

**First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 23-0587.01 Yelana Love x2295

HOUSE BILL 23-1078

HOUSE SPONSORSHIP

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A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF A DEPENDENT ALLOWANCE FOR**
102 **INDIVIDUALS RECEIVING UNEMPLOYMENT COMPENSATION, AND,**
103 **IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill creates a dependent allowance for an individual receiving unemployment compensation (eligible individual) for each of the eligible individual's dependents. The dependent allowance starts on July 1, 2025, is \$35 per dependent per week, and increases annually for inflation if necessary. The bill defines "dependent" as a child of an eligible individual

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.*

HOUSE
3rd Reading Unamended
April 24, 2023

HOUSE
Amended 2nd Reading
April 19, 2023

who receives at least half of the child's financial support from the eligible individual and who is:

- Under 18 years of age; or
- 18 years of age or older and incapable of self-care because of a mental or physical disability.

The bill requires the division of unemployment insurance to report to the general assembly regarding the dependent allowance annually, beginning August 31, 2025, and by August 31 of each year thereafter.

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

2 **SECTION 1. Short title.** The short title of this act is the
3 "Sustaining Children and Other Dependents of Job Seekers Act".

4 **SECTION 2. Legislative declaration.** (1) The general assembly
5 finds and declares that:

6 (a) The coronavirus pandemic demonstrated the key role
7 unemployment insurance plays in maintaining economic stability in times
8 of recession;

9 (b) It is time to modernize our state's unemployment insurance
10 program to make it effective for our modern workforce and to ensure
11 equitable access to unemployment insurance benefits;

12 (c) Modernization must ensure that working parents, many of
13 whom are sole providers for Colorado children, can find economic
14 stability while seeking reemployment; and

15 (d) Supporting family economic stability will bolster a more rapid
16 recovery from economic downturns for all Coloradans.

17 **SECTION 3.** In Colorado Revised Statutes, 8-73-102, **add** (2.5)
18 as follows:

19 **8-73-102. Weekly benefit amount for total unemployment -**
20 **dependent allowance created - calculated by the division - annual**
21 **adjustments - definitions.** (2.5) (a) AS USED IN THIS SUBSECTION (2.5):

1 (I) "CHILD" MEANS:
2 (A) A BIOLOGICAL, AN ADOPTED, OR A FOSTER CHILD;
3 (B) A STEPCHILD OR A LEGAL WARD;
4 (C) A CHILD OF A DOMESTIC PARTNER;
5 (D) A CHILD TO WHOM AN INDIVIDUAL STANDS IN LOCO PARENTIS;
6 OR
7 (E) A PERSON TO WHOM AN INDIVIDUAL STOOD IN LOCO PARENTIS
8 WHEN THE PERSON WAS A MINOR.

9 (II) "DEPENDENT" MEANS A CHILD OF AN ELIGIBLE INDIVIDUAL
10 WHO RECEIVES AT LEAST HALF OF THE CHILD'S FINANCIAL SUPPORT FROM
11 THE ELIGIBLE INDIVIDUAL AND WHO IS:
12 (A) UNDER EIGHTEEN YEARS OF AGE; OR
13 (B) EIGHTEEN YEARS OF AGE OR OLDER AND INCAPABLE OF
14 SELF-CARE BECAUSE OF A PHYSICAL OR MENTAL DISABILITY.

15 (III) "DEPENDENT ALLOWANCE" MEANS THE AMOUNT PAYABLE TO
16 AN INDIVIDUAL ELIGIBLE FOR BENEFITS UNDER ARTICLES 70 TO 82 OF THIS
17 TITLE 8 FOR THE INDIVIDUAL'S DEPENDENTS, AS DETERMINED PURSUANT
18 TO SUBSECTION (2.5)(b) OF THIS SECTION.

19 (IV) "HIGHEST-EARNING QUARTER" MEANS THE CALENDAR
20 QUARTER IN THE INDIVIDUAL'S BASE PERIOD WHERE THE INDIVIDUAL
21 EARNED THE HIGHEST WAGES.

22 (V) "INCAPABLE OF SELF-CARE" HAS THE SAME MEANING AS SET
23 FORTH IN THE FEDERAL REGULATIONS IMPLEMENTING THE FEDERAL
24 "FAMILY AND MEDICAL LEAVE ACT OF 1993", 29 U.S.C. SEC. 2601 ET
25 SEQ., AS AMENDED.

