

NOTE: This bill has been prepared for the signatures 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.



SENATE BILL 14-003

BY SENATOR(S) Nicholson, Kefalas, Ulibarri, Aguilar, Guzman, Johnston, Jones, Kerr, Newell, Schwartz, Steadman, Tochtrop, Todd, Zenzinger, Carroll;
also REPRESENTATIVE(S) Pettersen, Fields, Exum, Becker, Buckner, Duran, Fischer, Foote, Ginal, Hamner, Hulinghorst, Kagan, Kraft-Tharp, Labuda, Lebsock, McLachlan, Melton, Mitsch Bush, Moreno, Peniston, Rosenthal, Ryden, Salazar, Schafer, Tyler, Williams, Young, Ferrandino.

CONCERNING CHILD CARE ASSISTANCE FOR WORKING FAMILIES, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, 26-2-808, **amend** (2), (3), (6), (7), and (8); and **add** (2.3), (2.5), and (2.7) as follows:

26-2-808. Pilot program to mitigate cliff effect for low-income families that are working and receiving child care assistance - legislative declaration - county participation - fund - grant program - report - repeal. (2) Beginning on April 13, 2012, the state department is authorized to develop and oversee a pilot program in which the Colorado child care assistance program as outlined in section 26-2-805 is modified to mitigate the cliff effect for low-income families that are working and

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

receiving child care assistance, referred to in this section as the "pilot program". County departments of social services may apply to the executive director or his or her designee to participate in the pilot program. COUNTIES ARE HIGHLY ENCOURAGED TO COLLABORATE WITH EARLY CHILDHOOD COUNCILS AND OTHER COMMUNITY PARTNERS AS NECESSARY IN THE DEVELOPMENT OF THE APPLICATION. The executive director or his or her designee may select up to ten counties that will participate in the pilot program as described in this section. In selecting the counties, the executive director or his or her designee shall seek diversity in the size of population, regional location, and demographic composition AND SHALL CONSIDER WHETHER THERE WILL BE ENOUGH PARTICIPANTS IN EACH PILOT PROGRAM TO ENABLE RESEARCHERS TO EVALUATE WHETHER THE STRATEGIES USED IN THE PILOT PROGRAM HAVE ADDRESSED THE CLIFF EFFECT. THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE SHALL ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH EACH COUNTY DEPARTMENT SELECTED TO PARTICIPATE IN THE PILOT PROGRAM. THE MEMORANDUM OF UNDERSTANDING GOVERNS THE IMPLEMENTATION OF THE PILOT PROGRAM IN THAT COUNTY, INCLUDING BUT NOT LIMITED TO HOW THE COUNTY DECIDES WHICH AND HOW MANY FAMILIES CAN PARTICIPATE IN THE PILOT PROGRAM.

(2.3) A COUNTY DEPARTMENT SELECTED TO PARTICIPATE IN THE PILOT PROGRAM MAY APPLY TO THE STATE DEPARTMENT FOR A GRANT THROUGH THE GRANT PROGRAM CREATED IN SUBSECTION (2.7) OF THIS SECTION AND FUNDED THROUGH THE COLORADO CHILD CARE ASSISTANCE CLIFF EFFECT PILOT PROGRAM FUND, CREATED IN SUBSECTION (2.5) OF THIS SECTION. GRANT MONEYS MAY BE USED, AT THE COUNTY'S DISCRETION, TO COVER THE ADMINISTRATIVE COSTS OF PARTICIPATING IN THE PILOT PROGRAM AND THE COSTS OF PROVIDING CONTINUED BENEFITS TO FAMILIES PARTICIPATING IN THE PILOT PROGRAM. MONEYS RECEIVED THROUGH A GRANT PURSUANT TO THIS SUBSECTION (2.3) FOR A COUNTY'S ADMINISTRATIVE COSTS DO NOT AFFECT THE COUNTY'S BLOCK GRANT FOR CCCAP AND DO NOT AFFECT THE COUNTY'S MAINTENANCE EFFORTS FOR CCCAP. A COUNTY IS NOT REQUIRED TO PROVIDE LOCAL MONEYS TO RECEIVE FUNDING FROM THE STATE DEPARTMENT TO COVER ADMINISTRATIVE COSTS FOR PARTICIPATING IN THE PILOT PROGRAM.

(2.5) THERE IS CREATED IN THE STATE TREASURY THE COLORADO CHILD CARE ASSISTANCE CLIFF EFFECT PILOT PROGRAM FUND, REFERRED TO IN THIS SECTION AS THE "FUND", CONSISTING OF ANY MONEYS THAT MAY BE

APPROPRIATED TO THE FUND BY THE GENERAL ASSEMBLY. THE MONEYS IN THE FUND ARE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY TO THE DEPARTMENT OF HUMAN SERVICES TO PROVIDE GRANTS TO COUNTY DEPARTMENTS FOR THE PURPOSES SET FORTH IN SUBSECTION (2.3) OF THIS SECTION. THE STATE TREASURER MAY INVEST ANY MONEYS IN THE FUND NOT EXPENDED FOR THE PURPOSE OF THIS SECTION AS PROVIDED BY LAW. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE INVESTMENT AND DEPOSIT OF MONEYS IN THE FUND TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF A FISCAL YEAR REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANOTHER FUND.

