

Second Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted  
on Second Reading in the Second House*

LLS NO. 14-0155.01 Brita Darling x2241

SENATE BILL 14-012

SENATE SPONSORSHIP

**Kefalas**, Ulibarri

HOUSE SPONSORSHIP

**Exum**, Fields, Pettersen

**Senate Committees**

Health & Human Services  
Finance  
Appropriations

**House Committees**

Finance  
Appropriations

A BILL FOR AN ACT

101 CONCERNING INCREASING THE ASSISTANCE PAYMENT FOR THE  
102 PROGRAM FOR AID TO THE NEEDY DISABLED, AND, IN  
103 CONNECTION THEREWITH, MAKING AND REDUCING  
104 APPROPRIATIONS.

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://www.leg.state.co.us/billsummaries>.)*

**Economic Opportunity Poverty Reduction Task Force.** The bill requires the department of human services, by rule, to tie the assistance

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

HOUSE  
Amended 2nd Reading  
May 2, 2014

SENATE  
3rd Reading Unamended  
April 22, 2014

SENATE  
Amended 2nd Reading  
April 21, 2014

payment under the program for aid to the needy disabled to an amount equal to a certain percentage of monthly income under the federal poverty guidelines.

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

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

4 (a) The Aid to the Needy Disabled (AND) program was  
5 established in 1953 as an “interim assistance program” for qualifying  
6 people waiting for their federal Supplemental Security Income (SSI)  
7 benefit to begin;

8 (b) The majority of people receiving AND support ultimately  
9 receive SSI, and the state receives reimbursement for all of the state's  
10 AND payments to program participants, retroactively from the date of  
11 application;

12 (c) The AND program provides basic financial assistance to  
13 people who meet the requirements of need and disability between the ages  
14 of 18 and 59, and a physician must medically certify their disability status  
15 and their inability to work for at least six months;

16 (d) The AND program serves some of our most vulnerable  
17 Colorado residents: Individuals who are poor, disabled, unable to work  
18 and awaiting SSI and ineligible for other state assistance programs, and  
19 many who are also homeless; and

20 (e) State funding for the AND program has not kept up with  
21 increased caseloads in recent years due to the recession and other factors,  
22 resulting in lower monthly financial assistance amounts that fall far short  
23 of meeting the basic needs of any Coloradan.

24 (2) Therefore, the general assembly declares that the State of

1 Colorado places a high priority on caring for our most vulnerable  
2 residents, and that it is in the public interest to restore funding to the AND  
3 program at the FY 2007 level, including an adjustment for the increased  
4 cost of living.

5 (3) Furthermore, the general assembly declares that it is in the  
6 public interest to encourage greater efficiencies and collaboration  
7 between departments, other public-sector agencies and private-sector  
8 community-based organizations to effectively administer the AND  
9 program and achieve savings from more timely SSI reimbursements to the  
10 state.

11 **SECTION 2.** In Colorado Revised Statutes, 26-2-111, **amend** (4)  
12 **(b.5)** as follows:

13 **26-2-111. Eligibility for public assistance - pilot program -**  
14 **rules - repeal.** (4) (b.5) (I) He or she has applied for supplemental  
15 security income benefits and complied with any recommendations for  
16 referrals made by the county department except for good cause shown.

17 (II) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (I) OF  
18 THIS PARAGRAPH (b.5) TO THE CONTRARY, THE STATE DEPARTMENT MAY  
19 PROMULGATE RULES ALLOWING A COUNTY TO WAIVE THE REQUIREMENT  
20 THAT A PERSON APPLY FOR SUPPLEMENTAL SECURITY INCOME BENEFITS  
21 PRIOR TO RECEIVING AID TO THE NEEDY DISABLED UNDER SUCH  
22 CONDITIONS AND FOR SUCH PERIOD OF TIME AS THE STATE DEPARTMENT  
23 DEEMS APPROPRIATE TO ENSURE THAT A PERSON HAS THE OPPORTUNITY  
24 TO SUBMIT A THOROUGH AND COMPLETE SUPPLEMENTAL SECURITY  
25 INCOME BENEFITS APPLICATION.

26 **SECTION 3.** In Colorado Revised Statutes, 26-2-119, **amend** (1);  
27 **and add** (6) as follows:

1           **26-2-119. Amount of assistance payments - aid to the needy**

2           **disabled.** (1) (a) The amount of assistance payments that shall be granted  
3           to a recipient under the program for aid to the needy disabled shall be on  
4           the basis of budgetary need, as determined by the county department with  
5           due regard to any income, property, or other resources available to the  
6           recipient, within available appropriations, and in accordance with rules  
7           of the state department.

