

**First Regular Session  
Seventieth General Assembly  
STATE OF COLORADO**

**REENGROSSED**

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

LLS NO. 15-0101.01 Brita Darling x2241

**SENATE BILL 15-012**

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**SENATE SPONSORSHIP**

**Kefalas, Todd**

**HOUSE SPONSORSHIP**

**Pettersen,**

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**Senate Committees**

Health & Human Services  
Finance  
Appropriations

**House Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING THE TREATMENT OF CHILD SUPPORT FOR PURPOSES OF**  
102             **THE COLORADO WORKS PROGRAM, AND, IN CONNECTION**  
103             **THEREWITH, MAKING AN APPROPRIATION.**

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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/bills summaries>.)*

**Early Childhood and School Readiness Commission.** Pursuant to the Colorado works program, while a recipient is receiving assistance, the recipient must assign to the department of human services (state department) his or her right to receive child support for purposes of

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  
3rd Reading Unamended  
April 15, 2015

SENATE  
Amended 2nd Reading  
April 14, 2015

reimbursing the state for the assistance paid to the recipient. The bill requires the state department to pass through to the recipient current child support collected by the state department pursuant to the assignment. The state department shall annually report to the joint budget committee the amount of child support passed through to recipients. Further, the amount of the child support pass-through will not be included in income for purposes of calculating the amount of the applicant's or participant's basic cash assistance payment.

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

2           **SECTION 1.** In Colorado Revised Statutes, 26-2-108, **amend** (1)  
3 (b) as follows:

4           **26-2-108. Granting of assistance payments and social services.**

5 (1) (b) (I) In determining the amount of assistance payments to be  
6 granted, due account shall be taken of any income or property available  
7 to the applicant and any support, either in cash or in kind, that the  
8 applicant may receive from other sources, pursuant to rules of the state  
9 department. Effective July 1, 2000, THROUGH DECEMBER 31, 2016, a  
10 county may pay families that are eligible for temporary assistance for  
11 needy families (TANF), as defined in section 26-2-703 (19), an amount  
12 that is equal to the state and county share of child support collections as  
13 described in section 26-13-108 (1). Such payments shall not be  
14 considered income for the purpose of grant calculation. However, such  
15 income shall be considered income for purposes of determining  
16 eligibility. If a county chooses to pay child support collections directly to  
17 a family that is eligible for temporary assistance for needy families  
18 (TANF), as defined in section 26-2-703 (19), the county shall report such  
19 payments to the state department for the month in which they occur and  
20 indicate the choice of this option in its performance contract for Colorado  
21 works. For the purposes of determining eligibility for public assistance or

1 the amount of assistance payments, compensation received by the  
2 applicant pursuant to the "Colorado Crime Victim Compensation Act",  
3 part 1 of article 4.1 of title 24, C.R.S., shall not be considered as income,  
4 property, or support available to such applicant.

