualifying Properties requires local governments to allow residential development on qualifying properties owned by certain nonprofit organizations, school districts, state colleges and universities, housing authorities, and transit or transportation districts. SB 001 Workforce Housing & Housing Tax Credit allows counties to use general fund property tax revenue for housing authorities and workforce housing and to sell property for affordable housing development. The law also allows a governmental entity to transfer the middle-income housing tax credit to any taxpayer.

The Senate also passed two measures aimed at reducing administrative burden: SB 137 Measures to Reduce Administrative Burdens, a top priority for chambers of commerce, and SB 138 Reducing Administrative Burdens on Health Care.

On energy, lawmakers considered proposals affecting investor-owned utilities and nonprofit rural cooperatives, including HB 1007 Improve Customer Use Distributed Energy Resources and HB 1326 Sunset Public Utilities Commission, both framed as ways to lower costs for utility consumers. A proposal to establish new Clean Electricity Standards and accelerate statutory timelines for climate emissions targets was rumored for months but did not emerge before the session ended.

Consumer Protection & Transparency Issues

In response to the federal administration, Democratic lawmakers advanced bills across several issue areas, including HB 1084 Voter Transparency in Ballot Measures, HB 1113 Modifications to Elections, and HB 1207 Disclosure of Demographic Workforce Data.

Two competing bills on transparency for legislative caucus contributions—SB 108 Transparency of Legislative Groups' Money and SB 168 Transparency of Legislative Caucuses' Money—were both postponed indefinitely in the Senate after liberal and moderate Democrats failed to reach agreement. Effective January 2027, lawmakers will be barred from holding any other elected office under SB 059 Multiple Elected Offices Prohibited for General Assembly, which Governor Polis signed into law in early May.

If Governor Polis signs it, SB 147 Lobbyist Regulation will change the rules for private and state-agency lobbyists. It would require unpaid volunteer lobbyists and lobbyists for the Governor, Lieutenant Governor, and institutions of higher education to register and disclose client positions. The bill also bars statewide elected officials and members of the General Assembly from serving as legislative liaisons or the governor's lobbyists for two years.

The House and Senate approved HB 1424 Transportation Network Company Consumer Protection, which establishes new public safety requirements for transportation network companies. A separate TNC bill, HB 1273 Transportation Network Company Maximum Percent Fare Retention, would have barred companies such as Lyft and Uber from keeping more than 20% of a consumer fare, but it died in a Senate committee one day before adjournment.

Other consumer protection measures also faced bipartisan opposition and died in committee, including SB 041 Consumer Protections Medical Care Entities in the Senate and HB 1261 Motor Vehicle Consumer Protections in the House.

Tech Issues

Before a federal judge delayed enforcement of Colorado's artificial intelligence law in April, state lawmakers were already working on a replacement. After several unsuccessful efforts to revise SB 24-205, the AI Policy Working Group appointed by Governor Polis in 2025 spent months developing a framework that became SB 189 Automated Decision-Making Technology. The bill moved quickly through both chambers with near-unanimous support and little public controversy. The attorney general's office will begin rulemaking once the bill is signed into law.

The legislature also passed SB 051 Age Attestation on Computing Devices and HB 1263 Conversational Artificial Intelligence Service Operator Requirements.

Data centers drew significant attention before the session began, but two competing proposals—SB 102 Large-Load Data Centers and HB 1030 Data Center & Utility Modernization—were both postponed indefinitely. Lawmakers also rejected SB 090 Exempt Critical Infrastructure from Right to Repair, which would have created an exemption to the 2024 right-to-repair law.

Budget

From the start of the session, the budget was expected to dominate the legislative agenda. A projected $850 million shortfall grew to more than $1.5 billion after the March revenue forecast, despite budget adjustments made by the legislature and the governor during the special session and through an executive order issued last August.

The nonpartisan Colorado Legislative Council Staff posted a public budget simulator online, and Joint Budget Committee staff produced a "stress test" showing the state could not stay on its current path and must address the structural deficit. The JBC received an extra week to finalize the budget and introduced HB 1410 FY 26-27 Long Appropriations Bill along with 64 orbital bills to adjust statutory programs and budget lines. Governor Polis also proposed privatizing Pinnacol Assurance to generate $400 million in one-time revenue for the budget gap, but lawmakers did not unite behind the idea, and no proposal advanced this session.

The 2026-27 state budget totals $46.8 billion, up from $43.9 billion this year. General fund spending rose from $17.1 billion to $17.3 billion. The governor and lawmakers in both parties prioritized K-12 funding, increasing it to $10.2 billion statewide—about $194 million more than this year. SB 023 School Finance Act sets statewide per-pupil funding at $12,316 for fiscal year 2026-2027, a $440 increase over FY 2025-2026.

The Joint Budget Committee restored higher education cuts made through last August's executive order, including the suspension of state financial aid for students at private higher education institutions to help balance the budget. That decision first appeared in a footnote and was later added as an amendment to HB 1345 Higher Education Funding Model Allocation Changes. The funding model update followed an 18-month review process involving higher education institutions and other stakeholders and culminating in recommendations from the Colorado Commission of Higher Education.

Health care absorbed the largest share of JBC cuts needed to balance the budget, as the governor's office and legislators focused on rising costs in the Department of Health Care Policy & Financing. The committee cut and capped the Cover All Coloradans program, reduced Medicaid provider reimbursement rates by 2%, and scaled back programs that support people with developmental disabilities and their families.

Late in the session, Democratic lawmakers introduced HB 1430 Transportation Funding Adjustments to respond to Initiative 175, an industry-backed proposal that would require state revenue from transportation-related sources to be used only for road transportation. If approved, the initiative is estimated to shift up to $539 million in vehicle sales and use tax revenue from the state general fund to highway use. The Senate amended the bill to create a new enterprise focused on roadway surface priorities and, if Initiative 175 is removed from the ballot, to establish a Department of Transportation working group to evaluate and recommend funding options for state and local surface transportation maintenance, repair, capacity, and safety.

