



2026 END OF SESSION REPORT



EXECUTIVE SUMMARY

Colorado lawmakers entered the 2026 legislative session facing one of the most challenging fiscal environments in recent years, driven by slowing revenue growth, rising Medicaid and education costs, federal funding uncertainty, and ongoing TABOR constraints. Those budget pressures shaped nearly every major policy discussion at the Capitol, forcing lawmakers to balance affordability concerns, housing demands, infrastructure needs, public safety priorities, and pressure to preserve core government services while limiting new spending commitments.

For the **Metro Mayors Caucus (MMC)**, the **2026 session reinforced the growing importance of coordinated regional advocacy** on issues directly impacting local governments in the Denver Metro Region. Housing and land use policy remained a dominant focus throughout the session, alongside transportation funding, public safety, workforce development, and local government authority. State legislators advanced statewide approaches to housing affordability, while disregarding home rule authority and the impacts these decisions have on local governments and the communities they serve.

Public safety and operational concerns also remained front and center, particularly around legislation involving license plate reader technology, artificial intelligence, and law enforcement tools. MMC, the Colorado Municipal League, and local governments continued to emphasize the importance of maintaining effective tools for public safety, traffic enforcement, and emergency response while also balancing evolving privacy and consumer protection concerns.

Budget constraints significantly impacted conversations around transportation, housing, infrastructure investment, and local government funding. While lawmakers largely avoided major cuts to core programs, the difficult fiscal environment limited opportunities for new investments and increased competition among statewide and local priorities. **For MMC, the most important takeaway is that Colorado's fiscal constraints are no longer theoretical. Cities and counties are increasingly being asked to do more with less while navigating growing responsibilities tied to housing, infrastructure, public safety, and social services.** That dynamic will likely continue shaping state-local tensions heading into the 2027 legislative session.



ENGAGEMENT AT A GLANCE

METRO MAYORS CAUCUS
TOOK POSITIONS ON 6 BILLS

TIER I PRIORITY: MMC REGISTERED POSITIONS

HB26-1001 – HOME Act (Signed)

Metro Mayors Caucus was opposed to this bill and sent a formal opposition letter.

SB26-070 – Ban Government Access to Historical Location Information (P.I.)

Metro Mayors Caucus was opposed to this bill and sent a formal opposition letter.

SB26-024 – State & Local Unmanned Aircraft Regulation (P.I.)

Metro Mayors Caucus was opposed to this bill and submitted a letter expressing concerns.

HB26-1065 – Transit and Housing Investment Zones (Signed)

Metro Mayors Caucus supported this bill and submitted a support letter.

HB26-1114 – Allowed Minimum Lot Size for Subject Jurisdictions (P.I.)

Metro Mayors Caucus opposed this bill and submitted a formal opposition letter.

SB26-150 – Modernizing Regional Transportation District (Signed)

Metro Mayors Caucus closely monitored this bill as we could not come to a consensus opinion.

TIER II PRIORITY: MMC DID NOT MEET VOTE THRESHOLD TO TAKE A POSITION

HB26-1037 – Ban Government Purchase of Personal Data from Third Party (P.I.)

Recommended oppose.

SB26-001 – Workforce Housing & Housing Tax Credit (Signed)

Recommended support.

HB26-1140 – Local Government Impact Hearings (P.I.)

Recommended support.

SB26-098 – State & Local Noise Abatement Authority (P.I.)

Recommended support.

SB26-119 – Authorize Local Electronic Ballot Return (P.I.)

Recommended support.

HB26-1102 – Funding for Colorado DRIVES Account (Passed)

Recommended oppose.

SB26-129 – Mitigate Impacts of Tax Increment Financing (P.I.)

Recommended oppose.

HB26-1334 – Modify Standards of Wildfire Resiliency Code Board (P.I.)

Recommended support.

HB26-1308 – Lot Splitting Approval by Subject Jurisdictions (P.I.)

Recommend oppose.

HB26-1360 – Affordable Housing Financing Fund (Passed)

Recommended oppose.

