

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

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 15-0101.01 Brita Darling x2241

SENATE BILL 15-012

SENATE SPONSORSHIP

Kefalas, Todd

HOUSE SPONSORSHIP

Pettersen,

Senate Committees

Health & Human Services
Finance
Appropriations

House Committees

Public Health Care & Human Services
Appropriations

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.**

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>.)

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.

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, \$315,509 is appropriated to the department of human services for
27 use by the office of self sufficiency. This appropriation is from the

1 general fund, and is subject to the "(M)" notation as defined in the general
2 appropriation act for the same fiscal year. To implement this act, the
3 office may use this appropriation as follows:

4 (a) \$277,522 for changes to the automated child support
5 enforcement system; and

6 (b) \$37,987 for implementation contractor costs.

7 (2) For the 2015-16 state fiscal year, the general assembly
8 anticipates that the department of human services will receive \$553,386
9 in federal funds from title IV-D of the social security act for use by the
10 office of self sufficiency. The appropriation in subsection (1) of this
11 section is based on the assumption that the office will receive this amount
12 of federal funds to be used as follows:

13 (a) \$515,399 for changes to the automated child support
14 enforcement system; and

15 (b) \$37,987 for implementation contractor costs.

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