

Second Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 12-0469.01 Debbie Haskins x2045

SENATE BILL 12-022

SENATE SPONSORSHIP

Williams S., Boyd, Hudak

HOUSE SPONSORSHIP

Massey, Fields, Kefalas

Senate Committees

Health and Human Services

House Committees

A BILL FOR AN ACT

101 CONCERNING MAINTAINING CHILD CARE ASSISTANCE FOR WORKING
102 FAMILIES.

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>.)

Under the current law, when a person receiving child care assistance under the Colorado child care assistance program (CCCAP) is ineligible due to exceeding the income eligibility level adopted by the county department of social services, the county department is strongly encouraged to continue providing child care assistance for 6 months and

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.

to work with the person to provide a gradual transition off of the child care assistance. This bill eliminates that permissive 6-month option when a person's income exceeds the county-adopted eligibility level and requires that the county continue to provide child care assistance to the person for a period of 2 years while the person pays a series of incremental increases in the portion of the parental share of the child care.

The bill requires the state board of human services to adopt rules establishing a formula for the scheduled increases in the parental share based on income and on the cost of child care with the goal of the parent becoming more self-sufficient, maintaining stable employment, and taking on more of the cost of child care over the 2-year period. A family that receives child care assistance during the extended 2-year period is required to report any income changes during the 2-year period and is subject to a redetermination of eligibility after the first 12 months.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 declares that the purpose of this bill is to ameliorate the "cliff effect" that
4 sometimes occurs when working parents who are participants in the
5 Colorado child care assistance program receive a minor increase in their
6 income that makes them ineligible for child care assistance and the
7 increase in wages is not enough to cover the costs for child care without
8 the child care assistance. The general assembly finds that this
9 phenomenon often creates disincentives for families to achieve
10 self-sufficiency. The general assembly finds that allowing working
11 parents to continue to receive child care assistance is beneficial to:

12 (a) Children who are able to continue in a stable day care
13 environment;

14 (b) Working parents who are able to continue to work and
15 advance in their jobs and become more self-sufficient; and

16 (c) Employers who have a work force that is more stable because
17 their employees have consistent child care arrangements and have an

1 incentive to stay with and advance in the same employment.

2 **SECTION 2.** In Colorado Revised Statutes, 26-2-805, **amend** (1)
3 (b) (I) and (1) (e) (III) as follows:

4 **26-2-805. Services - eligibility - assistance provided - rules.**

5 (1) (b) (I) (A) Subject to available appropriations and pursuant to rules
6 promulgated by the state department, and except as provided for in
7 subparagraph (II) of this paragraph (b), a county shall provide child care
8 assistance for a family transitioning off the works program due to
9 employment or training without requiring the family to apply for
10 low-income child care, but shall redetermine the family's eligibility within
11 six months after the transition, and may provide child care assistance for
12 any other family whose income does not exceed eighty-five percent of the
13 state median income for a family of the same size. A recipient of child
14 care assistance shall be responsible for paying a portion of such child care
15 based upon the recipient's income and the formula developed by rules of
16 the state board.

17 (B) For any participant or any person or family whose income
18 rises to the level set by the county at which the county may deny said
19 participant, person, or family child care assistance, the county ~~is strongly~~
20 ~~encouraged to~~ SHALL continue to provide such assistance for a period of
21 ~~six months;~~ TWO YEARS, WITH THE PARTICIPANT, PERSON, OR FAMILY
22 PAYING A SERIES OF INCREMENTAL INCREASES IN THE PORTION OF THE
23 PARENTAL SHARE OF THE CHILD CARE ON A SCHEDULED BASIS AS SET IN A
24 FORMULA ESTABLISHED BY RULES OF THE STATE BOARD; except that in no
25 event shall assistance be provided if said income exceeds the maximum
26 level for eligibility for services set by federal law for a family of the same
27 size. ~~During such period~~ The county shall work with ~~said~~ THE participant,

1 person, or family to provide a gradual transition off of the child care
2 assistance provided pursuant to this paragraph (b) over ~~a six-month~~ THE
3 TWO-YEAR period. THE STATE BOARD SHALL ADOPT RULES TO ESTABLISH
4 A FORMULA THAT PROVIDES FOR A SERIES OF INCREMENTAL INCREASES IN
5 THE PARENTAL SHARE ON A SCHEDULED BASIS OVER THE TWO-YEAR
6 PERIOD FOR THOSE FAMILIES CONTINUING TO RECEIVE CHILD CARE
7 ASSISTANCE. THE FORMULA SHALL BE BASED UPON INCOME AND THE COST
8 OF CHILD CARE WITH THE GOAL OF THE PARTICIPANT, PERSON, OR FAMILY
9 BECOMING MORE SELF-SUFFICIENT, MAINTAINING STABLE EMPLOYMENT,
10 AND TAKING ON MORE OF THE COST OF CHILD CARE OVER THE TWO-YEAR
11 PERIOD.

12 (e) (III) Notwithstanding the provisions of section 26-1-127 (2)
13 (a), a family that receives child care assistance pursuant to this part 8 shall
14 not be required to report income or activity changes during the
15 twelve-month eligibility period; except that, within the twelve-month
16 eligibility period, a family shall be required to report a change in income
17 if the family's income exceeds eighty-five percent of the state median
18 income; AND EXCEPT THAT A FAMILY THAT RECEIVES CHILD CARE
19 ASSISTANCE PURSUANT TO THIS PART 8 FOR AN EXTENDED TWO-YEAR
20 PERIOD AS DESCRIBED IN SUB-SUBPARAGRAPH (B) OF SUBPARAGRAPH (I)
21 OF PARAGRAPH (b) OF THIS SUBSECTION (1) IS REQUIRED TO REPORT
22 INCOME CHANGES DURING THE TWO-YEAR PERIOD AND IS SUBJECT TO A
23 REDETERMINATION AFTER THE FIRST TWELVE MONTHS. If a family is no
24 longer participating in the eligible activity under which it was made
25 eligible in the child care case, the family shall report that change within
26 four weeks from the time it ceased participating in the eligible activity.

27 **SECTION 3. Effective date.** This act takes effect January 1,

1 2013.

2 **SECTION 4. Safety clause.** The general assembly hereby finds,
3 determines, and declares that this act is necessary for the immediate
4 preservation of the public peace, health, and safety.