



2026 Legislative Report

Prepared by Hicks & Associates

Session Overview

The second regular session of Colorado's 75th General Assembly adjourned on May 13, 2026, under the weight of a significant state budget shortfall and during the final legislative session of Governor Jared Polis' administration. Faced with an estimated \$1.5 billion budget gap, lawmakers spent much of the session focused on balancing the budget through spending reductions, fund transfers, and the elimination or reduction of various tax incentives, deductions, and allowances. While the fiscal challenges tempered many policy discussions, GreenCO remained actively engaged throughout the 120-day session, reviewing more than 40 pieces of legislation and taking formal positions on **over 14 bills** impacting Colorado's green industry.

The 2026 session proved to be a successful year for GreenCO and its members, highlighted by the passage of its top legislative priority, **HB 26-1034**. Developed in response to unintended consequences of 2023 legislation affecting irrigation controllers and spray sprinkler bodies, GreenCO worked closely with legislators, manufacturers, distributors, contractors, state agencies, and coalition partners to advance a bipartisan fix that repealed problematic irrigation equipment requirements before they took effect. The legislation passed with overwhelming bipartisan support and was signed into law by Governor Polis, preserving product availability while maintaining Colorado's commitment to water conservation and efficient irrigation practices. GreenCO also remained a leading voice on pesticide policy and regulatory issues, successfully advocating for science-based pest management practices and educating lawmakers on the importance of maintaining access to professional tools used to manage landscapes, parks, and other green spaces. Through proactive advocacy, coalition building, and strong relationships at the Capitol, GreenCO continued to protect and advance the interests of Colorado's horticulture, landscape, irrigation, arboriculture, and lawn care industries.

The legislature's fatigue showed in the data. Lawmakers considered just 626 bills this year—continuing a steady downward trend from 657 last year and 705 in 2024.



2026 Session by the Numbers

Bill Status	Count	Description / Notes
Total Considered	626	Lowest legislative volume in recent years.
Fully Passed	436	Signed by the Governor or currently awaiting executive action.
Postponed Indefinitely/Failed	178	Officially killed via committee or floor votes, or measures that died on the calendar.
Vetoed (To Date)	12	Since taking office this is the most vetoes the Governor has issued
GreenCO Tracked	40	Number of Bills GreenCO tracked in 2026 Session
GreenCO Positioned	14	Support/Opposed Positions

The Deficit That Colored Everything

The state's structural budget deficit heavily restricted policy ambitions this year. The Joint Budget Committee (JBC) started the session facing an \$800 million shortfall, which ballooned past **\$1 billion** by March, largely driven by massive spikes in state Medicaid enrollment and utilization.

To balance the "Long Bill" (the state budget), the JBC was forced to pass some of the most painful spending cuts in recent memory, including:

- Cutting Medicaid provider reimbursement rates by **2%**.
- Implementing strict new eligibility criteria and caps on the *Cover All Coloradans* program.
- Withholding **\$300 million** in TABOR refunds.
- Providing **zero** new general fund investment for higher education.
- Temporarily drawing down the state's budget reserve from **15% to 13%**.

With no spare cash in the general fund, new spending programs were dead on arrival. Lawmakers looking to protect priority programs were forced to look for creative revenue alternatives. This included **HB26-1327**, which proposed a new fee on large employers with over 500 workers on Medicaid, and **SB26-135**, a proposed ballot measure asking voters to exempt K-12 education spending from the state's TABOR cap.

Employer and Business Legislation

Colorado's business community entered the year pleading for a regulatory "pause," pointing to recent departures of high-profile companies and slipping state competitiveness. For the first time in years, leadership seemed to listen.



The Regulatory Olive Branch

The surprise breakthrough of the session was **SB 26-137 (Measures to Reduce Administrative Burdens)**. Sponsored by bipartisan leadership in both chambers and heavily backed by the Colorado Chamber of Commerce, the bill sets up a structured periodic review process for state agencies to weed out outdated or duplicative rules. It sailed through with wide margins.