Tier I Bills

These represent bills that Metro Mayors Caucus formally took positions on. The colors on the left reflect the position taken for each bill: Red-Oppose, Green-Support, Yellow-Monitor.

HB26-1001

HOME Act

Reps. Andrew Boesenecker, Javier Mabrey, Sens. Tony Exum, Julie Gonzalez

MMC opposed HB26-1001 and submitted a formal opposition letter, citing concerns about state preemption of local land use authority and the bill's impact on local planning, infrastructure capacity, and neighborhood compatibility. The bill requires local governments to allow residential development on certain qualifying properties owned by nonprofits, transit agencies, school districts, housing authorities, and similar entities through an administrative approval process. It limits a jurisdiction's ability to regulate density, setbacks, parking, landscaping, and other zoning standards. MMC viewed the proposal as significantly reducing local control over development decisions and limiting municipalities' ability to tailor housing policies to community-specific needs.

Outcome: The bill was ultimately signed into law. MMC issued a statement of opposition again upon the bill's signing.

SB26-070

Ban Government Access to Historical Location Information Database

Reps. Yara Zokaie, Kenny Nguyen, Sens. Judy Amabile, Lynda Zamora Wilson

MMC opposed SB26-070 and sent a formal opposition letter due to concerns about impacts on public safety operations and local law enforcement investigations. The bill would have prohibited government entities from accessing databases containing historical location information for individuals or vehicles, with limited exceptions. MMC and local governments raised concerns that the restrictions could limit investigative tools used in criminal investigations, emergency response, and regional public safety coordination.

Outcome: The bill was postponed indefinitely.

SB26-024

State & Local Unmanned Aircraft Regulation

Rep. Matt Soper, Sens. Larry Liston, Dafna Michaelson Jenet

MMC opposed SB26-024 and submitted a letter expressing concerns about limitations on local government authority to regulate drones within their jurisdictions. The bill would have broadly preempted local regulation of drone ownership, operation, licensing, and registration, while reserving only narrow authority for municipalities over drones operating from local government property. MMC opposed the measure because it would restrict local governments' ability to address community safety, nuisance, and operational concerns tied to drone usage.

Outcome: The bill was postponed indefinitely.

HB26-1065

Transit and Housing Investment Zones

Reps. Julie McCluskie, Steven Woodrow, Sens. Dylan Roberts, Tony Exum

MMC supported HB26-1065 and submitted a support letter highlighting the bill's potential to advance transit-oriented development and regional housing goals. The bill creates a process allowing local governments and transit agencies to establish transit investment zones and utilize state sales tax increment financing to support transit infrastructure and housing development. MMC supported the measure because it provides metro-area communities with additional financing tools to support housing production, transit connectivity, and economic development near major transit corridors.

Outcome: This bill was signed into law.

HB26-1114

Allowed Minimum Lot Size for Subject Jurisdictions

Reps. Rebekah Stewart, Steven Woodrow, Sens. Matt Ball

MMC opposed HB26-1114 and submitted a formal opposition letter based on concerns regarding state interference in local zoning and land use decisions. The bill would have prohibited subject jurisdictions from requiring minimum lot sizes larger than 2,000 square feet for single-family residential lots and limited local setback and open space requirements. MMC viewed the proposal as another significant preemption of municipal planning authority and raised concerns about impacts on infrastructure, neighborhood planning, and community character.

Outcome: This bill was postponed indefinitely.

SB26-150

Modernizing Regional Transportation District

Reps. Meg Froelich, Jamie Jackson, Sens. Matt Ball, Iman Jodeh

MMC closely monitored SB26-150 because while we could not come to a consensus opinion, it would have a disproportionate impact on the Denver Metro area. The bill restructures the RTD board, adds gubernatorial appointees with subject-matter expertise, increases accountability measures, and requires an independent review of disability services. The bill carries significant implications for transit governance, regional coordination, and service delivery across the Denver metro region.

Outcome: This bill was signed into law.

Tier II Bills

These represent bills that Metro Mayors Caucus did not meet the voting threshold to take an official position on. The colors on the left reflect the *recommended* position for each bill: Red-Oppose, Green-Support, Yellow-Monitor.