26 (VI) "PHYSICAL OR MENTAL DISABILITY" HAS THE SAME MEANING
27 AS SET FORTH IN THE FEDERAL REGULATIONS IMPLEMENTING THE FEDERAL

1 "FAMILY AND MEDICAL LEAVE ACT OF 1993", 29 U.S.C. SEC. 2601 ET
2 SEQ., AS AMENDED.

3 (b) (I) EFFECTIVE JULY 1, 2026, THE DIVISION SHALL PAY EACH
4 INDIVIDUAL ELIGIBLE FOR BENEFITS FOR EACH WEEK OF UNEMPLOYMENT,
5 IN ADDITION TO THE AMOUNT PAYABLE UNDER SUBSECTION (1)(a) OF THIS
6 SECTION, A DEPENDENT ALLOWANCE IN THE AMOUNT OF THIRTY-FIVE
7 DOLLARS FOR EACH OF THE INDIVIDUAL'S DEPENDENTS, UP TO THE
8 MAXIMUM AMOUNT OF ONE HUNDRED PERCENT OF THE INDIVIDUAL'S
9 AVERAGE WEEKLY WAGE FROM THE INDIVIDUAL'S HIGHEST-EARNING
10 QUARTER.

11 (II) THE DIVISION SHALL ADJUST THE DEPENDENT ALLOWANCE
12 AMOUNT SPECIFIED IN SUBSECTION (2.5)(b)(I) OF THIS SECTION ON
13 JANUARY 1, 2027, AND BY JANUARY 1 OF EACH YEAR THEREAFTER BY THE
14 AMOUNT DETERMINED BY THE DIVISION TO REPRESENT THE PERCENT
15 INCREASE, IF ANY, IN THE UNITED STATES DEPARTMENT OF LABOR,
16 BUREAU OF LABOR STATISTICS, CONSUMER PRICE INDEX FOR
17 DENVER-AURORA-LAKEWOOD FOR URBAN WAGE EARNERS AND CLERICAL
18 WORKERS, OR ITS SUCCESSOR INDEX, FOR DECEMBER OF THE PRECEDING
19 YEAR OVER THE YEAR PRIOR TO THE PRECEDING YEAR, ADJUSTED TO THE
20 NEAREST ONE-TENTH OF ONE PERCENT.

21 (III) BY JANUARY 15, 2027, AND BY JANUARY 15 OF EACH YEAR
22 THEREAFTER, THE DIVISION SHALL REPORT THE ANNUAL INCREASE IN THE
23 DEPENDENT ALLOWANCE AMOUNT TO THE HOUSE OF REPRESENTATIVES
24 BUSINESS AFFAIRS AND LABOR COMMITTEE AND THE SENATE BUSINESS,
25 LABOR, AND TECHNOLOGY COMMITTEE, OR THEIR SUCCESSOR
26 COMMITTEES, AND PROMINENTLY PUBLISH THE CURRENT DEPENDENT
27 ALLOWANCE AMOUNT ON THE DIVISION'S PUBLIC WEBSITE.

1 (c) THE DEPENDENT ALLOWANCE IS IN ADDITION TO THE
2 UNEMPLOYMENT BENEFITS OTHERWISE PAYABLE TO THE INDIVIDUAL AND
3 IS NOT CALCULATED AS PART OF AN INDIVIDUAL'S TOTAL MAXIMUM
4 WEEKLY BENEFIT AMOUNT.

5 (d) FOR EACH DEPENDENT, THE DIVISION SHALL PROVIDE ONLY
6 ONE INDIVIDUAL WITH A DEPENDENT ALLOWANCE FOR THAT DEPENDENT
7 EACH WEEK.

8 (e) THE DIVISION SHALL REQUEST INFORMATION RELATING TO
9 WHETHER AN INDIVIDUAL HAS ANY DEPENDENTS AS PART OF THE INITIAL
10 APPLICATION FOR BENEFITS.

11 (f) THE DIVISION SHALL ESTABLISH THE NUMBER OF DEPENDENTS
12 AN INDIVIDUAL HAS AT THE BEGINNING OF THE INDIVIDUAL'S BENEFIT
13 YEAR. IF THE INDIVIDUAL GAINS OR LOSES DEPENDENTS DURING THE
14 BENEFIT YEAR, THE DIVISION SHALL ADJUST THE DEPENDENT ALLOWANCE
15 ACCORDINGLY DURING THE NEXT FULL CALENDAR WEEK FOLLOWING THE
16 CHANGE IN THE INDIVIDUAL'S DEPENDENTS.