5 (II) (A) EFFECTIVE JANUARY 1, 2017, AND UPON THE STATE  
6 DEPARTMENT'S NOTIFICATION TO COUNTIES THAT THE RELEVANT HUMAN  
7 SERVICES CASE MANAGEMENT SYSTEMS, INCLUDING THE AUTOMATED  
8 CHILD SUPPORT ENFORCEMENT SYSTEM AND THE COLORADO BENEFITS  
9 MANAGEMENT SYSTEM, ARE CAPABLE OF DIRECTLY AND EFFICIENTLY  
10 MANAGING THE DISTRIBUTION PROCESS FOR THE CHILD SUPPORT  
11 PASS-THROUGH, A COUNTY SHALL PAY FAMILIES THAT ARE ELIGIBLE FOR  
12 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF), AS DEFINED IN  
13 SECTION 26-2-703 (19), AN AMOUNT THAT IS EQUAL TO THE AMOUNT OF  
14 CURRENT CHILD SUPPORT COLLECTIONS AS DESCRIBED IN SECTION  
15 26-13-108 (1). SUCH PAYMENTS SHALL NOT BE CONSIDERED INCOME FOR  
16 PURPOSES OF CALCULATING A RECIPIENT'S BASIC CASH ASSISTANCE GRANT  
17 PURSUANT TO PART 7 OF THIS ARTICLE. HOWEVER, SUCH PAYMENTS, WITH  
18 APPLICABLE DISREGARDS, SHALL BE CONSIDERED INCOME FOR PURPOSES  
19 OF DETERMINING ELIGIBILITY. THE COUNTY SHALL REPORT THE AMOUNT  
20 OF THE CHILD SUPPORT PAYMENTS TO THE STATE DEPARTMENT FOR THE  
21 MONTH IN WHICH THEY OCCUR. FOR THE PURPOSES OF DETERMINING  
22 ELIGIBILITY FOR PUBLIC ASSISTANCE OR THE AMOUNT OF ASSISTANCE  
23 PAYMENTS, COMPENSATION RECEIVED BY THE APPLICANT PURSUANT TO  
24 THE "COLORADO CRIME VICTIM COMPENSATION ACT", PART 1 OF ARTICLE  
25 4.1 OF TITLE 24, C.R.S., SHALL NOT BE CONSIDERED AS INCOME,  
26 PROPERTY, OR SUPPORT AVAILABLE TO SUCH APPLICANT.

27 (B) THE GENERAL ASSEMBLY MAY ANNUALLY APPROPRIATE

1 MONEYS TO THE STATE DEPARTMENT IN A SEPARATE LINE ITEM TO  
2 REIMBURSE THE COUNTIES FOR FIFTY PERCENT OF CHILD SUPPORT  
3 COLLECTIONS AND THE FEDERAL GOVERNMENT FOR ITS SHARE OF CHILD  
4 SUPPORT COLLECTIONS THAT ARE PASSED THROUGH TO TEMPORARY  
5 ASSISTANCE FOR NEEDY FAMILIES (TANF) RECIPIENTS PURSUANT TO THIS  
6 SUBPARAGRAPH (II). THE STATE DEPARTMENT SHALL ALLOCATE AND  
7 DISTRIBUTE THE MONEYS TO THE COUNTIES. NOTWITHSTANDING THE  
8 PROVISIONS OF THIS SUBPARAGRAPH (II) TO THE CONTRARY, IN ANY STATE  
9 FISCAL YEAR IN WHICH THE GENERAL ASSEMBLY DOES NOT APPROPRIATE  
10 AN AMOUNT OF MONEYS EQUAL TO A FULL FISCAL YEAR REIMBURSEMENT  
11 TO COUNTIES PURSUANT TO THE PROVISIONS OF THIS SUB-SUBPARAGRAPH  
12 (B), THE STATE DEPARTMENT SHALL MAKE ALL NECESSARY CHANGES TO  
13 THE RELEVANT HUMAN SERVICES AUTOMATED SYSTEMS SO THAT CHILD  
14 SUPPORT PAYMENTS ARE NOT PASSED THROUGH TO TEMPORARY  
15 ASSISTANCE FOR NEEDY FAMILIES (TANF) RECIPIENTS AND A COUNTY IS  
16 NOT REQUIRED TO, BUT MAY, IMPLEMENT THE CHILD SUPPORT PASS  
17 THROUGH TO TANF RECIPIENTS. SHOULD A COUNTY ELECT TO IMPLEMENT  
18 A CHILD SUPPORT PASS THROUGH IN A FISCAL YEAR IN WHICH THE FULL  
19 AMOUNT OF MONEYS IS NOT APPROPRIATED, IT MUST UTILIZE ITS OWN  
20 RESOURCES AND THE STATE AUTOMATED SYSTEMS ARE NOT REQUIRED TO  
21 SUPPORT THEIR IMPLEMENTATION.