HB26-1037

Ban Government Purchase of Personal Data from Third Party *Reps. Jennifer Bacon, Ken DeGraaf, Sen. Lisa Cutter*

Staff recommended MMC oppose HB26-1037 due to concerns about restrictions on data-sharing and law enforcement access to investigative tools. The bill would have prohibited government entities from purchasing or sharing certain personal data obtained from third parties. MMC and local governments were concerned the proposal could create operational challenges for public safety agencies and limit investigative coordination between jurisdictions.

Outcome: The bill was postponed indefinitely.

SB26-001

Workforce Housing & Housing Tax Credit *Reps. Andrew Boesenecker, Chris Richardson, Sens. Dylan Roberts, Jeff Bridges*

Staff recommended MMC support SB26-001 because it expanded tools available to local governments to address workforce and affordable housing shortages. The bill authorizes local governments to use public property and financing tools for affordable housing development, expands housing authority flexibility, and broadens eligibility for middle-income housing tax credits. MMC supported the bill as a practical approach to increasing housing supply and supporting regional affordability goals.

Outcome: The bill was signed into law.

HB26-1140

Local Government Impact Hearings *Rep. Ty Winter, Sen. Rod Pelton*

Staff recommended MMC support HB26-1140 and actively promoted the concept as a way to ensure local governments have a stronger voice in certain legislative debates that disproportionately impact local governments. The bill would have created formal local government impact hearings for selected legislation during the session, giving municipalities and counties dedicated time to testify on bills affecting local operations and authority.

Outcome: The bill was postponed indefinitely.

SB26-098

State & Local Noise Abatement Authority

Reps. Max Brooks, Mandy Lindsay, Sens. Larry Liston, Matt Ball

Staff recommended MMC support SB26-098 because it clarified and expanded local authority and exemptions related to noise regulations. The bill added exemptions for events and activities authorized by local governments or nonprofit organizations. MMC supported the proposal because it provided municipalities greater flexibility to manage community events, festivals, and public activities without triggering state nuisance restrictions.

Outcome: The bill was postponed indefinitely.

SB26-119

Authorize Local Electronic Ballot Return

Reps. Michael Carter, Meghan Lukens, Sen. Kyle Mullica

Staff recommended MMC support SB26-119 as a modernization measure for municipal and special district elections. The bill would have allowed municipalities and special districts to authorize secure electronic ballot return systems for local elections. MMC viewed the proposal as a way to improve voter accessibility and modernize local election administration while maintaining security protections.

Outcome: The bill was postponed indefinitely.

HB26-1102

Funding for Colorado DRIVES Account

Rep. Mandy Lindsay, Sen. Marc Snyder

Staff recommended MMC oppose HB26-1102 due to concerns about redirecting transportation-related revenues away from existing local transportation funding streams. The bill increased funding for the Colorado DRIVES system by redirecting certain vehicle-related fees and authorizing new fees. Local governments were concerned about the broader impacts on highway users tax fund distributions and transportation funding priorities. *Note: Changes were made to this bill at Aurora's request, that may have moved MMC to a neutral position if we had registered a position.*

Outcome: This bill passed the legislature and awaits the Governor's signature.

SB26-129

Mitigate Impacts of Tax Increment Financing

Rep. Andrew Boesenecker, Sen. Janice Marchman

Staff recommended MMC oppose SB26-129 after concerns were raised by local governments and urban renewal stakeholders regarding additional procedural requirements tied to tax increment financing projects. The bill would have imposed additional certification and reporting requirements on taxing entities participating in urban renewal and redevelopment projects. MMC and local governments were concerned the proposal could complicate redevelopment financing and slow economic development projects.

Outcome: The bill was postponed indefinitely.

HB26-1334

Modify Standards of Wildfire Resiliency Code Board

Reps. Ava Flanell, Amy Paschal

Staff recommended MMC support [HB26-1334](#) because it provided additional implementation flexibility for local governments adopting wildfire resiliency standards. The bill extended implementation deadlines and created a process for stakeholders to request modifications to wildfire resiliency standards. MMC could have supported the measure because it gave municipalities more time and flexibility to comply with statewide requirements.

