

# 2026

## Legislative & Budget Impacts



At the Colorado Children's Campaign, we believe every child deserves a seat at the table when public policy decisions are made that impact their lives. Since kids cannot vote or run for office, we serve as their voice and their champion. In 2026, that role mattered more than ever.

Faced with significant budget constraints and federal uncertainty, Colorado stood at a crossroad: scale back support for children and families or lead with bold, homegrown solutions. By protecting what works, modernizing outdated systems, and investing in proven solutions, Colorado made meaningful progress toward a more equitable future for kids.

Across health, economic security, early childhood, and K-12 education, we secured critical wins to improve the lives of children today while strengthening the state for years to come. During the 2026 legislative session:

*When we invest in kids, we invest in the future of Colorado.*

- **Health:** We sustained programs that help kids access and afford health coverage and care.
- **Economic Security:** We strengthened the safety net and supported tax credits so more families can get ahead.
- **Early Childhood:** We secured long-term funding for child care and made systems work better for families and providers.
- **K-12 Education:** We advanced fair funding, protected student rights, and expanded support for student well-being.

### HEALTH

#### *Every Child Covered, No Exceptions*

Colorado took decisive action to preserve and expand access to affordable, high-quality health care for children and families.

**Stabilized private coverage and lowered costs (SB26-178):** Lawmakers sustained key health affordability programs that are part of the Health Insurance Affordability Enterprise, including reinsurance and OmniSalud. This will help keep insurance premiums stable, reduce uncompensated care, protect Colorado's insurance market, and ensure families who do not qualify for public coverage have access to affordable plans. This fix is a one-time solution, and additional work is needed to create sustainable, long-term funding for these programs that families and providers can rely upon.

**Expanded vaccine access and public health protections (SB26-032):** New legislation clarified vaccine guidance and strengthened access, ensuring children receive timely immunizations to reduce outbreaks of preventable disease. This proactive approach protects individual and community health while avoiding long-term system costs.

**Protected coverage for undocumented children and families (Budget Defense):** Even with difficult budget decisions requiring targeted reductions, Colorado preserved the core of Cover All Coloradans, which will maintain coverage for more than 20,000 undocumented children and pregnant adults. By prioritizing the program's stability, the state prevented widespread coverage losses and ensured thousands of children can access essential care to support their long-term health and success.

### ECONOMIC SECURITY

#### *A Stronger Safety Net That Helps Families Get Ahead*

Colorado made critical strides to strengthen the financial stability of families and reduce child poverty through system reform and targeted investments.

**Modernized the public benefits system (HB26-1429):** Landmark legislation established a more accountable, transparent, and efficient safety net by aligning state and county responsibilities, investing in data-driven improvements, and launching a long-term redesign of service delivery. This lays the groundwork for a more coordinated, cost-effective system that better serves families through programs like Temporary Assistance for Needy Families (TANF), the Colorado Child Care Assistance Program (CCCAP), Supplemental Nutrition Assistance Program (SNAP), Medicaid, and Child Health Plan *Plus* (CHP+).

**Protecting Family Tax Credits (Missed Opportunity) (HB26-1221 and HB26-1222):** The legislature declined to advance a comprehensive package of tax reforms that would have closed select loopholes and allowed Colorado to continue investing in families' economic stability. This leaves families without access to the Family Affordability Tax Credit (FATC), a policy shown to reduce child poverty by 20%. While HB26-1223 did pass and will provide some assistance to families who would have qualified for the FATC, the support is far more limited.

**Stabilized and improved transparency for TANF (Budget Defense):** A temporary pause to cash assistance adjustments in the Temporary Assistance for Needy Families (TANF) program will stabilize the program in the short term, while increasing spending transparency will ensure more resources are prioritized for direct supports that help families exit deep poverty and achieve economic mobility.

## EARLY CHILDHOOD

*Real Investments, Real Access to Child Care*

**Recognizing that early childhood is foundational to lifelong success, Colorado advanced policies to expand access, reduce costs, and improve system coordination.**

**Secured long-term private investment (HB26-1004):** The Child Care Contribution Tax Credit (CCTC) was extended for 10 years, preserving a critical funding stream that generates upwards of \$80 million annually for providers. This proven tool supports facility expansion, workforce recruitment, tuition subsidies, and quality improvements across the state.

**Streamlined early childhood governance (SB26-019):** Legislation consolidated Local Coordinating Organizations (LCOs) and Early Childhood Councils (ECCs), reducing duplication and administrative burden and bolstering local control. These changes redirect resources toward direct services and will improve access and efficiency statewide.

**Reduced regulatory barriers for providers (SB26-020):** This bill established a task force dedicated to reducing unnecessary red tape on child care licensing, making it easier for businesses to open and sustain operations and expanding care options for families.

**Invest in Child Care Affordability (Missed Opportunity) (SB26-180):** Rather than establishing a sustainable funding stream for child care, the legislature chose not to advance this bill, which would have leveraged investment returns from state enterprises to create Colorado's first-ever independent state fund for child care for low-income families. Compounding this failure, the legislature also delayed key policies within the Colorado Child Care Assistance Program (CCCAP) that would have helped families better afford care, leaving low-income families without the support they need.

## K-12 EDUCATION

*Fair Funding & Stronger Support for Every Student*

**Colorado advanced meaningful changes to ensure every student—regardless of background—has access to a high-quality, equitable education.**

**Implemented a more equitable school finance system (SB26-023):** Lawmakers continued advancing the state's new school finance formula, directing resources to students with the greatest needs, including English language learners, students with disabilities, and students living in poverty or in rural communities.

**Strengthened disability rights in schools (SB26-125):** A new law codified federal protections into state statute, established a clearer state-level complaint process for families, and re-upped annual training for school personnel. These changes will improve accountability and support schools in providing safe, inclusive learning environments for students with disabilities.

**Created a sustainable youth mental health funding stream (HB26-1418):** Colorado established an innovative approach to reinvest a portion of revenue generated by online gaming into youth mental health services. This funding will support prevention, crisis response, peer support, and mental health programs, expanding access to care without increasing pressure on the state budget.

**Launched a statewide effort to scale what works in education (SB26-170):** For the first time, state law defines "Opportunity Gap," creating a shared understanding of the disparities students face and grounding future policy solutions in that definition. The bill pairs that clarity with action by launching a task force to identify high-performing schools and practices—especially those serving historically underserved students—and develop strategies to replicate their success statewide.

**Protected food security for students (Budget Defense):** The state maintained strong investments in Healthy School Meals for All while also making up for lost federal investments in administering SNAP, ensuring children have consistent access to nutritious food both at school and at home.

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