

**NOTE: This bill has been prepared for the signature of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.**



HOUSE BILL 10-1026

BY REPRESENTATIVE(S) Solano and Benefield, Massey, Peniston, Acree, Apuan, Court, Fischer, Kefalas, Kerr A., Labuda, Levy, Merrifield, Middleton, Pommer, Primavera, Rice, Ryden, Scanlan, Schafer S., Todd, Vigil;

also SENATOR(S) Hodge and Hudak, Steadman, Williams, Boyd, Foster, Newell, Sandoval, Schwartz, Shaffer B., Whitehead.

CONCERNING THE CREATION OF THE COLORADO QUALITY IN CHILD CARE INCENTIVE GRANT PROGRAM.

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1. Legislative declaration.** (1) The general assembly hereby finds and declares that:

(a) Investments in quality early care and education are important components of long-term achievement and success for the children of Colorado;

(b) When child care subsidy programs promote quality, young children are more likely to enter school better prepared and more likely to achieve;

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

(c) Recent recommendations from the general assembly identify raising the child care reimbursement rate to the seventy-fifth percentile of market rate as the most viable means of improving quality. This increase, however, is not feasible without stable requisite funding sources.

(d) A tiered reimbursement program improves child care quality immediately as well as eventually raising all reimbursement rates to the seventy-fifth percentile of market rates so that all child care providers can take advantage of quality improvement funding.

(2) The general assembly further finds that providing counties and early childhood councils with the flexibility to create and maintain quality early childhood programs through a grant program promotes local collaboration, best practice, accountability, and efficiency in local communities serving young children.

**SECTION 2.** Article 6.5 of title 26, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

PART 3  
COLORADO QUALITY IN CHILD CARE  
INCENTIVE GRANT PROGRAM

**26-6.5-301. Short title.** THIS PART 3 SHALL BE KNOWN AND MAY BE CITED AS THE "COLORADO QUALITY IN CHILD CARE INCENTIVE GRANT PROGRAM".

**26-6.5-302. Definitions.** AS USED IN THIS PART 3, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "COUNCIL" MEANS AN EARLY CHILDHOOD COUNCIL ESTABLISHED PURSUANT TO SECTION 26-6.5-103.

(2) "COUNTY DEPARTMENT" MEANS A COUNTY OR DISTRICT DEPARTMENT OF SOCIAL SERVICES.

(3) "EARLY CARE AND EDUCATION PROVIDER OR FACILITY" MEANS A SCHOOL DISTRICT, PROVIDER, OR FACILITY THAT IS LICENSED PURSUANT TO PART 1 OF ARTICLE 6 OF THIS TITLE OR THAT PARTICIPATES IN THE COLORADO PRESCHOOL PROGRAM PURSUANT TO ARTICLE 28 OF TITLE 22,

C.R.S.

(4) "GRANT PROGRAM" MEANS THE COLORADO QUALITY IN CHILD CARE INCENTIVE GRANT PROGRAM CREATED IN SECTION 26-6.5-303.

(5) "STATE BOARD" MEANS THE STATE BOARD OF HUMAN SERVICES ESTABLISHED IN SECTION 26-1-107.

(6) "STATE DEPARTMENT" MEANS THE DEPARTMENT OF HUMAN SERVICES, CREATED IN SECTION 26-1-105.

**26-6.5-303. Colorado quality in child care incentive grant program - creation.** SUBJECT TO THE RECEIPT OF SUFFICIENT MONEYS PURSUANT TO SECTION 26-6.5-306, THERE IS HEREBY CREATED IN THE STATE DEPARTMENT THE COLORADO QUALITY IN CHILD CARE INCENTIVE GRANT PROGRAM. THE OBJECTIVE OF THE GRANT PROGRAM IS TO PROVIDE INCENTIVES TO COUNTY DEPARTMENTS TO INCREASE THE QUALITY OF EARLY CARE AND EDUCATION PROVIDERS AND FACILITIES. THE GRANT PROGRAM WILL PROVIDE A TIERED REIMBURSEMENT AND QUALITY IMPROVEMENT SYSTEM THAT WILL ALLOW COUNTY DEPARTMENTS AND EARLY CARE AND EDUCATION PROVIDERS AND FACILITIES TO RETAIN THE FLEXIBILITY TO DETERMINE HOW TO INVEST RESOURCES WHILE AT THE SAME TIME REWARDING CERTAIN FUNCTIONS, INCLUDING BUT NOT LIMITED TO PURSUING QUALITY RATINGS OR ACCREDITATION, KNOWN TO IMPROVE QUALITY OF CARE FOR ALL CHILDREN, ESPECIALLY AT-RISK CHILDREN.

