

HOUSE BILL 14-1317

BY REPRESENTATIVE(S) Duran, Becker, Buckner, Court, Exum, Fields, Fischer, Ginal, Hamner, Hullinghorst, Kagan, Labuda, Lebsock, Lee, McCann, Melton, Mitsch Bush, Moreno, Pabon, Pettersen, Primavera, Rosenthal, Ryden, Salazar, Schafer, Tyler, Williams, Young, Ferrandino, Kraft-Tharp, McLachlan, Peniston;

also SENATOR(S) Nicholson and Kefalas, Newell, Aguilar, Crowder, Guzman, Heath, Johnston, Jones, Kerr, Schwartz, Steadman, Tochtrop, Todd, Ulibarri, Zenzinger, Carroll.

CONCERNING MODIFICATIONS TO THE COLORADO CHILD CARE ASSISTANCE PROGRAM, AND, IN CONNECTION THEREWITH, ALIGNING ELIGIBILITY AND AUTHORIZATION; ADDRESSING AFFORDABILITY BY REDUCING COPAYMENTS; IMPROVING PROVIDER REIMBURSEMENT RATES; INCREASING ACCESS TO QUALITY CARE; IMPROVING TECHNOLOGY, INFRASTRUCTURE, AND ADMINISTRATION; AND MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, **amend** 26-2-802 as follows:

26-2-802. Legislative declaration. (1) The general assembly

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

hereby finds and declares that:

- (a) The state's policies in connection with the provision of child care assistance and the effective delivery of such assistance are critical to the ultimate success of any welfare reform program;
- (b) The general assembly further finds that Children in low-income families who receive services through a child care assistance program need and deserve the same access to a broad range of child care providers as do children in families who do not need assistance;
- (c) It is critical to provide low- to moderate-income families with access to high-quality, affordable child care that fosters healthy child development and school readiness, while at the same time promotes family self-sufficiency and attachment to the workforce; and
- (d) Individual counties play a vital role in administering the child care assistance program and have local knowledge of their individual community needs. Therefore, a county that meets or exceeds statewide eligibility expectations established for the Colorado child care assistance program should have greater flexibility in determining the specifics of how to implement and operate the child care assistance program in that county.
- (2) Therefore, the general assembly hereby finds and declares that it is in the best interests of the state to:
- (a) Adopt the Colorado child care assistance program set forth in this part 8;
- (b) The general assembly further finds and declares that it is in the best interests of the state to Adopt consistent, statewide child care provider reimbursement rates set at a floor of the seventy-fifth percentile of each county's market rate or the provider's rate, whichever is lower, to facilitate and increase access to high-quality child care for low-income families.

SECTION 2. In Colorado Revised Statutes, **add** 26-2-802.5 as follows:

- **26-2-802.5. Definitions.** AS USED IN THIS PART 8, UNLESS THE CONTEXT OTHERWISE REQUIRES:
- (1) "CHILD CARE ASSISTANCE PROGRAM" OR "CCCAP" MEANS THE COLORADO CHILD CARE ASSISTANCE PROGRAM ESTABLISHED IN THIS PART 8.
- (2) "EARLY CARE AND EDUCATION PROVIDER" MEANS A SCHOOL DISTRICT OR PROVIDER THAT IS LICENSED PURSUANT TO PART 1 OF ARTICLE 6 OF THIS TITLE OR THAT PARTICIPATES IN THE COLORADO PRESCHOOL PROGRAM PURSUANT TO ARTICLE 28 OF TITLE 22, C.R.S.
- (3) "EARLY CHILDHOOD COUNCIL" MEANS AN EARLY CHILDHOOD COUNCIL ESTABLISHED PURSUANT TO PART 1 OF ARTICLE 6.5 OF THIS TITLE.
- (4) "HEAD START PROGRAM" MEANS A PROGRAM OPERATED BY A LOCAL PUBLIC OR PRIVATE NONPROFIT AGENCY DESIGNATED BY THE FEDERAL DEPARTMENT OF HEALTH AND HUMAN SERVICES TO OPERATE A HEAD START PROGRAM UNDER THE PROVISIONS OF TITLE V OF THE FEDERAL "ECONOMIC OPPORTUNITY ACT OF 1964", AS AMENDED.
- (5) "HIGH-QUALITY EARLY CHILDHOOD PROGRAM" MEANS A PROGRAM THAT IS OPERATED BY A PROVIDER WITH A FISCAL AGREEMENT THROUGH CCCAP AND THAT IS IN THE TOP THREE LEVELS OF THE STATE'S QUALITY RATING AND IMPROVEMENT SYSTEM, IS ACCREDITED BY A STATE DEPARTMENT-APPROVED ACCREDITING BODY, OR IS AN EARLY HEAD START OR HEAD START PROGRAM THAT MEETS FEDERAL STANDARDS.
- (6) "PARTICIPANT" MEANS A PARTICIPANT, AS DEFINED IN SECTION 26-2-703 (15), IN THE COLORADO WORKS PROGRAM.
- (7) "PROVIDER" MEANS A CHILD CARE PROVIDER LICENSED PURSUANT TO PART 1 OF ARTICLE 6 OF THIS TITLE THAT HAS A FISCAL AGREEMENT WITH THE COUNTY TO PARTICIPATE IN THE CHILD CARE ASSISTANCE PROGRAM.
- (8) "REGULAR DAILY PROVIDER REIMBURSEMENT RATE" MEANS THE BASE DAILY RATE PAID FOR CHILD CARE AND EXCLUDES ANY ADDITIONAL PAYMENT FOR ABSENCES, HOLIDAYS, AND OTHER ADDITIONAL FEES THAT ARE INCLUDED IN THE REIMBURSEMENT PAID TO PROVIDERS.

