

Second Regular Session  
Sixty-eighth General Assembly  
STATE OF COLORADO

**ENGROSSED**

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

LLS NO. 12-0469.01 Debbie Haskins x2045

**SENATE BILL 12-022**

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**SENATE SPONSORSHIP**

**Williams S.,** Boyd, Hudak

**HOUSE SPONSORSHIP**

**Massey,** Fields, Kefalas

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**Senate Committees**

Health and Human Services

**House Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING MAINTAINING CHILD CARE ASSISTANCE FOR WORKING**  
102 **FAMILIES.**

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**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.*

SENATE  
Amended 2nd Reading  
February 28, 2012

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.

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

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

4 **26-2-808. Pilot program to continue child care assistance with**  
5 **modifications - legislative declaration - county participation - report**  
6 **- repeal.** (1) **THE GENERAL ASSEMBLY DECLARES THAT THE PURPOSE OF**  
7 **THIS SECTION IS TO CREATE A PILOT PROGRAM TO STUDY WHETHER A NEW**  
8 **APPROACH TO THE COLORADO CHILD CARE ASSISTANCE PROGRAM CAN**  
9 **MITIGATE THE CIRCUMSTANCE, REFERRED TO IN THIS SECTION AS THE**  
10 **"CLIFF EFFECT", THAT SOMETIMES OCCURS WHEN WORKING PARENTS WHO**  
11 **ARE PARTICIPANTS IN THE COLORADO CHILD CARE ASSISTANCE PROGRAM**  
12 **RECEIVE A MINOR INCREASE IN THEIR INCOME THAT MAKES THEM**  
13 **INELIGIBLE FOR CHILD CARE ASSISTANCE AND THE INCREASE IN WAGES IS**  
14 **NOT ENOUGH TO COVER THE COSTS FOR CHILD CARE WITHOUT THE CHILD**  
15 **CARE ASSISTANCE. THE GENERAL ASSEMBLY FINDS THAT THIS**  
16 **PHENOMENON OFTEN CREATES DISINCENTIVES FOR FAMILIES TO ACHIEVE**  
17 **SELF-SUFFICIENCY. THE GENERAL ASSEMBLY ALSO ENCOURAGES COUNTIES**

1 PARTICIPATING IN THE PILOT PROGRAM TO CREATE EFFECTIVE PUBLIC AND  
2 PRIVATE PARTNERSHIPS WITH NONPROFIT ORGANIZATIONS AND  
3 BUSINESSES TO FIND ADDITIONAL INNOVATIVE WAYS TO CONTINUE CHILD  
4 CARE ASSISTANCE FOR WORKING PARENTS AS AN ECONOMIC BENEFIT TO  
5 FAMILIES AND FOR CONTINUITY OF QUALITY EARLY EDUCATION FOR THE  
6 CHILD. THE GENERAL ASSEMBLY FINDS THAT ALLOWING WORKING  
7 PARENTS TO CONTINUE TO RECEIVE CHILD CARE ASSISTANCE THROUGH  
8 THE PILOT PROGRAM ESTABLISHED IN THIS SECTION WILL BE BENEFICIAL  
9 TO:

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

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

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

18 (2) BEGINNING ON THE EFFECTIVE DATE OF THIS SECTION, THE  
19 STATE DEPARTMENT IS AUTHORIZED TO DEVELOP AND OVERSEE A PILOT  
20 PROGRAM IN WHICH THE COLORADO CHILD CARE ASSISTANCE PROGRAM  
21 AS OUTLINED IN SECTION 26-2-805 IS MODIFIED TO MITIGATE THE CLIFF  
22 EFFECT FOR LOW-INCOME FAMILIES THAT ARE WORKING AND RECEIVING  
23 CHILD CARE ASSISTANCE, REFERRED TO IN THIS SECTION AS THE "PILOT  
24 PROGRAM". COUNTY DEPARTMENTS OF SOCIAL SERVICES MAY APPLY TO  
25 THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE TO PARTICIPATE IN  
26 THE PILOT PROGRAM. THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE  
27 MAY SELECT UP TO TEN COUNTIES THAT WILL PARTICIPATE IN THE PILOT

1 PROGRAM AS DESCRIBED IN THIS SECTION. IN SELECTING THE COUNTIES,  
2 THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE SHALL SEEK  
3 DIVERSITY IN THE SIZE OF POPULATION, REGIONAL LOCATION, AND  
4 DEMOGRAPHIC COMPOSITION.