Contentious Labor & Workplace Battles

Despite that olive branch, business-versus-labor fights still made it to the floor:

- **The Labor Peace Act (HB26-1005):** Democrats revived this effort to eliminate Colorado's unique second-vote requirement for union security agreements. While it moved forward, Gov. Polis signaled a repeat of his 2025 veto. Sponsors are explicitly framing this as a multi-year effort to be finished under a future administration.
- **Agricultural Overtime (SB26-121):** In a massive win for agricultural producers, this bill successfully raises the agricultural overtime threshold from 48 to 56 hours per week to prevent forced hour cuts. It passed the House by a razor-thin 33-32 margin and was signed into law on May 4, taking effect **January 1, 2027**.
- **The Swipe Fee Showdown (SB26-134):** A fierce business-vs-business battle erupted over a bill prohibiting credit card companies from charging transaction fees on the *sales tax* portion of a purchase. Retailers and restaurants fought hard for it; banks and airlines warned it would kill rewards programs and spark massive litigation similar to what is happening in Illinois. It passed by one vote in the Senate (18-17) and went 44-20 in the House. The bill sat on the Governor's desk for some time, and he ultimately vetoed the legislation. It is anticipated that we will see some type of swipe fee legislation next session as we will have a new Governor.
- **Extreme Temperatures (HB26-1272):** Resurrected from 2025, this worker safety bill was scaled back from a strict mandate to a data-collection and model-plan framework. As the bill made it through the process it was stripped down and there is no burden put on the business community as CDLE will be responsible for using data that they already collect and come up with a model plan that businesses can choose to use but are not mandated. It managed to cross the finish line on the final day of the session.
- **Failed Workplace Mandates (HB26-1054):** A backup state safety regulatory framework in case federal OSHA rules are rolled back died in the Senate on a 17-18 vote on the final day.
- **Consumer Protection legislation (HB26-1012),** which aimed to cap price inflation in "captive audience" spaces like airports and stadiums, was postponed indefinitely during its first hearing.
- **Right to Be Out at Work (HB26-1319)** was also killed after advocates worried its rigid statutory language would undercut stronger protections established via recent case law.



Pesticides, Rodenticides and Legislation

In recent years GreenCO has been a part of a large coalition made up of many different industries in being proactive in educating the legislature on pesticides and rodenticides, which has been very effective in stopping bills from passage.

- **SB26-062 (Rodenticide Use Restrictions) and SB26-065 (Systemic Insecticide Use Limitations):** were 2 bills that would have severely limited the use of these products for all including on the commercial applicator side of things. Both these bills were postponed indefinitely, SB26-062 did make it through the Senate but died in the House Agriculture committee. It seems that these issues will be coming back next session but depending on who the Governor is the support could be less than under the current administration.

The Data Center Standoff

The infrastructure needed to power AI sparked a major policy split between economic incentives and environmental guardrails. Two massive bills went head-to-head, and ultimately, **both failed:**

- **HB26-1030 (Data Center & Utility Modernization):** The carrot. It offered major sales tax exemptions to data center developers who met capital investment, job creation, and basic grid-modernization metrics.
- **SB26-102 (Large-Load Data Centers):** The stick. It sought to mandate that large data centers pull 100% renewable power by 2031, account for real-time hourly clean energy matching, and pay 100% of their upfront grid infrastructure costs so everyday utility ratepayers wouldn't bear the burden.

Because both bills died in their first committees, Colorado leaves the 2026 session without a unified state framework for data center development, pushing the battlefield down to local zoning boards and county commissioners.

Housing & Land Use Reform

Building on previous years, the state executed a highly coordinated push to address housing shortages by chipping away at local zoning control in favor of statewide predictability.

- **The HOME Act (HB26-1001):** The headliner of the housing package. This was a reimagining of last year's failed "Yes in God's Backyard" (YIGBY) bill. By stripping out the explicit focus on religious groups and focusing on small properties (up to 5 acres) owned by nonprofits, schools, and housing authorities, the bill sailed through. Starting **December 31, 2027**, qualifying affordable projects on these lands must be approved via an administrative, "by-right" process, completely bypassing discretionary local public hearings.
- **Transit and Housing Investment Zones (HB26-1065):** Establishes tax-increment financing zones allowing local municipalities to capture future state sales tax growth to build transit infrastructure near dense, affordable housing developments.
- **Tenant Data & Credit (HB26-1196):** Requires landlords to explicitly disclose screening and denial criteria upfront. It also mandates that landlords managing 5 or more units offer a free "positive rent reporting" option, allowing tenants to build credit via on-time rent payments.



- **Where the Line Was Drawn:** The legislature rejected the most aggressive attempts to rewrite single-family zoning. **HB26-1114** (banning local governments from requiring residential lots to be larger than 2,000 sq ft) and **HB26-1308** (making lot splitting a use-by-right down to 1,200 sq ft) both cleared the House but were killed in the Senate following fierce pushback from local municipalities. Massive tenant protection packages (**HB26-1047** and **HB26-1106**), which sought to severely restrict daily eviction court dockets and ban winter evictions, were also promptly killed in committee.

Energy, Environment, & Utilities

Affordability, reliability, and regulatory oversight took precedence over passing new green mandates this session.

