

**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

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.*

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. THE COUNTY SHALL REPORT THE
18 AMOUNT OF THE CHILD SUPPORT PAYMENTS TO THE STATE DEPARTMENT
19 FOR THE MONTH IN WHICH THEY OCCUR. FOR THE PURPOSES OF
20 DETERMINING ELIGIBILITY FOR PUBLIC ASSISTANCE OR THE AMOUNT OF
21 ASSISTANCE PAYMENTS, COMPENSATION RECEIVED BY THE APPLICANT
22 PURSUANT TO THE "COLORADO CRIME VICTIM COMPENSATION ACT",
23 PART 1 OF ARTICLE 4.1 OF TITLE 24, C.R.S., SHALL NOT BE CONSIDERED AS
24 INCOME, PROPERTY, OR SUPPORT AVAILABLE TO SUCH APPLICANT.

25 (B) THE GENERAL ASSEMBLY MAY ANNUALLY APPROPRIATE
26 MONEYS TO THE STATE DEPARTMENT IN A SEPARATE LINE ITEM TO
27 REIMBURSE THE COUNTIES FOR FIFTY PERCENT OF CHILD SUPPORT

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

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

22 **26-2-111. Eligibility for public assistance - rules - repeal.**
23 (3) **Colorado works program.** (a.5) NOTWITHSTANDING ANY PROVISION
24 OF THIS SUBSECTION (3), AND EXCEPT AS PROVIDED IN SECTION 26-2-108
25 (1) (b) (II), THE STATE DEPARTMENT SHALL PAY TO THE RECIPIENT THE
26 CURRENT CHILD SUPPORT COLLECTED PURSUANT TO THE ASSIGNMENT.
27 THE STATE DEPARTMENT SHALL DISREGARD THE AMOUNT OF CHILD

1 SUPPORT PAID TO THE RECIPIENT PURSUANT TO THIS PARAGRAPH (a.5) IN
2 CALCULATING THE AMOUNT OF THE RECIPIENT'S BASIC CASH ASSISTANCE
3 GRANT PURSUANT TO PART 7 OF THIS ARTICLE.

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

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

9 **26-2-709. Benefits - cash assistance - programs - rules.**

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

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

20 (III) Establish the calculation for determining the amount of an
21 eligible applicant's or participant's basic cash assistance grant, which
22 calculation shall include an earned income disregard which shall be
23 applied to the gross countable earned income of an applicant or
24 participant who is employed. The earned income disregard shall promote
25 work and self-sufficiency and shall benefit the applicant or participant by
26 reducing the unintended economic consequences of becoming employed.
27 The rules promulgated by the state department pursuant to this

1 subparagraph (III) shall not establish an earned income disregard that
2 results in an applicant or participant having fewer financial resources
3 available to him or her than a similarly situated applicant or participant
4 would have had under the earned income disregard pursuant to section
5 26-2-709 as it existed on July 1, 2009; AND

6 (IV) ESTABLISH THE CALCULATION FOR DETERMINING THE
7 AMOUNT OF THE BASIC CASH ASSISTANCE GRANT, WHICH CALCULATION
8 SHALL DISREGARD CURRENT CHILD SUPPORT PAYMENTS MADE TO A
9 PARTICIPANT PURSUANT TO SECTION 26-2-111 (3) (a.5).

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

12 **26-13-108. Recovery of public assistance paid for child**
13 **support and maintenance - interest collected on support obligations**
14 **- designation in annual general appropriations act.** (3) (a) Effective
15 July 1, 2000, THROUGH DECEMBER 31, 2015, a county may pay families
16 that are eligible for temporary assistance for needy families, pursuant to
17 part 7 of article 2 of this title, an amount that is equal to the state and
18 county share of child support collections as described in subsection (1) of
19 this section. Such payments shall not be considered income for the
20 purpose of grant calculation. However, such income shall be considered
21 income for purposes of determining eligibility. If a county chooses to pay
22 child support collections directly to a family that is eligible for temporary
23 assistance for needy families, pursuant to part 7 of article 2 of this title,
24 the county shall report such payments to the state department for the
25 month in which the payments are made and shall indicate the choice of
26 this option in its performance contract for Colorado works.

27 (b) (I) EXCEPT AS PROVIDED IN SECTION 26-2-108 (1) (b) (II) (B),

1 EFFECTIVE JANUARY 1, 2017, A COUNTY SHALL PAY FAMILIES THAT ARE
2 ELIGIBLE FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES, PURSUANT
3 TO PART 7 OF ARTICLE 2 OF THIS TITLE, AN AMOUNT THAT IS EQUAL TO THE
4 AMOUNT OF CURRENT CHILD SUPPORT COLLECTIONS AS DESCRIBED IN
5 SUBSECTION (1) OF THIS SECTION. SUCH PAYMENTS SHALL NOT BE
6 CONSIDERED INCOME FOR PURPOSES OF CALCULATING THE BASIC CASH
7 ASSISTANCE GRANT PURSUANT TO PART 7 OF ARTICLE 2 OF THIS TITLE. THE
8 COUNTY SHALL REPORT TO THE STATE DEPARTMENT THE AMOUNT OF THE
9 CHILD SUPPORT PAYMENTS FOR THE MONTH IN WHICH THE PAYMENTS ARE
10 MADE.

11 (II) THE STATE DEPARTMENT SHALL ANNUALLY REPORT TO THE
12 JOINT BUDGET COMMITTEE THE AMOUNT OF CHILD SUPPORT COLLECTED
13 AND PAID BY THE COUNTIES TO FAMILIES THAT ARE ELIGIBLE FOR
14 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES, PURSUANT TO PART 7 OF
15 ARTICLE 2 OF THIS TITLE.

16 **SECTION 5. Appropriation.** (1) For the 2015-16 state fiscal
17 year, \$868,895 is appropriated to the department of human services for
18 use by the office of self sufficiency. This appropriation consists of
19 \$315,509 from the general fund and \$553,386 from the temporary
20 assistance for needy families block grant. To implement this act, the
21 office may use this appropriation as follows:

22 (a) \$792,921, which consists of \$277,522 from general fund and
23 \$515,399 federal funds from the temporary assistance for needy families
24 block grant, for changes to the automated child support enforcement system;
25 and

26 (b) \$75,974 which consists of \$37,987 from general fund and
27 \$37,987 federal funds from the temporary assistance for needy families

1 block grant, for implementation contractor costs.

2 **SECTION 6. Act subject to petition - effective date.** (1) This
3 act takes effect January 1, 2016; except that, if a referendum petition is
4 filed pursuant to section 1 (3) of article V of the state constitution against
5 this act or an item, section, or part of this act within the ninety-day period
6 after final adjournment of the general assembly, then the act, item,
7 section, or part will not take effect unless approved by the people at the
8 general election to be held in November 2016 and, in such case, will take
9 effect on January 1, 2016, or on the date of the official declaration of the
10 vote thereon by the governor, whichever is later.