



**Colorado  
Legislative  
Council  
Staff**

**HB16-1183**

**FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 16-0859  
**Prime Sponsor(s):** Rep. Buckner

**Date:** February 19, 2016  
**Bill Status:** House Public Health Care and Human Services  
**Fiscal Analyst:** Chris Creighton (303-866-5834)

**BILL TOPIC:** ALIGNING FED CHANGES TO CHILD CARE ASSISTANCE PROGRAM

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures	Workload increase.	
<b>Appropriation Required:</b> None.		
<b>Future Year Impacts:</b> None.		

**Summary of Legislation**

This bill makes changes to align state law on eligibility for the Colorado Child Care Assistance Program (CCCAP) with federal law. Specifically, if an eligible participant's income rises above the level set by the county to deny child care assistance during the twelve-month eligibility period, the county must continue providing the child care subsidy until the next twelve-month redetermination period.

During the subsequent redetermination period, if the participant's income level exceeds the allowable level to qualify for assistance, the county may deny the participant by immediately notifying them that they are no longer eligible. The county must provide no less than 90 days and is encouraged to provide six months of the subsidy while the participant makes other child care arrangements. If the participant's income exceeds the maximum federal eligibility level at any point, no child care assistance is to be provided.

**Background**

The CCCAP in the Department of Human Services (DHS), provides subsidies to families meeting income and eligibility requirements to offset the cost of child care. Under current law, a county may provide child care assistance to any family whose income does not exceed 85 percent of the state median income for a family of the same size. Under federal guidelines, counties must provide child care assistance to families that have income of 130 percent or less of the federal poverty guideline. Under current law, counties must immediately notify a family if their income exceeds the allowable level and is encouraged to provide 6 months of child care assistance with at least 90 days being required. Currently there is no twelve-month period of continuous eligibility once the allowable income level is exceeded.

**State Expenditures**

For FY 2016-17, this bill increases workload in the Office of Information Technology (OIT) on behalf of DHS. Rules and reporting changes will need to be made to the Child Care Automatic Tracking System (CHATS). These changes require 1,500 hours of contract work and would cost \$141,300. However, enhancements to CHATS are currently being made and the changes required under this bill can be scheduled and paid for as part of this enhancement work. If needed, additional appropriations will be requested by DHS through the annual budget process and reappropriated to OIT.

**Local Government Impact**

This bill extends period for which child care assistance must be provided and will result in families using child care assistance for longer periods of time. Assuming the total funding for child care assistance remains the same, this may result in a smaller number of families receiving assistance.

**Effective Date**

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

**State and Local Government Contacts**

Counties      Human Services      Information Technology