- **The PUC Sunset Battle (HB26-1326):** What should have been a routine reauthorization of the Public Utilities Commission turned into a massive brawl. The original text contained sweeping expansions of commissioner powers, allowed nonpublic deliberations, and centralized state control over local utility transmission lines. After a massive coalition of local governments, business groups, and consumer advocates revolted, sponsors stripped the most controversial components and reduced the bill to a study regarding future commission sizing.
- **The CSU Compromise (SB26-182):** After an initial attempt (**SB26-022**) to give municipal utilities broad exemptions from clean-energy deadlines died unanimously, a compromise was struck. Under SB26-182, Colorado Springs Utilities is allowed to keep its Nixon coal plant online for an additional three years in exchange for heightened state reporting and emissions oversight.

Transportation & Infrastructure

The Polis administration pushed a distinct dual strategy: inject massive capital into multi-modal transit systems to force a long-term shift away from cars, while maintaining bare-minimum highway funding to combat current congestion.

- **The Initiative 175 Poison Pill (HB26-1430):** In a highly partisan maneuver targeting a conservative ballot measure that would mandate \$500 million in existing state revenue be automatically redirected to road repair, Democrats passed HB 26-1430. If the ballot measure passes, this bill triggers an automatic, corresponding *reduction* in state gas taxes and transport fees—effectively neutralizing the net funding increase. If the initiative is withdrawn, it creates a bipartisan stakeholder funding group instead.

What's Next?

With the legislative session now closed, the political battlefield instantly shifts. Lawmakers and stakeholders are turning 100% of their attention toward the June primary matches and a highly consequential November general election that features massive policy fights over property taxes, natural gas utilization, and transportation funding.

We will continue to monitor rulemaking processes at state agencies—particularly around the agricultural overtime structures—as these laws move toward implementation. As the state also



deals with a drought, we will continue to partner with the state on how best to address the current conditions.

With it being an election year, GreenCO will be conducting candidate interviews and meeting with candidates outside of those interviews to educate them on who GreenCO is and the issues we work on. It is an important election year, as we will see a new Governor elected and a push for the Democrats to have a super majority in each chamber. Participation from members is critical in this election year.

Engagement, Lobbying, Testimony, & Monitoring

GreenCO was heavily involved in multiple pieces of legislation this legislative session. The following bills include priority bills, meaning we directed the lobbying team to actively engage with other stakeholders, lobby all members of the General Assembly, provide testimony during committee, create fact sheets to ensure GreenCO's position and engage in any and all amendments to bills. Also included are the bills we were asked to engage in by other key stakeholders and bills that we were monitoring

Bill Number	Short Title	GreenCO	Outcome	GreenCO Actions
HB26-1005	Worker Protection Collective Bargaining	Oppose	Governor Vetoed 5/27	Worked with large business coalition to oppose this bill even though we knew the outcome would be that it made it through the process and was going to be vetoed as there were no changes made from last year's bill.
HB26-1031	Protections for Agricultural Products Grown in Colorado	Monitor	Governor Signed 4/7	Monitored the bill as it went through the process
HB26-1034	Modifications to Standards for Irrigation Equipment	Support	Governor Signed 5/3	Worked closely with ALCC and the Irrigation association, as they were the point groups on this bill, to support the bill as it went through the process.
HB26-1054	Protections for Worker Safety	Oppose	Died on Senate floor on 5/12	Worked with construction industry coalition in opposition to this legislation.
HB26-1099	Protect Financial Condition of Homeowners Associations	Monitor	Governor Signed 4/12	Monitored the bill as it went through the process.
HB26-1111	Pesticide Product Disposal & Container Recycling	Oppose	Governor Signed 4/25	Attended stakeholder meetings and expressed our issues with the bill as we don't want to see any unintended consequences as it comes to funding.
HB26-1132	Practices to Support Pollinators	Oppose	Governor Signed 5/25	Attended stakeholder meetings and gave recommendations on the bill. Expressed our issue with the bill came from the study that is unfunded, which if it stays unfunded will not be conducted.



