

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 14-0148	Date: January 8, 2014
Prime Sponsor(s): Rep. Landgraf Sen. Newell	Bill Status: House Public Health Care and Human Services
	Fiscal Analyst: Bill Zepernick (303-866-4777)

SHORT TITLE: CHILD CARE ASSISTANCE AUTHORIZATION PERIOD.

Fiscal Impact Summary	FY 2014-2015	FY 2015-2016
State Revenue		
State Expenditures	Minimal impact. See State Expenditures section.	
FTE Position Change		
Appropriation Required: None.		

Summary of Legislation

The bill requires that, to the greatest extent practical, the authorization notice for children participating in the Child Care Assistance Program (CCAP) be equal to the eligibility period for the child's family. In rule, the Department of Human Services may specify limited exceptions, such as a job search period, when authorization notices may be less than the full eligibility period for a family. The bill also allows counties to reduce the number of families receiving services in order to keep spending within the county block grant allocation for CCAP.

Background

Under current law, most families enrolled in CCAP are eligible for child care assistance for 12 months, at which time they must have their eligibility redetermined. Counties set the eligibility criteria for families, but are required to serve families with incomes at or below 130 percent of the federal poverty level and may not serve families with incomes over 85 percent of the state median income. Parents are required to notify their county department of human services within four weeks if they have a change in their eligibility activity (e.g., employment or job search status, education participation, etc.) or immediately if they have a change in income that increases their income beyond the maximum amount allowed by law.

State Expenditures

The bill will result in a minimal increase in workload in the Department of Human Services to modify CCAP rules to require authorization notices to cover the current 12-month eligibility period in most situations and to specify exceptions when the authorization notice may be for a shorter period. The workload impact to the Department of Law from legal services associated with this rulemaking is also expected to be minimal. It is assumed that this work can be accomplished using existing resources and no additional appropriation is required.

Local Government Impact

By extending authorization notices for children in CCAP to cover the entire 12-month eligibility period, in most cases, the bill is expected to result in families utilizing CCAP services for longer periods of time. Under current law, counties may use authorization notice periods that are shorter than the entire eligibility period, which provides more opportunities for interaction with families compared with the expanded authorization periods under the bill. Because counties will have fewer interactions with families, this will decrease the opportunity to learn of changes in eligibility or income status, and families will stay on CCAP for longer periods following their initial eligibility determination.

Assuming the CCAP funding to counties remains constant, the alignment of the authorization notice and eligibility periods will contribute to a reduction in the number of children and families receiving child care assistance throughout the year by limiting the flow of children in and out of the program. In addition, by extending the authorization notice period, county departments of human services may experience a reduction in workload associated with the issuance of authorization notices.

The bill also increases flexibility for counties to reduce caseload to stay within their county block grant allocation for CCAP. Because the bill will likely increase the time that families spend in the CCAP program after eligibility determination, counties may choose to increase eligibility requirements or reduce caseload in order to keep spending within available funding.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Human Services

Law

Counties