8           (b) The rules of the state department:

9           (I) SHALL ESTABLISH THE ASSISTANCE PAYMENT UNDER THE  
10          PROGRAM FOR AID TO THE NEEDY DISABLED, WHICH ASSISTANCE PAYMENT  
11          FOR THE 2014-15 STATE FISCAL YEAR MUST NOT BE LESS THAN THE  
12          AMOUNT OF THE ASSISTANCE PAYMENT FOR THE 2013-14 STATE FISCAL  
13          YEAR INCREASED BY EIGHT PERCENT. FOR STATE FISCAL YEARS 2015-16  
14          THROUGH 2018-19, AND IN FISCAL YEARS THEREAFTER IF NECESSARY,  
15          SUBJECT TO AVAILABLE APPROPRIATIONS, THE STATE DEPARTMENT IS  
16          ENCOURAGED TO INCREASE THE AMOUNT OF THE ASSISTANCE PAYMENT TO  
17          RESTORE THE PAYMENT TO THE STATE FISCAL YEAR 2006-07 AMOUNT AND  
18          TO ADJUST THE ASSISTANCE PAYMENT TO REFLECT INCREASES IN THE COST  
19          OF LIVING. == ==

20          (II) May require an applicant or recipient who may be eligible for  
21          benefits under another federal or state program or who may have a right  
22          to receive or recover other income or resources to take reasonable steps  
23          to apply for, otherwise pursue, and accept such benefits, income, or  
24          resources.

25          (6) (a) THE FEDERAL SUPPLEMENTAL SECURITY INCOME  
26          APPLICATION ASSISTANCE PILOT PROGRAM IS CREATED IN THE STATE  
27          DEPARTMENT AND REFERRED TO IN THIS SECTION AS THE "PILOT

1 PROGRAM". THE PURPOSE OF THE PILOT PROGRAM IS TO INCREASE THE  
2 FEDERAL INCOME ASSISTANCE REIMBURSEMENT RATE FOR THE PROGRAM  
3 FOR AID TO THE NEEDY DISABLED AND TO EVALUATE BEST PRACTICES FOR  
4 ENSURING THAT ACCURATE AND COMPLETE APPLICATIONS FOR FEDERAL  
5 SUPPLEMENTAL SECURITY INCOME AND SOCIAL SECURITY DISABILITY  
6 INSURANCE BENEFITS ARE SUBMITTED BY PERSONS APPLYING FOR OR  
7 RECEIVING AID TO THE NEEDY DISABLED IN COLORADO.

8 (b) THE PILOT PROGRAM SHALL CONTINUE FOR TWO YEARS AND  
9 MUST INCLUDE THE FOLLOWING:

10 (I) ASSISTANCE TO PERSONS APPLYING FOR OR RECEIVING AID TO  
11 THE NEEDY DISABLED IN COMPLETING APPLICATIONS FOR FEDERAL  
12 SUPPLEMENTAL SECURITY INCOME AND SOCIAL SECURITY DISABILITY  
13 INSURANCE BENEFITS IN A THOROUGH AND TIMELY MANNER;

14 (II) OUTREACH PRIMARILY TO PERSONS WHO ARE HOMELESS AND  
15 TO OTHER AT-RISK POPULATIONS THAT HAVE LOW RATES OF APPROVAL OF  
16 FEDERAL SUPPLEMENTAL SECURITY INCOME AND SOCIAL SECURITY  
17 DISABILITY INSURANCE BENEFITS APPLICATIONS;

18 (III) IMPLEMENTATION OF THE PILOT PROGRAM IN AT LEAST THREE  
19 COLORADO COUNTIES THAT HAVE A SIGNIFICANT NUMBER OF APPLICANTS  
20 FOR THE PROGRAM FOR AID TO THE NEEDY DISABLED;

21 (IV) THE DEVELOPMENT OF BEST PRACTICES TO INCREASE THE  
22 FEDERAL INCOME REIMBURSEMENT RATE FOR PERSONS PARTICIPATING IN  
23 THE PROGRAM FOR AID TO THE NEEDY DISABLED IN COLORADO AND  
24 REPORTING THESE BEST PRACTICES TO THE STATE DEPARTMENT, THE  
25 COUNTY DEPARTMENTS, AND THE GENERAL ASSEMBLY PURSUANT TO  
26 PARAGRAPH (e) OF THIS SUBSECTION (6).

27 (c) THE STATE DEPARTMENT SHALL AWARD A COMPETITIVE

1 CONTRACT TO A NONPROFIT ORGANIZATION WITH EXPERIENCE IN PUBLIC  
2 PROGRAM OUTREACH AND IN FEDERAL SUPPLEMENTAL SECURITY INCOME  
3 BENEFITS PROGRAMS. THE STATE DEPARTMENT MUST AWARD THE  
4 CONTRACT AND THE PILOT PROGRAM MUST BE IMPLEMENTED BY OCTOBER  
5 1, 2014. THE STATE DEPARTMENT SHALL ESTABLISH POLICIES AND  
6 PROCEDURES FOR THE PILOT PROGRAM.