Bill Number	Short Title	GreenCO	Outcome	GreenCO Actions
HB26-1210	Prohibit Surveillance Price & Wage Setting	Monitor	Governor Vetoed	Attended stakeholder meetings and monitored this bill as it went through the process.
HB26-1236	Arbitration Reform	Monitor	Governor Vetoed	Monitored the bill as it went through the process.
HB26-1245	Theft by Contractor	Monitor	Died on the House Floor 4/20	Attended stakeholder meeting and monitored the bill as it went through the process.
HB26-1272	Extreme Temperatures Worker Protections	Oppose	Governor Signed 6/3	Worked with a large coalition made up of the business community to oppose the bill as introduced. The bill was heavily amended and stripped out any obligation for the business community, but we continued to oppose as there are already laws on the books for this issue.
HB26-1289	Modification of Certain Tax Expenditures	Monitor	Governor Signed 5/9	Attended stakeholder meetings and closely monitored the bill as it went through the process as it included the small engine tax credits.
HB26-1311	Retainage Surety Bond Construction Contracts	Monitor	Governor Signed 5/6	Attended multiple stakeholder meetings and monitored the bill as it went through the process.
HB26-1319	Right to Be Out at Work	Monitor	Postponed Indefinitely	Monitored the bill as it went through the process.
HB26-1327	Large Employer Worker Health-Care Support	Monitor	Postponed Indefinitely	Monitored the bill as it went through the process.
HB26-1334	Modify Standards of Wildfire Resiliency Code Board	Monitor	Postponed Indefinitely	Attended stakeholder meeting and monitored the bill as it went through the process.
HB26-1338	2026 Water Projects Bill	Support	Governor Signed 5/28	Supported the bill as it went through the process.
HB26-1340	Revegetate or Dry Farm Formerly Irrigated Agricultural Land	Monitor	Governor Signed 3/24	Monitored the bill as it went through the process.
HB26-1415	Optional Residential Construction Contractor Certification	Monitor	Governor Signed 5/28	Attended multiple stakeholder meetings to discuss the need for the legislation, which was decided it this wasn't the best way to address the issue. There will be work done on this over the interim



Bill Number	Short Title	GreenCO	Outcome	GreenCO Actions
SB26-010	Agricultural Property Tax Definitions	Monitor	Governor Signed 3/8	Monitored the bill as it went through the process. Met with the sponsors to discuss possible solutions to property tax issues for some GreenCO members and will work over the interim on the issue.
SB26-021	Clean Fleet Enterprise Replace Aging Diesel Trucks	Monitor	Governor Signed 4/19	Monitored the bill as it went through the process.
SB26-062	Rodenticide Use Restrictions	Oppose	Postponed Indefinitely	Attended multiple stakeholder meetings and worked with large coalition in opposition to the bill.
SB26-065	Systemic Insecticide Use Limitations	Oppose	Postponed Indefinitely	Attended multiple stakeholder meetings and worked with large coalition in opposition to the bill.
SB26-074	Clarify Excessive Public Construction Bond Claim Penalty	Monitor	Governor Signed 4/5	Monitored the bill as it went through the process.
SB26-081	Increase Agricultural Employee Overtime Protections	Oppose	Postponed Indefinitely	Worked with a large coalition made up of the Ag. Industry in opposition to the bill.
SB26-093	Workers' Compensation Insurance Coverage Verification	Oppose	Governor Signed 5/28	Attended stakeholder meetings and worked with the construction industry to amend the bill heavily in the house to limit the impact.
SB26-109	Building Code Accessibility	Monitor	Governor Signed 5/4	Monitored the bill as it went through the process.
SB26-121	Overtime Threshold for Agricultural Employees	Support	Governor Signed 5/3	Attended stakeholder meetings. Worked with a large coalition made up of the Ag. Industry in support of the bill as it went through the process.
SB26-127	Family Medical Leave Insurance Duration Extensions	Monitor	Postponed Indefinitely	Monitored the bill as it went through the process.
SB26-134	Payment Card Networks' Fees	Support	Governor Vetoed	Worked with large coalition in support of the bill as it went through the process, including encouraging the Governor to sign the bill.
SB26-137	Measures to Reduce Administrative Burdens	Monitor	Governor Signed 5/13	Attended stakeholder meetings as the bill looks to address the over regulation in the state and closely Monitored the bill as it went through the process.
SB26-165	Species Conservation Measures	Monitor	Governor Signed 5/28	Met with the sponsors and closely monitored the bill as it went through the process.



Bill Number	Short Title	GreenCO	Outcome	GreenCO Actions
SB26-171	Disposal of Preproduction Plastic Materials	Monitor	Governor Signed 5/28	Monitored the bill as it went through the process.
SB26-175	Adjust Experience Modification Factor in Workers' Compensation	Monitor	Governor Signed 6/1	Monitored the bill as it went through the process.
SB26-177	Access Adjoining Property to Repair or Maintain	Monitor	Governor Signed 6/1	Met with the sponsors to discuss the legislation. Monitored the bill as it went through the process.
SB26-186	Update Workers' Compensation Statutes Allow Electronic Filing	Support	Governor Signed 4/30	Supported the bill as it went through the process.
SB26-192	Producer Responsibility Dues Appeals Process	Monitor	Died on the Calendar	Monitored the bill as it went through the process.