22           **SECTION 2.** In Colorado Revised Statutes, 26-2-111, **amend** (3)  
23 (b); and **add** (3) (a.5) as follows:

24           **26-2-111. Eligibility for public assistance - rules - repeal.**  
25 (3) **Colorado works program.** (a.5) NOTWITHSTANDING ANY PROVISION  
26 OF THIS SUBSECTION (3), AND EXCEPT AS PROVIDED IN SECTION 26-2-108  
27 (1) (b) (II), EFFECTIVE JANUARY 1, 2017, THE STATE DEPARTMENT SHALL

1 PAY TO THE RECIPIENT THE CURRENT CHILD SUPPORT COLLECTED  
2 PURSUANT TO THE ASSIGNMENT. THE STATE DEPARTMENT SHALL  
3 DISREGARD THE AMOUNT OF CHILD SUPPORT PAID TO THE RECIPIENT  
4 PURSUANT TO THIS PARAGRAPH (a.5) IN CALCULATING THE AMOUNT OF  
5 THE RECIPIENT'S BASIC CASH ASSISTANCE GRANT PURSUANT TO PART 7 OF  
6 THIS ARTICLE. HOWEVER, SUCH PAYMENTS, WITH APPLICABLE  
7 DISREGARDS, SHALL BE CONSIDERED INCOME FOR PURPOSES OF  
8 DETERMINING ELIGIBILITY.

9 (b) The application shall contain a statement explaining this  
10 assignment AND THE PAYMENT TO THE RECIPIENT OF CHILD SUPPORT  
11 PURSUANT TO PARAGRAPH (a.5) OF THIS SUBSECTION (3).

12 **SECTION 3.** In Colorado Revised Statutes, 26-2-709, **amend** (1)  
13 (a) (II) and (1) (a) (III); and **add** (1) (a) (IV) as follows:

14 **26-2-709. Benefits - cash assistance - programs - rules.**

15 (1) **Standard of need - basic cash assistance grant.** (a) The state  
16 department shall promulgate rules determining the standard of need for  
17 eligibility for a basic cash assistance grant, whether an applicant or  
18 participant meets the standard of need, and the amount of the basic cash  
19 assistance grant. In addition to any other rules necessary for the  
20 implementation of this part 7, the state department's rules shall:

21 (II) Establish criteria for determining whether an applicant or  
22 participant meets the standard of need, including but not limited to what  
23 constitutes countable and excludable income for the purposes of  
24 eligibility for a basic cash assistance grant; ~~and~~

25 (III) Establish the calculation for determining the amount of an  
26 eligible applicant's or participant's basic cash assistance grant, which  
27 calculation shall include an earned income disregard which shall be

1 applied to the gross countable earned income of an applicant or  
2 participant who is employed. The earned income disregard shall promote  
3 work and self-sufficiency and shall benefit the applicant or participant by  
4 reducing the unintended economic consequences of becoming employed.  
5 The rules promulgated by the state department pursuant to this  
6 subparagraph (III) shall not establish an earned income disregard that  
7 results in an applicant or participant having fewer financial resources  
8 available to him or her than a similarly situated applicant or participant  
9 would have had under the earned income disregard pursuant to section  
10 26-2-709 as it existed on July 1, 2009; AND

11 (IV) ESTABLISH THE CALCULATION FOR DETERMINING THE  
12 AMOUNT OF THE BASIC CASH ASSISTANCE GRANT, WHICH CALCULATION  
13 SHALL DISREGARD CURRENT CHILD SUPPORT PAYMENTS MADE TO A  
14 PARTICIPANT PURSUANT TO SECTION 26-2-111 (3) (a.5). HOWEVER, SUCH  
15 PAYMENTS, WITH APPLICABLE DISREGARDS, SHALL BE CONSIDERED  
16 INCOME FOR PURPOSES OF DETERMINING ELIGIBILITY FOR THE GRANT.