5 (3) SUBJECT TO AVAILABLE APPROPRIATIONS, A COUNTY THAT IS  
6 PARTICIPATING IN THE PILOT PROGRAM SHALL CONTINUE TO PROVIDE  
7 CHILD CARE ASSISTANCE FOR A PERIOD OF UP TO TWO YEARS FOR ANY  
8 PERSON WHO HAS BEEN RECEIVING CHILD CARE ASSISTANCE FROM THE  
9 COUNTY AND WHOSE INCOME EXCEEDS THE COUNTY-ADOPTED INCOME  
10 ELIGIBILITY LIMIT FOR THE COUNTY'S CHILD CARE ASSISTANCE PROGRAM.  
11 THE COUNTY SHALL REQUIRE A PARENT WHO IS RECEIVING EXTENDED  
12 CHILD CARE ASSISTANCE TO PAY A SERIES OF INCREMENTAL INCREASES IN  
13 THE PORTION OF THE PARENTAL SHARE OF THE CHILD CARE COSTS ON A  
14 SCHEDULED BASIS BASED UPON A FORMULA ESTABLISHED BY THE COUNTY;  
15 EXCEPT THAT ASSISTANCE SHALL NOT BE PROVIDED IF SAID INCOME  
16 EXCEEDS THE MAXIMUM LEVEL FOR ELIGIBILITY FOR SERVICES SET BY  
17 FEDERAL LAW FOR A FAMILY OF THE SAME SIZE. THE COUNTY SHALL WORK  
18 WITH THE PERSON TO PROVIDE A GRADUAL TRANSITION OFF OF THE CHILD  
19 CARE ASSISTANCE OVER A TWO-YEAR PERIOD. EACH COUNTY DEPARTMENT  
20 SHALL SET ITS OWN PARENTAL FEE SCHEDULE AND MAY CONSULT WITH  
21 THE STATE DEPARTMENT ON SETTING THE PARENTAL FEE SCHEDULE.

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

27 (5) AS PART OF THE PILOT PROGRAM, A COUNTY IS ENCOURAGED

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

10 (6) A COUNTY MAY PARTICIPATE IN THE PILOT PROGRAM ON AND  
11 AFTER JULY 1, 2012, AND THROUGH JULY 1, 2016. A COUNTY SHALL  
12 OPERATE THE PILOT PROGRAM FOR AT LEAST TWO YEARS. A COUNTY MAY  
13 APPLY TO PARTICIPATE IN THE PILOT PROGRAM ON OR BEFORE JANUARY 1,  
14 2014. EACH PARTICIPATING COUNTY SHALL COLLECT DATA ON THE PILOT  
15 PROGRAM AND SHALL WORK WITH THE STATE DEPARTMENT TO EVALUATE  
16 AND REPORT ON THE PILOT PROGRAM USING MEASURABLE OUTCOMES.

17 (7) THE STATE DEPARTMENT SHALL COMPILE THE DATA  
18 SUBMITTED BY THE COUNTIES PURSUANT TO SUBSECTION (6) OF THIS  
19 SECTION AND SUBMIT A REPORT ON THE PILOT PROGRAM WITH THE STATE  
20 DEPARTMENT'S FINDINGS AND RECOMMENDATIONS TO THE HOUSE HEALTH  
21 AND ENVIRONMENT COMMITTEE AND TO THE SENATE HEALTH AND HUMAN  
22 SERVICES COMMITTEE, OR ANY SUCCESSOR COMMITTEES. THE STATE  
23 DEPARTMENT SHALL SUBMIT ITS REPORT ON OR BEFORE OCTOBER 1, 2015.

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

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