Tax Policy Changes

Legislative Democrats advanced a tax package (HB 1221, HB 1222, and HB 1223) that would have cut business tax breaks by more than $550 million annually to fund a new Family Affordability Tax Credit for families making less than $96,000 a year. Colorado's existing child tax credits were impacted by passage of H.R.1 at the federal level last summer. Though all three advanced through the House, the Senate Finance Committee postponed indefinitely HB 1221 and HB 1222, choosing to advance only HB 1223 Modifying Certain Tax Expenditures. As amended, this bill narrows the downloadable software sales and use tax exemption and creates several new credits including a retail food establishment sales tax deduction and sales tax holiday, and a pared-down Expanded Family Affordability Credit.

The majority party also led on other tax policy changes including HB 1289 Modification of Certain Tax Expenditures which makes changes to state income taxes, sales and use taxes, cigarette and tobacco sales and excise taxes, and motor fuel taxes. Among more than a dozen provisions, the bill updates Colorado's Innovative Motor Vehicle Tax Credit, doubling the credit for electric vehicles with an MSRP of less than $50,000 and boosting further the credit for vehicles with an MSRP of less than $40,000. The legislature also passed SB 116 Property Tax Modifications following significant amendments in the first committee hearing.

Several existing tax credits stand to be successfully extended with the governor's signature including HB 1004 Continuation of Child Care Contribution Tax Credit, HB 1015 Colorado Homeless Contribution Tax Credit and HB 1230 Extend Conservation Easement Tax Credit. The House and Senate also approved SB 042 Revenue Classification Taxpayer Bill of Rights, which reclassifies revenue as exempt from TABOR and is expected to decrease the amount to be refunded to taxpayers by $44.7 million in FY 25-26 and $45.3 million in FY 26-27.

The legislature met in conference committee on their final afternoon to debate HB 1206 Improved Funding to Support Development, to allow city and county housing authorities the ability to impose a sales and use tax to support affordable housing. The Senate rejected the conference committee report and adhered to their position on the final night of the session and the House sponsor declined to recede and asked for the bill to be laid over, killing it for this year.
The legislature amended lodging tax provisions out of SB 116 Property Tax Modifications which subsequently passed and killed HB 1036 Local Taxes on Vacant Residential Property and HB 1119 Authority for Different Mill Levy Rates.

Public Safety
Public safety was another focus for the governor and legislators from the start of the legislative session. The legislature approved SB 004 Expand List of Petitioners for Protection Orders and SB 149 Pathways for Individuals with Mental Health Disorder, a more than 200-page rewrite of the state's competency system.

SB 070 Ban Government Access Historical Location Information Database was introduced in response to concerns about use of Flock cameras and surveillance data but was abandoned by the sponsor in the first chamber based on strong opposition by law enforcement.

The House and Senate both approved HB 1138 Retail Theft Prevention Program and HB 1276 Protect Safety of Individuals Who Are Immigrants.

What's Next

Bipartisan legislative leadership voted to cut funding for most interim committees this year, due to fiscal restraints and busy schedules in this election year. The standing Joint Budget Committee and Capital Development Committee will meet quarterly but will not travel to visit state projects this interim. The JBC is scheduled to meet next on June 18, 2026, to get an updated revenue forecast from legislative and executive economists.

Three newly created legislative study groups will meet during the interim, and all must submit reports before the 2027 session begins. In response to rising Medicaid costs and the structural deficit facing state budget writers, the Joint Budget Committee created a 10-member Medicaid Commission to develop recommendations on Medicaid spending, utilization, and administration. SB 187 Establishing Commission on Medicaid requires the group to hire a facilitator and submit a report to the General Assembly by December 11, 2026. The legislature also approved HB 1317 Unified Postsecondary Talent Development System, which creates a committee to align oversight of higher education and workforce development programs. The committee must submit a plan to the legislature by November 1, 2026, including recommendations on the structure and possible renaming of the Department of Higher Education, as well as whether various offices, agencies, programs, and functions should be moved to the department or other state agencies. Finally, SB 170 Task Force to Expand Effective Public Schools will study opportunity gaps in public schools and submit recommendations for consideration in a future legislative session.

2026 is a major election year in Colorado, with all four statewide offices on the November ballot: Governor, Attorney General, Secretary of State, and Treasurer. All 65 House seats and 18 of the 35 Senate seats are also up for election. Colorado's primary election is June 30, 2026, and the general election is November 3, 2026.

In addition to the candidates for various offices that will appear on the ballot, the legislature referred a measure to the ballot SB 135 State Public K-12 Education Funding that, if approved, allows the state to retain revenue collected above the Referendum Cap, up to a newly established limit. Revenue retained under the measure must first be used to fund reimbursements for the homestead property tax exemption, and K-12 education. Any additional revenue remaining after required spending may be spent or saved as determined by the General Assembly. The bill passed despite vigorous opposition by Republicans.

Citizen initiatives may also appear on the November 2026 ballot. Measures had to be filed and approved by the Title Board in April, and proponents now have until August 3, 2026, to submit an adequate number of valid signatures from registered voters. Constitutional amendments additionally require signatures from at least 2% of voters in each of Colorado's 35 Senate districts. Statutory amendments require a majority vote to pass; constitutional amendments require 55% in support to pass.

Monday, January 11, 2027, is the starting date for the first regular session of the 76th General Assembly, legislators will convene to certify election results and swear in new legislators the day before the inauguration of Colorado's new Governor on Tuesday, January 12, 2027.