(2.7) THE STATE DEPARTMENT SHALL DEVELOP A GRANT PROGRAM AND AN APPLICATION PROCESS FOR COUNTY DEPARTMENTS TO APPLY FOR GRANTS FROM THE FUND. THE STATE DEPARTMENT MAY ADOPT RULES AS NECESSARY CONCERNING THE APPLICATION PROCESS AND THE ADMINISTRATION OF THE GRANT PROGRAM. THE STATE DEPARTMENT SHALL REVIEW APPLICATIONS AND DETERMINE WHICH APPLICATIONS WILL RECEIVE GRANTS AND THE AMOUNT OF EACH GRANT. THE GENERAL ASSEMBLY ENCOURAGES THE STATE DEPARTMENT TO DISTRIBUTE GRANT MONEYS AMONG THE COUNTIES IN A WAY THAT FAIRLY DISTRIBUTES THE MONEYS AMONG THE COUNTIES WITH VARYING POPULATIONS AND AMONG COUNTIES IN DIFFERENT REGIONS OF THE STATE.

(3) A COUNTY HAS THE FLEXIBILITY TO DESIGN THE PILOT PROGRAM IN A MANNER THAT BEST ADDRESSES THE COUNTY'S SPECIFIC COMMUNITY NEEDS. IN DEVELOPING THE PILOT PROGRAM FOR THE COUNTY, A COUNTY MAY LIMIT PARTICIPATION IN THE PILOT PROGRAM TO A REASONABLE PERCENTAGE OF THE COUNTY'S CASELOAD FOR THE COLORADO CHILD CARE ASSISTANCE PROGRAM. A COUNTY MAY ALSO LIMIT PARTICIPATION IN THE PILOT PROGRAM TO FAMILIES WHO ENTER THE COLORADO CHILD CARE ASSISTANCE PROGRAM WITH CHILDREN WHO ARE THIRTY-SIX MONTHS OF AGE OR YOUNGER. Subject to available appropriations, a county that is participating in the pilot program shall continue to provide child care assistance for a period of up to two years for ~~any person who has~~ A GROUP OF PARTICIPANTS WHO HAVE BEEN RECEIVING child care assistance from the county and whose income exceeds the county-adopted income eligibility limit for the county's child care assistance program. The county shall require a parent who is receiving extended child care assistance to pay a

series of incremental increases in the portion of the parental share of the child care costs on a scheduled basis based upon a formula established by the county; except that assistance shall not be provided if said income exceeds the maximum level for eligibility for services set by federal law for a family of the same size. The county shall work with the person to provide a gradual transition off of the child care assistance over a two-year period. Each county department shall set its own parental fee schedule and may consult with the state department on setting the parental fee schedule.

(6) A county may participate in the pilot program on and after July 1, 2012, and through ~~July 1, 2016~~ JUNE 30, 2019. A county shall operate the pilot program for at least two years. A county may apply to participate in the pilot program on or before January 1, ~~2014~~ 2017. Each participating county SHALL IDENTIFY THE FAMILIES PARTICIPATING IN THE PILOT PROGRAM IN THAT COUNTY. THE STATE DEPARTMENT shall collect ALL data on the pilot program. ~~and shall work with~~ The state department to SHALL evaluate and report on the pilot program using measurable outcomes.

(7) (a) The state department shall compile the data submitted by the counties pursuant to subsection (6) of this section and submit a report on the pilot program with the state department's findings and recommendations to the house PUBLIC health and ~~environment~~ HUMAN SERVICES committee and to the senate health and human services committee, or any successor committees. THE STATE DEPARTMENT'S REPORT MUST INCLUDE, BUT NEED NOT BE LIMITED, TO THE FOLLOWING:

(I) THE NUMBER OF FAMILIES THAT PARTICIPATED IN THE PILOT PROGRAM, BY COUNTY AND STATEWIDE;

(II) THE NUMBER OF MONTHS THAT EACH FAMILY PARTICIPATED IN THE PILOT PROGRAM, BY COUNTY AND STATEWIDE;

(III) A SUMMARY AND ANALYSIS BY THE STATE DEPARTMENT OF THE REASONS WHY FAMILIES STOPPED PARTICIPATING IN THE PILOT PROGRAM, BY COUNTY AND STATEWIDE.

(b) THE STATE DEPARTMENT SHALL MAKE ITS REPORT ON THE PILOT PROGRAM AVAILABLE TO THE PUBLIC ON ITS WEB SITE AND THROUGH OTHER ELECTRONIC MEANS. The state department shall submit its report TO THE COMMITTEES on or before October 1, ~~2015~~ 2019.

(8) This section is repealed, effective July 1, ~~2016~~ 2020.

SECTION 2. Appropriation - adjustments to 2014 long bill.

(1) In addition to any other appropriation, for the fiscal year beginning July 1, 2014, there is hereby appropriated, out of any moneys in the general fund not otherwise appropriated, to the Colorado child care assistance cliff effect pilot program fund created in section 26-2-808 (2.5), Colorado Revised Statutes, the sum of \$1,200,000, to be used for purposes consistent with the creation of the fund.

(2) In addition to any other appropriation, there is hereby appropriated, out of the Colorado child care assistance cliff effect pilot program fund, to the department of human services, for the fiscal year beginning July 1, 2014, the sum of \$1,200,000, or so much thereof as may be necessary, to be allocated for grants to counties participating in the cliff effect pilot program under the Colorado child care assistance program.

(3) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the general fund, not otherwise appropriated, to the department of human services, for the fiscal year beginning July 1, 2014, the sum of \$69,453 and 1.0 FTE, or so much thereof as may be necessary, to be allocated to the cliff effect pilot program under the Colorado child care assistance program.

SECTION 3. Safety clause. The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Morgan Carroll
PRESIDENT OF
THE SENATE

Mark Ferrandino
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED _____

John W. Hickenlooper
GOVERNOR OF THE STATE OF COLORADO