



Colorado Legislative Council Staff Fiscal Note
**STATE and LOCAL
 FISCAL IMPACT**

Drafting Number: LLS 12-0631

Date: February 13, 2012

Prime Sponsor(s): Sen. Boyd

Bill Status: Senate Health and Human Services

Fiscal Analyst: Bill Zepernick (303-866-4777)

TITLE: CONCERNING THE "COLORADO JOB SUPPORT ACT".

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
State Expenditures General Fund Federal Funds	Potential increase. See State Expenditures section.	
FTE Position Change		
Effective Date: August 8, 2012, if the General Assembly adjourns on May 9, 2012, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2012-2013: None required.		
Local Government Impact: Increased costs. See Local Government Impact statement.		

Summary of Legislation

The bill makes several changes to the Colorado Works program, including:

- expanding the types of allowable work activities to include financial education classes, microenterprise training and self-employment, and time spent at and traveling to and from agency appointments;
- requiring county departments to evaluate an applicant's employability and eligibility for benefits under social service programs when conducting the initial assessment of a new applicant's needs and abilities;
- specifying that the Colorado Works participant is to take the lead in the development of the individual responsibility contract (IRC) and providing additional guidance to county departments on IRC development;
- directing county departments, to the extent possible, to allow the participant to select a single, lead case manager for all meetings who will coordinate all services; and
- directing the state Department of Human Services (DHS) to extend income disregards in rule to the fullest extent allowed under federal law for the purposes of determining a person's income and assistance amount.

State Expenditures

At the state level, the bill may require the DHS to make changes to the Colorado Benefits Management System (CBMS). However, the changes are assumed to be minor and can be accomplished as part of currently scheduled system modification. Therefore, no new appropriation is required at this time. To the event that more significant changes are required, additional funding could be requested as part of the annual budget process.

Local Government Impact

The bill increases costs to counties in several areas. As described below, these costs are for increased staffing and payments to Colorado Works participants.

Staff impacts. The additional assessment items required by the bill will likely increase the amount of caseworker time need to conduct the evaluation of applicants' needs and abilities. Allowing program participants to pick a lead case manager likely will not affect staff time required for case management, but could impact the schedule decisions and supervision of case workers.

Assistance payments. Expanding the list of allowable work activities increases the options available to participants and could make it easier for participants to meet the work requirements to continue receiving assistance. This could have the effect of increasing the length of time that persons received benefits. Further, increasing the income disregards in rule will have the effect of increasing payment amounts. Currently, two-thirds of earned income is disregarded. For example, for every \$100 of earned income, \$67 is disregarded and the amount of a participant's assistance payment is reduced by \$33. Assuming that the level of county block grants for Colorado Works remains the same, counties will be required to manage these higher costs within their current allocation. Counties may also be required to provide additional county funds if program costs cannot be absorbed within the county block grant.

Departments Contacted

Human Services

Counties