17 (g) THE DIVISION SHALL PROVIDE IN THE INDIVIDUAL'S MONETARY
18 DETERMINATION:

19 (I) NOTICE OF THE DEPENDENT ALLOWANCE AMOUNT;

20 (II) THE NAMES OF THE DEPENDENTS THAT ARE ESTABLISHED FOR
21 THE INDIVIDUAL; AND

22 (III) THE CALCULATION USED TO DETERMINE THE DEPENDENT
23 ALLOWANCE AMOUNT.

24 (h) A DEPENDENT ALLOWANCE PROVIDED PURSUANT TO THIS
25 SUBSECTION (2.5) IS PART OF AN INDIVIDUAL'S BENEFIT AMOUNT AND
26 SUBJECT TO THE SAME DUE PROCESS AND APPEAL RIGHTS.

27 (i) THE DIVISION SHALL NOT CHARGE EMPLOYERS FOR THE

1 DEPENDENT ALLOWANCE PORTION OF THE BENEFIT AMOUNT. AN
2 EMPLOYER IS NOT AN INTERESTED PARTY WITH RESPECT TO THE
3 DEPENDENT ALLOWANCE AND DOES NOT HAVE ANY RIGHT TO CONTEST
4 THE DEPENDENT ALLOWANCE.

5 **SECTION 4.** In Colorado Revised Statutes, 8-72-101, **amend**
6 (3)(b) introductory portion, (3)(b)(VI), and (3)(b)(VII); and **add**
7 (3)(b)(VIII) as follows:

8 **8-72-101. Duties and powers of division.**

9 (3) (b) Notwithstanding section 24-1-136 (11)(a)(I), the department of
10 labor and employment shall update the general assembly annually on the
11 status of the fund during the hearing conducted pursuant to section
12 2-7-203. By August 31, 2012, and by ~~each~~ August 31 OF EACH YEAR
13 thereafter, the division shall report to the joint budget committee, the
14 ~~economic and business development~~ BUSINESS AFFAIRS AND LABOR
15 committee of the house of representatives, and the business, labor, and
16 technology committee of the senate, or their successor committees,
17 regarding the status of the fund. The report shall include at least the
18 following from the prior calendar year:

19 (VI) The total amount of overpayments paid to claimants and the
20 total amount of overpayments recovered; ~~and~~

21 (VII) An analysis of measures taken by the division to reduce the
22 total number and amount of overpayments and fraudulent payments; AND

23 (VIII) THE FOLLOWING INFORMATION REGARDING THE DEPENDENT
24 ALLOWANCE CREATED IN SECTION 8-73-102 (2.5), BY AUGUST 31, 2026,
25 AND BY AUGUST 31 OF EACH YEAR THEREAFTER:

26 (A) THE TOTAL NUMBER OF INDIVIDUALS CLAIMING A DEPENDENT
27 ALLOWANCE AND THE TOTAL AMOUNT OF DEPENDENT ALLOWANCES PAID

1 BY THE DIVISION;

2 (B) THE AVERAGE WEEKLY DEPENDENT ALLOWANCE AMOUNT;

3 (C) THE AVERAGE NUMBER OF DEPENDENTS EACH INDIVIDUAL
4 CLAIMS;

5 (D) THE AVERAGE DURATION THAT CLAIMANTS RECEIVE THE
6 DEPENDENT ALLOWANCE; AND

7 (E) THE NUMBER OF DEPENDENT ALLOWANCE APPEALS FILED AND
8 THE OUTCOMES OF THOSE APPEALS.

9 **SECTION 5. Appropriation.** For the 2023-24 state fiscal year,
10 \$655,530 is appropriated to the department of labor and employment for
11 use by the division of unemployment insurance. This appropriation is
12 from the employment support fund created in section 8-77-109 (1)(b),
13 C.R.S., and is based on an assumption that the division will require an
14 additional 1.2 FTE. To implement this act, the division may use this
15 appropriation for program costs.

16 **SECTION 6. Act subject to petition - effective date.** This act
17 takes effect at 12:01 a.m. on the day following the expiration of the
18 ninety-day period after final adjournment of the general assembly; except
19 that, if a referendum petition is filed pursuant to section 1 (3) of article V
20 of the state constitution against this act or an item, section, or part of this
21 act within such period, then the act, item, section, or part will not take
22 effect unless approved by the people at the general election to be held in
23 November 2024 and, in such case, will take effect on the date of the
24 official declaration of the vote thereon by the governor.