

An Act

SENATE BILL 12-022

BY SENATOR(S) Williams S., Boyd, Hudak, Aguilar, Bacon, Foster, Giron, Guzman, Heath, Jahn, Johnston, Morse, Newell, Nicholson, Roberts, Schwartz, Spence, Steadman, Tochtrop, White, Shaffer B.;
also REPRESENTATIVE(S) Massey, Fields, Kefalas, Casso, Fischer, Hamner, Hullinghorst, Jones, Kerr A., Labuda, Lee, Pabon, Peniston, Ryden, Schafer S., Singer, Solano, Todd, Tyler, Vigil, Young.

CONCERNING MAINTAINING CHILD CARE ASSISTANCE FOR WORKING FAMILIES.

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

SECTION 1. In Colorado Revised Statutes, **add** 26-2-808 as follows:

26-2-808. Pilot program to continue child care assistance with modifications - legislative declaration - county participation - report - repeal. (1) THE GENERAL ASSEMBLY DECLARES THAT THE PURPOSE OF THIS SECTION IS TO CREATE A PILOT PROGRAM TO STUDY WHETHER A NEW APPROACH TO THE COLORADO CHILD CARE ASSISTANCE PROGRAM CAN MITIGATE THE CIRCUMSTANCE, REFERRED TO IN THIS SECTION AS THE "CLIFF EFFECT", THAT SOMETIMES OCCURS WHEN WORKING PARENTS WHO ARE PARTICIPANTS IN THE COLORADO CHILD CARE ASSISTANCE PROGRAM

RECEIVE A MINOR INCREASE IN THEIR INCOME THAT MAKES THEM INELIGIBLE FOR CHILD CARE ASSISTANCE AND THE INCREASE IN WAGES IS NOT ENOUGH TO COVER THE COSTS FOR CHILD CARE WITHOUT THE CHILD CARE ASSISTANCE. THE GENERAL ASSEMBLY FINDS THAT THIS PHENOMENON OFTEN CREATES DISINCENTIVES FOR FAMILIES TO ACHIEVE SELF-SUFFICIENCY. THE GENERAL ASSEMBLY ALSO ENCOURAGES COUNTIES PARTICIPATING IN THE PILOT PROGRAM TO CREATE EFFECTIVE PUBLIC AND PRIVATE PARTNERSHIPS WITH NONPROFIT ORGANIZATIONS AND BUSINESSES TO FIND ADDITIONAL INNOVATIVE WAYS TO CONTINUE CHILD CARE ASSISTANCE FOR WORKING PARENTS AS AN ECONOMIC BENEFIT TO FAMILIES AND FOR CONTINUITY OF QUALITY EARLY EDUCATION FOR THE CHILD. THE GENERAL ASSEMBLY FINDS THAT ALLOWING WORKING PARENTS TO CONTINUE TO RECEIVE CHILD CARE ASSISTANCE THROUGH THE PILOT PROGRAM ESTABLISHED IN THIS SECTION WILL BE BENEFICIAL TO:

(a) CHILDREN WHO ARE ABLE TO CONTINUE IN A STABLE DAY CARE ENVIRONMENT;

(b) WORKING PARENTS WHO ARE ABLE TO CONTINUE TO WORK AND ADVANCE IN THEIR JOBS AND BECOME MORE SELF-SUFFICIENT; AND

(c) EMPLOYERS WHO HAVE A WORK FORCE THAT IS MORE STABLE BECAUSE THEIR EMPLOYEES HAVE CONSISTENT CHILD CARE ARRANGEMENTS AND HAVE AN INCENTIVE TO STAY WITH AND ADVANCE IN THE SAME EMPLOYMENT.

(2) BEGINNING ON THE EFFECTIVE DATE OF THIS SECTION, 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 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. 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.

(3) 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 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.

(4) A FAMILY THAT IS RECEIVING CHILD CARE ASSISTANCE FOR AN EXTENDED PERIOD OF TIME UNDER THE PILOT PROGRAM SHALL REPORT INCOME CHANGES TO THE COUNTY DURING THE TWO-YEAR PERIOD AND IS SUBJECT TO A REDETERMINATION BY THE COUNTY AFTER THE FIRST TWELVE MONTHS.

(5) AS PART OF THE PILOT PROGRAM, A COUNTY IS ENCOURAGED TO CREATE EFFECTIVE PUBLIC AND PRIVATE PARTNERSHIPS WITH NONPROFIT ORGANIZATIONS AND BUSINESSES TO FIND INNOVATIVE WAYS TO SUPPLEMENT ITS CHILD CARE ASSISTANCE PROGRAM FUNDS TO HELP PARENTS CONTINUE TO PAY FOR CHILD CARE, INCLUDING THE POSSIBILITY OF USING THE COLORADO CHILD CARE CONTRIBUTION CREDIT PURSUANT TO SECTION 39-22-121, C.R.S., TO LEVERAGE ADDITIONAL MONEYS TO PROVIDE A STIPEND TO ASSIST THE FAMILY THROUGH THE TIME PERIOD AFTER THE FAMILY'S INCOME MAKES THEM INELIGIBLE OR AT RISK OF BEING INELIGIBLE FOR CHILD CARE ASSISTANCE.

(6) A COUNTY MAY PARTICIPATE IN THE PILOT PROGRAM ON AND AFTER JULY 1, 2012, AND THROUGH JULY 1, 2016. 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. EACH PARTICIPATING COUNTY SHALL COLLECT DATA ON THE PILOT

PROGRAM AND SHALL WORK WITH THE STATE DEPARTMENT TO EVALUATE AND REPORT ON THE PILOT PROGRAM USING MEASURABLE OUTCOMES.

(7) 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 HEALTH AND ENVIRONMENT COMMITTEE AND TO THE SENATE HEALTH AND HUMAN SERVICES COMMITTEE, OR ANY SUCCESSOR COMMITTEES. THE STATE DEPARTMENT SHALL SUBMIT ITS REPORT ON OR BEFORE OCTOBER 1, 2015.

(8) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2016.

SECTION 2. 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.

Brandon C. Shaffer
PRESIDENT OF
THE SENATE

Frank McNulty
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