Outcome: The bill was postponed indefinitely.

HB26-1308

Lot Splitting Approval by Subject Jurisdictions

Reps. Andrew Boesenecker, Steven Woodrow, Sens. Judy Amabile, Matt Ball

Staff recommended opposition to [HB26-1308](#) because it would further limit local zoning authority and could significantly impact established neighborhoods in metro-area communities. The bill would have required local governments to administratively approve qualifying residential lot splits meeting specified criteria. MMC raised concerns that the bill could increase redevelopment pressure, density, and infrastructure strain in already built-out communities.

Outcome: The bill was postponed indefinitely.

HB26-1360

Affordable Housing Financing Fund

Reps. Kyle Brown, Rick Taggart, Sens. Jeff Bridges, Barbara Kirkmeyer

Staff recommended MMC oppose [HB26-1360](#) due to concerns with potential downstream impacts on local housing programs and funding flexibility. HB26-1360 temporarily redirects \$130 million from Prop 123-related housing funds into the state General Fund to help address Colorado's budget shortfall for FY 2025-26, while also adjusting how the remaining housing dollars are prioritized and distributed for one fiscal year. The bill specifically references the Affordable Housing Financing Fund programs that were created under the Prop 123 framework and acknowledges that lower-than-expected TABOR revenue projections are driving the need for the transfer. While the bill does not repeal or fundamentally change Prop 123, it does repurpose a significant amount of Prop 123 housing money to balance the state budget during a difficult fiscal year.

Outcome: This bill passed the legislature and awaits the Governor's signature.

Tier III Bills

These represent bills that Metro Mayors Caucus monitored, indicated by yellow on the left.

HB26-1134

Fairness & Transparency in Municipal Court

Reps. Javier Mabrey, Elizabeth Velasco, Sens. Judy Amabile, Mike Weissman

MMC monitored HB26-1134 because it directly impacts municipal court operations and procedures. The bill expands requirements related to legal counsel, public access, virtual proceedings, and indigent defense standards in municipal courts. Municipalities raised operational and fiscal concerns regarding implementation requirements and potential impacts on local court administration.

Outcome: The bill was signed into law.

SB26-112

Court Actions Related to Failure to Appear in Court

Rep. Matt Soper, Sen. Lynda Zamora Wilson

MMC monitored SB26-112 because it affects municipal court procedures and standards related to defendants failing to appear in court. The bill modifies bond requirements, clarifies court procedures, and limits when courts may consider certain absences to be failures to appear. Municipal courts and local governments monitored the bill closely due to operational implications for court administration and enforcement.

Outcome: This bill failed.

SB26-071

Use of Surveillance Technology by Law Enforcement

Sen. Lynda Zamora Wilson

MMC monitored SB26-071 due to concerns about restrictions and compliance requirements tied to law enforcement surveillance technologies, including license plate readers and traffic cameras. The bill creates extensive requirements governing surveillance technology usage, retention, sharing, and destruction of data. Local governments and public safety agencies raised concerns about administrative burdens, operational limitations, and impacts on regional law enforcement coordination.

Outcome: The bill was postponed indefinitely.

HB26-1399

Eliminate General Fund Transfer to Multimodal Transportation Fund

Reps. Kyle Brown, Rick Taggart, Sens. Judy Amabile, Barbara Kirkmeyer

MMC monitored HB26-1399 because of its potential impact on statewide and regional transportation funding priorities. The bill would eliminate the General Fund transfer to the Multimodal Transportation Fund, which supports transit, pedestrian, bicycle, and other multimodal transportation projects across Colorado. For metro-area local governments, the proposal raised concerns about long-term funding stability for multimodal infrastructure investments, regional mobility initiatives, transit connectivity, and projects intended to reduce congestion and improve transportation options. Given the Denver metro region's continued growth and emphasis on multimodal transportation planning, MMC closely monitored the bill for its potential downstream effects on local and regional transportation funding availability.