**26-6.5-304. Eligibility for grants - award criteria - rules.** (1) A COUNTY DEPARTMENT MAY APPLY TO THE STATE DEPARTMENT FOR A GRANT PURSUANT TO THIS PART 3. TO BE ELIGIBLE FOR A GRANT, AN APPLICANT SHALL BE WORKING IN COLLABORATION WITH A COUNCIL. THE APPLYING COUNTY DEPARTMENT NEED NOT BE A MEMBER OF A COUNCIL, BUT FOR THE PURPOSES OF APPLYING FOR AND RECEIVING A GRANT FROM THE GRANT PROGRAM, THE COUNTY DEPARTMENT SHALL PRESENT A COLLABORATIVE MODEL TO THE STATE DEPARTMENT, INCLUDING A DESCRIPTION OF HOW THE COUNTY DEPARTMENT IS WORKING OR WILL WORK WITH A LOCAL OR NEIGHBORING COUNCIL.

(2) ON OR BEFORE DECEMBER 1, 2010, THE STATE BOARD SHALL PROMULGATE RULES PURSUANT TO THE "STATE ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24, C.R.S., ESTABLISHING POLICIES

AND PROCEDURES FOR THE ADMINISTRATION OF THE GRANT PROGRAM, INCLUDING BUT NOT LIMITED TO:

(a) CRITERIA FOR THE SELECTION OF GRANT RECIPIENTS, INCLUDING BUT NOT LIMITED TO BLENDING COLORADO CHILD CARE ASSISTANCE PROGRAM SLOTS WITH ESTABLISHED HIGH-QUALITY PROGRAMS, EMPLOYING TEACHERS IN EARLY EDUCATION WHO HOLD EITHER A BACHELOR'S OR ASSOCIATE'S DEGREE, HAVING AN EXISTING QUALITY RATING OR ACCREDITATION, PURSUING A QUALITY RATING OR ACCREDITATION, OR INVESTING IN THE PROFESSIONAL DEVELOPMENT OF TEACHERS;

(b) A SYSTEM OF TIERED REIMBURSEMENT FOR APPLICANTS BASED ON THE GRANT CRITERIA ESTABLISHED;

(c) APPLICATION DEADLINES, AWARD DATES, AMOUNTS OF GRANT AWARDS, AND ACCEPTABLE USES OF GRANT AWARDS, INCLUDING BUT NOT LIMITED TO ASSISTANCE FOR PURSUING A QUALITY RATING OR ACCREDITATION; AND

(d) ANY OTHER RULES NECESSARY FOR THE EFFECTIVE IMPLEMENTATION OF THIS PART 3.

**26-6.5-305. Reporting requirements.** ON OR BEFORE JULY 30, 2012, AND ON OR BEFORE JULY 30 EACH YEAR THEREAFTER, THE STATE DEPARTMENT SHALL PREPARE AND SUBMIT TO THE EDUCATION AND HEALTH AND HUMAN SERVICES COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR COMMITTEES, A REPORT THAT DESCRIBES THE USE OF THE GRANT MONEYS, INCLUDING BUT NOT LIMITED TO THE NUMBER OF GRANTS MADE, THE AMOUNT OF GRANT MONEYS DISTRIBUTED, A BREAKDOWN OF COUNTIES THAT RECEIVED GRANT MONEYS, AND A SUMMARY OF THE IMPROVEMENT IN QUALITY IN CHILD CARE AND EARLY CHILDHOOD EDUCATION AS A RESULT OF THE GRANT PROGRAM.