17 **SECTION 4.** In Colorado Revised Statutes, 26-13-108, **amend**  
18 (3) as follows:

19 **26-13-108. Recovery of public assistance paid for child**  
20 **support and maintenance - interest collected on support obligations**  
21 **- designation in annual general appropriations act.** (3) (a) Effective  
22 July 1, 2000, THROUGH DECEMBER 31, 2016, a county may pay families  
23 that are eligible for temporary assistance for needy families, pursuant to  
24 part 7 of article 2 of this title, an amount that is equal to the state and  
25 county share of child support collections as described in subsection (1) of  
26 this section. Such payments shall not be considered income for the  
27 purpose of grant calculation. However, such income shall be considered

1 income for purposes of determining eligibility. If a county chooses to pay  
2 child support collections directly to a family that is eligible for temporary  
3 assistance for needy families, pursuant to part 7 of article 2 of this title,  
4 the county shall report such payments to the state department for the  
5 month in which the payments are made and shall indicate the choice of  
6 this option in its performance contract for Colorado works.

7 (b) (I) EXCEPT AS PROVIDED IN SECTION 26-2-108 (1) (b) (II) (B),  
8 EFFECTIVE JANUARY 1, 2017, A COUNTY SHALL PAY FAMILIES THAT ARE  
9 ELIGIBLE FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES, PURSUANT  
10 TO PART 7 OF ARTICLE 2 OF THIS TITLE, AN AMOUNT THAT IS EQUAL TO THE  
11 AMOUNT OF CURRENT CHILD SUPPORT COLLECTIONS AS DESCRIBED IN  
12 SUBSECTION (1) OF THIS SECTION. SUCH PAYMENTS SHALL NOT BE  
13 CONSIDERED INCOME FOR PURPOSES OF CALCULATING THE BASIC CASH  
14 ASSISTANCE GRANT PURSUANT TO PART 7 OF ARTICLE 2 OF THIS TITLE.  
15 HOWEVER, SUCH PAYMENTS, WITH APPLICABLE DISREGARDS, SHALL BE  
16 CONSIDERED INCOME FOR PURPOSES OF DETERMINING ELIGIBILITY. THE  
17 COUNTY SHALL REPORT TO THE STATE DEPARTMENT THE AMOUNT OF THE  
18 CHILD SUPPORT PAYMENTS FOR THE MONTH IN WHICH THE PAYMENTS ARE  
19 MADE.

20 (II) THE STATE DEPARTMENT SHALL ANNUALLY REPORT TO THE  
21 JOINT BUDGET COMMITTEE THE AMOUNT OF CHILD SUPPORT COLLECTED  
22 AND PAID BY THE COUNTIES TO FAMILIES THAT ARE ELIGIBLE FOR  
23 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES, PURSUANT TO PART 7 OF  
24 ARTICLE 2 OF THIS TITLE.

25 SECTION 5. Appropriation. (1) For the 2015-16 state fiscal  
26 year, \$868,895 is appropriated to the department of human services for  
27 use by the office of self sufficiency. This appropriation consists of

1 \$315,509 from the general fund and \$553,386 from the temporary  
2 assistance for needy families block grant. To implement this act, the  
3 office may use this appropriation as follows:

4 (a) \$792,921, which consists of \$277,522 from general fund and  
5 \$515,399 federal funds from the temporary assistance for needy families  
6 block grant, for changes to the automated child support enforcement system;  
7 and

8 (b) \$75,974 which consists of \$37,987 from general fund and  
9 \$37,987 federal funds from the temporary assistance for needy families  
10 block grant, for implementation contractor costs.

11 **SECTION 6. Act subject to petition - effective date.** This act  
12 takes effect at 12:01 a.m. on the day following the expiration of the  
13 ninety-day period after final adjournment of the general assembly (August  
14 5, 2015, if adjournment sine die is on May 6, 2015); except that, if a  
15 referendum petition is filed pursuant to section 1 (3) of article V of the  
16 state constitution against this act or an item, section, or part of this act  
17 within such period, then the act, item, section, or part will not take effect  
18 unless approved by the people at the general election to be held in  
19 November 2016 and, in such case, will take effect on the date of the  
20 official declaration of the vote thereon by the governor.