Outcome: This bill passed the assembly and is awaiting the Governor's signature.



BUDGET AND FISCAL POLICY

As mentioned, Colorado's budget was the centerpiece of the 2026 legislative session. Facing a projected \$1.2-\$1.5 billion budget shortfall for FY 2026-27, driven by rising Medicaid costs, slowing revenue growth, the expiration of pandemic-era funding, and ongoing TABOR constraints, Colorado lawmakers spent the session navigating difficult fiscal tradeoffs while working to avoid major cuts to essential services. The final \$46.8 billion state budget largely preserved funding for K-12 education and key healthcare programs, but only after extensive negotiations, delayed spending decisions, fund transfers, and targeted reductions across a range of state agencies and programs.

Four major themes that stood out in Colorado's 2026 budget process:

Colorado faced a massive budget shortfall – roughly \$1.2 to \$1.5 billion

The entire session was dominated by lawmakers trying to close a major budget gap while still funding core state services. Legislators repeatedly described this as one of the toughest budget years in recent memory. The shortfall was driven by slowing revenue growth, rising Medicaid costs, TABOR spending limits, and uncertainty around federal funding.

Medicaid spending became the biggest budget pressure point

Medicaid costs were the single largest driver of the state's financial problems. Multiple reports noted that Medicaid spending has grown dramatically faster than the state's allowable spending growth under TABOR, forcing lawmakers to make cuts elsewhere. The Joint Budget Committee ultimately reduced provider reimbursement rates, capped certain expansion programs, and scaled back healthcare spending growth while trying to avoid removing people from coverage.

TABOR continued to shape nearly every budget decision

A major storyline throughout the session was the tension between Colorado collecting significant revenue while still being constrained by TABOR's constitutional spending cap. Lawmakers and outside groups repeatedly highlighted the "Colorado paradox" – the state simultaneously discussing cuts to services while also facing TABOR refund obligations. Democrats argued TABOR is increasingly incompatible with the real-world growth in healthcare, education, and infrastructure costs.

Lawmakers once again prioritized protecting K-12 education and Universal Preschool

As was the case in 2025, legislative leaders consistently emphasized that they protected core education funding, including K-12 schools and universal preschool. The final budget increased General Fund support for schools and relied on reserve reductions and cuts in other areas to avoid major reductions to education programs. Protecting these programs became one of the bipartisan priorities of the budget negotiations.

OTHER LEGISLATIVE HIGHLIGHTS



Consumer protection and **corporate accountability** remained major legislative themes throughout the session. Lawmakers continued advancing proposals focused on **pricing transparency, algorithmic pricing practices, workplace standards, arbitration reform, employer reporting requirements, and broader oversight of large employers and consumer-facing businesses.** Although many of the session's most ambitious proposals ultimately failed or may be vetoed, the volume and scope of legislation introduced demonstrates growing political momentum toward increased regulation of pricing, data usage, workforce practices, and transportation-related services.

Artificial intelligence and **automated decision-making regulation** continued to be a focus following passage of Colorado's landmark AI legislation in 2024, SB24-205. Legislation also moved forward on age verification and proposals were debated to protect minors from the negative impacts of social media.

Economic competitiveness and Colorado's broader regulatory climate remained recurring themes throughout the session. Employers and industry groups raised concerns regarding rising labor costs, workforce shortages, environmental mandates, transportation funding uncertainty, and the cumulative impact of overlapping state and local regulations. In response, lawmakers also advanced several proposals aimed at reducing administrative burdens, modernizing state systems, and improving government efficiency, signaling growing bipartisan recognition that Colorado's regulatory environment is becoming increasingly complex for employers and operators doing business in the state.

Lastly, **healthcare** was one of the biggest and most difficult issues of Colorado's 2026 legislative session, largely because rising Medicaid costs were a major driver of the state's roughly \$1.5 billion budget shortfall. Lawmakers spent much of the session trying to balance protecting healthcare access while slowing the growth of state healthcare spending. At the same time, the legislature continued efforts to improve **healthcare affordability** through measures tied to the Colorado Option, premium assistance programs, behavioral health access, and workforce shortages in healthcare delivery.