**26-6.5-306. Colorado quality in child care incentive grant program fund.** (1) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT ANY COSTS ASSOCIATED WITH IMPLEMENTING THIS PART 3 SHALL BE PAID FOR BY THE RECEIPT OF ANY AVAILABLE FEDERAL MONEYS OR OTHER GIFTS, GRANTS, OR DONATIONS AND THAT NO ADDITIONAL GENERAL FUND MONEYS BE APPROPRIATED FOR THE IMPLEMENTATION OF THE GRANT PROGRAM.

(2) ANY STATE AGENCY IS AUTHORIZED TO SEEK AND ACCEPT ANY FEDERAL MONEYS OR OTHER GIFTS, GRANTS, OR DONATIONS FOR THE PURPOSES OF THIS PART 3. IF RECEIVED, ANY GIFTS, GRANTS, OR DONATIONS SHALL BE TRANSMITTED TO THE STATE TREASURER WHO SHALL CREDIT THEM TO THE COLORADO QUALITY IN CHILD CARE INCENTIVE GRANT PROGRAM FUND, WHICH FUND IS HEREBY CREATED AND REFERRED TO IN THIS SECTION AS THE "FUND".

(3) THE MONEYS IN THE FUND SHALL BE CONTINUOUSLY APPROPRIATED TO THE STATE DEPARTMENT FOR THE DIRECT AND INDIRECT COSTS ASSOCIATED WITH IMPLEMENTING THIS PART 3. ANY MONEYS IN THE FUND NOT EXPENDED FOR THE PURPOSE OF THIS PART 3 MAY BE INVESTED BY THE STATE TREASURER AS PROVIDED BY LAW. ALL INTEREST AND INCOME DERIVED FROM THE INVESTMENT AND DEPOSIT OF MONEYS IN THE FUND SHALL BE CREDITED TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF A FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANOTHER FUND. ALL UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND AS OF JULY 1, 2020, SHALL BE TRANSFERRED TO THE EARLY CHILDHOOD CASH FUND, CREATED IN SECTION 26-6.5-109.

**26-6.5-307. Repeal of part.** (1) (a) ON OR BEFORE JULY 1, 2011, THE EXECUTIVE DIRECTOR OF THE STATE DEPARTMENT SHALL NOTIFY THE REVISOR OF STATUTES IN WRITING IF FEDERAL MONEYS ARE NOT RECEIVED AND ALLOCATED TO THE STATE DEPARTMENT OR IF GIFTS, GRANTS, AND DONATIONS ARE NOT RECEIVED BY THE STATE DEPARTMENT TO PROVIDE FOR THE AWARD OF GRANTS PURSUANT TO THIS PART 3.

(b) IF THE REVISOR OF STATUTES DOES NOT RECEIVE NOTICE PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (1), ON JULY 1, 2012, OR ON JULY 1 OF ANY YEAR THEREAFTER, THE EXECUTIVE DIRECTOR OF THE STATE DEPARTMENT SHALL NOTIFY THE REVISOR OF STATUTES IN WRITING IF FEDERAL MONEYS OR GIFTS, GRANTS, OR DONATIONS ARE NOT AVAILABLE TO CONTINUE TO PROVIDE FOR THE AWARD OF GRANTS PURSUANT TO THIS PART 3.

(2) THIS PART 3 IS REPEALED, EFFECTIVE THE JULY 1 FOLLOWING THE RECEIPT OF THE NOTICE BY THE REVISOR OF STATUTES PURSUANT TO PARAGRAPH (a) OR (b) OF SUBSECTION (1) OF THIS SECTION, BUT NO LATER

THAN JULY 1, 2020.

**SECTION 3. Act subject to petition - effective date.** This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 11, 2010, if adjournment sine die is on May 12, 2010); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part shall not take effect unless

approved by the people at the general election to be held in November 2010 and shall take effect on the date of the official declaration of the vote thereon by the governor.

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Terrance D. Carroll  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Brandon C. Shaffer  
PRESIDENT OF  
THE SENATE

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Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

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Karen Goldman  
SECRETARY OF  
THE SENATE

APPROVED \_\_\_\_\_

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Bill Ritter, Jr.  
GOVERNOR OF THE STATE OF COLORADO