7 (d) THE CONTRACTOR IMPLEMENTING THE PILOT PROGRAM SHALL  
8 BE RESPONSIBLE FOR HIRING, TRAINING, AND MANAGING EMPLOYEES TO  
9 PERFORM THE STATED SCOPE OF WORK IN THE CONTRACT AND WILL WORK  
10 IN COLLABORATION WITH PILOT COUNTIES TO PERFORM APPLICATION  
11 ASSISTANCE, OUTREACH, AND ONGOING CASE MAINTENANCE.

12 (e) (I) THE STATE DEPARTMENT SHALL INCLUDE REPORTING  
13 REQUIREMENTS FOR THE CONTRACTOR IN THE CONTRACT FOR THE PILOT  
14 PROGRAM. AT A MINIMUM, THE REPORTING REQUIREMENTS MUST INCLUDE  
15 THE NUMBER OF APPLICANTS ASSISTED, THE PROCESS OR STRATEGIES USED  
16 TO ASSIST THE APPLICANTS, THE AVERAGE LENGTH OF TIME TO COMPLETE  
17 APPLICATIONS, WHETHER THE FEDERAL SUPPLEMENTAL SECURITY INCOME  
18 AND SOCIAL SECURITY DISABILITY INSURANCE BENEFITS APPLICATIONS  
19 WERE APPROVED AND FEDERAL REIMBURSEMENT WAS RECEIVED BY THE  
20 STATE, AND BEST PRACTICES DISCOVERED THROUGH THE IMPLEMENTATION  
21 OF THE PILOT PROGRAM.

22 (II) ON OR BEFORE NOVEMBER 1, 2015, AND ON OR BEFORE  
23 NOVEMBER 1, 2016, THE STATE DEPARTMENT SHALL SUBMIT A REPORT TO  
24 THE PUBLIC HEALTH CARE AND HUMAN SERVICES COMMITTEE OF THE  
25 HOUSE OF REPRESENTATIVES AND THE HEALTH AND HUMAN SERVICES  
26 COMMITTEE OF THE SENATE, OR ANY SUCCESSOR COMMITTEES, REGARDING  
27 THE IMPLEMENTATION OF THE PILOT PROGRAM AND THE OUTCOMES

1 ACHIEVED BY PROVIDING ASSISTANCE FOR AID TO THE NEEDY DISABLED  
2 PROGRAM PARTICIPANTS WITH FEDERAL SUPPLEMENTAL SECURITY INCOME  
3 AND SOCIAL SECURITY DISABILITY INSURANCE BENEFITS APPLICATIONS. AT  
4 A MINIMUM, THE REPORT MUST INCLUDE A SUMMARY OF INFORMATION  
5 REQUESTED PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (e).

6 (f) THE STATE DEPARTMENT IS AUTHORIZED TO ACCEPT AND  
7 EXPEND GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES  
8 FOR THE PURPOSES OF THE PROGRAM; EXCEPT THAT THE OFFICE MAY NOT  
9 ACCEPT A GIFT, GRANT, OR DONATION THAT IS SUBJECT TO CONDITIONS  
10 THAT ARE INCONSISTENT WITH THIS SUBSECTION (6) OR ANY OTHER LAW  
11 OF THE STATE.

12 (g) THE STATE DEPARTMENT MAY EXPEND NO MORE THAN THREE  
13 PERCENT OF THE MONEYS ANNUALLY APPROPRIATED FOR THE PILOT  
14 PROGRAM TO OFFSET THE COSTS INCURRED IN ADMINISTERING THE  
15 CONTRACT AND COMPLYING WITH THE REPORTING REQUIREMENTS.

16 (h) THIS SUBSECTION (6) IS REPEALED, EFFECTIVE JULY 1, 2017.