Education policy during Colorado's 2026 legislative session focused heavily on workforce development, affordability, and expanding student access to postsecondary opportunities, all while lawmakers navigated major state budget pressures. One notable bill was HB26-1078, which expanded concurrent enrollment opportunities by allowing more off-campus college courses to qualify for high school concurrent enrollment programs, giving students greater access to low- and no-cost college credits and career training opportunities outside traditional classroom settings.



WHAT COLORADO'S LEADERS ARE SAYING

"This, and every session, is about delivering real results for Coloradans on the challenges and issues we care about most. We took action to save people money by building more housing, invest in our classrooms to help students thrive, make our communities safer, and embrace money-saving clean energy that protects our environment, all while safeguarding the personal freedoms we cherish... I As I close my final legislative session as Governor, I am proud of our historic progress, grateful for the leadership of our legislative partners, and energetic about Colorado's bright future," said **Governor Jared Polis**.

"In an ambitious session, Democrats focused on affordability and tackled must-fix issues amidst federal attacks and a billion dollar deficit," said **House Speaker Julie McCluskie, D-Dillon**. "We worked hard to create jobs, lower the costs of housing, child care, healthcare and utilities, and protect our public lands, air and water. Lawmakers navigated a difficult budget to increase funding for K-12 education and prevent devastating cuts to core healthcare coverage. In many ways, the world around us shaped, and at times, hung over our work. With this backdrop behind us, lawmakers set their eyes on big ideas and complex problems to solve, including finding consensus across party lines to reform our competency laws and improve public safety."

"Despite a challenging national environment and a billion dollar budget deficit, Democrats once again worked hard to lower costs, protect funding for K-12 schools, and bolster an economy that rewards hard work," said **Senate President James Coleman, D-Denver**. "I'm proud of all that we accomplished to keep our state on a path to a resilient future and ensure that no matter your income or zip code, you have the opportunity to earn a good life in Colorado. Regardless of the chaos in Washington, here at home we're committed to doing work that meets the moment and that has a real impact on the people of Colorado."

In end-of-session messaging, **House Republicans** emphasized affordability, public safety, and government accountability as their top priorities during the 2026 session, while criticizing Democratic policies they argued increased costs for Colorado families and businesses.

Senate Republicans framed the 2026 session around concerns over affordability, rising energy and housing costs, government regulation, and the state's long-term fiscal outlook, arguing that lawmakers should focus more heavily on economic competitiveness and cost-of-living pressures.



LOOKING AHEAD

Local governments remained at the center of many of the 2026 session's largest policy debates, particularly around housing, land use, transportation, and public safety. Many proposals carried significant operational and fiscal implications for municipalities, reinforcing the growing role local governments play in implementing and responding to statewide policy decisions.

Looking ahead to the 2027 legislative session, the interim period presents an important opportunity for the Metro Mayors Caucus to proactively engage lawmakers, state agencies, and regional partners before major legislation is introduced. Housing and land-use policy will likely remain a top priority, particularly surrounding lot splitting, zoning flexibility, infrastructure capacity, and implementation of recent statewide housing reforms. MMC should consider convening mayors and legislators to provide education around the real-world impacts of these proposals and identify opportunities to support housing growth while preserving local flexibility.

Public safety and technology policy will also remain key issues following debate surrounding license plate reader technology and restrictions on law enforcement's use of it. **MMC may benefit from continued engagement with law enforcement leaders, district attorneys, privacy advocates, and lawmakers** to educate policymakers and stakeholders on how these tools support investigations, regional coordination, and public safety operations, while also identifying reasonable guardrails and transparency standards.

Additional interim priorities may include transportation funding, RTD reform implementation from SB26-150, infrastructure modernization, artificial intelligence implementation, environmental and fleet electrification mandates, workforce policy, and efforts to reduce administrative burdens on local governments.

GET IN TOUCH



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