17 **SECTION 4.** In Colorado Revised Statutes, 26-2-210, **amend** (1)  
18 as follows:

19 **26-2-210. State supplemental security income stabilization**  
20 **fund - creation.** (1) There is hereby created in the state treasury the state  
21 supplemental security income stabilization fund, referred to in this section  
22 as the "stabilization fund", for the purpose of stabilizing the source of  
23 funding required to meet the federal requirements for maintenance of  
24 effort for the state-funded supplement to persons receiving SSI benefits.  
25 The stabilization fund shall consist of any excess moneys recovered due  
26 to overpayment of recipients, including regular, fraud, and interim  
27 assistance reimbursement recoveries, and any appropriations made to the

1 stabilization fund by the general assembly. The moneys in the  
2 stabilization fund are hereby continuously appropriated to the state  
3 department to be expended on programs that count toward the  
4 maintenance of effort for the state supplemental security income as  
5 specified in the state plan when the state department determines that the  
6 state is at risk of not meeting the federal maintenance of effort for that  
7 calendar year. All interest and income derived from the investment and  
8 deposit of moneys in the stabilization fund shall be credited to the  
9 stabilization fund. At the end of any fiscal year, an amount not exceeding  
10 ~~one million five hundred thousand dollars~~ TWENTY PERCENT OF THE  
11 TOTAL APPROPRIATION FOR THE APPLICABLE FISCAL YEAR IN THE ANNUAL  
12 GENERAL APPROPRIATIONS BILL FOR THE PROGRAM FOR AID TO THE NEEDY  
13 DISABLED shall remain in the stabilization fund as a continuous  
14 appropriation to be used to meet the state's maintenance of effort  
15 requirements under this part 2, and any unexpended and unencumbered  
16 moneys remaining in the stabilization fund at the end of any fiscal year  
17 in excess of ~~one million five hundred thousand dollars~~ AN AMOUNT EQUAL  
18 TO TWENTY PERCENT OF THE TOTAL APPROPRIATION FOR THE APPLICABLE  
19 FISCAL YEAR IN THE ANNUAL GENERAL APPROPRIATIONS BILL FOR THE  
20 PROGRAM FOR AID TO THE NEEDY DISABLED shall revert to the general  
21 fund.

22 **SECTION 5. Appropriation - adjustments to 2014 long bill.**

23 (1) For the implementation of this act, the general fund appropriation  
24 made in the annual general appropriation act to the controlled  
25 maintenance trust fund created in section 24-75-302.5 (2) (a), Colorado  
26 Revised Statutes, for the fiscal year beginning July 1, 2014, is decreased  
27 by \$1,240,067.



1           (2) In addition to any other appropriation, there is hereby  
2 appropriated to the department of human services, for the fiscal year  
3 beginning July 1, 2014, the sum of \$1,495,144, or so much thereof as may  
4 be necessary, to be allocated for the implementation of this act as follows:

5           (a) \$1,234,483, comprised of \$987,586 from the general fund and  
6 \$246,897 from local funds, for aid to the needy disabled;

7           (b) \$13,764, comprised of \$3,283 from the general fund, \$442  
8 from the old age pension fund created in section 1 of article XXIV of the  
9 state constitution, \$4,697 from reappropriated funds received from the  
10 department of health care policy and financing out of the appropriation  
11 made in subsection (3) of this section, and \$5,342 from federal funds, for  
12 modifications to the Colorado benefits management system; and

13           (c) \$246,897 from the general fund for the federal supplemental  
14 security income application assistance pilot program.

15           (3) In addition to any other appropriation, there is hereby  
16 appropriated, to the department of health care policy and financing, for  
17 the fiscal year beginning July 1, 2014, the sum of \$4,697, or so much  
18 thereof as may be necessary, for allocation to department of human  
19 services medicaid-funded programs, office of information technology  
20 services-medicaid funding, Colorado benefits management system, for  
21 system modifications related to the implementation of this act. Of said  
22 sum, \$2,301 is from the general fund, \$12 is from the old age pension  
23 health and medical care fund pursuant to section 7 (c) of article XXIV of  
24 the state constitution, \$29 is from the children's basic health plan trust  
25 fund created in section 25.5-8-105 (1), Colorado Revised Statutes, and  
26 \$2,355 is from federal funds.

27           (4) In addition to any other appropriation, there is hereby

1 appropriated to the governor - lieutenant governor - state planning and  
2 budgeting, for the fiscal year beginning July 1, 2014, the sum of \$13,764,  
3 or so much thereof as may be necessary, for allocation to the office of  
4 information technology for the provision of services to the department of  
5 human services related to the implementation of this act. Said sum is from  
6 reappropriated funds received from the department of human services out  
7 of the appropriation made in paragraph (b) of subsection (2) of this  
8 section.

9           **SECTION 6. Act subject to petition - effective date.** This act  
10 takes effect at 12:01 a.m. on the day following the expiration of the  
11 ninety-day period after final adjournment of the general assembly (August  
12 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a  
13 referendum petition is filed pursuant to section 1 (3) of article V of the  
14 state constitution against this act or an item, section, or part of this act  
15 within such period, then the act, item, section, or part will not take effect  
16 unless approved by the people at the general election to be held in  
17 November 2014 and, in such case, will take effect on the date of the  
18 official declaration of the vote thereon by the governor.