- (9) "TIERED REIMBURSEMENT" MEANS A PAY STRUCTURE THAT REFLECTS AN INCREASED RATE OF REIMBURSEMENT FOR HIGH-QUALITY EARLY CHILDHOOD PROGRAMS THAT RECEIVE CCCAP MONEYS.
- (10) "WORKS PROGRAM" MEANS THE COLORADO WORKS PROGRAM ESTABLISHED PURSUANT TO PART 7 OF THIS ARTICLE.
- **SECTION 3.** In Colorado Revised Statutes, **repeal and reenact**, with amendments, 26-2-803 as follows:
- **26-2-803.** Provider rates opt out rules. (1) (a) The state department shall establish provider rates for each county every other year.
- (b) On or before July 1, 2016, the state-established provider reimbursement rates for each county must include a system of tiered reimbursement for providers that enroll children participating in CCCAP.
- (c) On or before July 1, 2016, the state board shall promulgate rules related to the structure of tiered reimbursement.
- (d) AFTER NOTICE TO THE STATE DEPARTMENT, A COUNTY MAY OPT OUT OF ADHERING TO THE STATE-ESTABLISHED PROVIDER RATES AND NEGOTIATE ITS OWN RATES WITH PROVIDERS.
- (e) On or before July 1, 2016, the county-established provider reimbursement rates for each county must include a system of tiered reimbursement for providers that enroll children participating in CCCAP.
- (f) A COUNTY THAT CHOOSES TO OPT OUT OF ADHERING TO THE STATE-ESTABLISHED PROVIDER RATES SHALL CONSULT WITH ITS LOCAL EARLY CHILDHOOD COUNCIL ESTABLISHED PURSUANT TO SECTION 26-6.5-103, ANY RELEVANT LOCAL CHILD CARE RESOURCE AND REFERRAL AGENCY ESTABLISHED PURSUANT TO SECTION 26-6-116, AND CHILD CARE PROVIDERS IN THE COUNTY WHO SERVE OR WANT TO SERVE CHILDREN SUBSIDIZED THROUGH CCCAP AND SHALL PROVIDE OPPORTUNITIES FOR THE EARLY CHILDHOOD COUNCIL, THE CHILD CARE RESOURCE AND

REFERRAL AGENCY, AND PROVIDERS TO INFORM AND PROVIDE COMMENT ON COUNTY-ESTABLISHED RATES.

- SUBJECT TO AVAILABLE APPROPRIATIONS, THE STATE (g) DEPARTMENT, AS INFORMED BY THE EARLY CHILDHOOD LEADERSHIP COMMISSION CREATED IN SECTION 26-6.2-103, DIRECTORS OF COUNTY HUMAN AND SOCIAL SERVICE DEPARTMENTS, AND COMMISSIONERS, SHALL CONTRACT WITH AN INDEPENDENT RESEARCH ORGANIZATION TO CONDUCT A STUDY TO EXAMINE PRIVATE PAYMENT TUITION RATES AND HOW THOSE COMPARE TO CCCAP RATES SET BY THE STATE AND THE COUNTIES AND WHETHER THOSE RATES ACHIEVE THE FEDERAL REQUIREMENT OF EQUAL ACCESS. THE RESEARCH ORGANIZATION SHALL MAKE RECOMMENDATIONS TO ACHIEVE THE FEDERAL REQUIREMENT OF EQUAL ACCESS AND ALSO EXAMINE REASONS AS TO WHY LICENSED CHILD CARE FACILITIES CHOOSE TO LIMIT OR DENY ACCESS TO CCCAP-SUBSIDIZED FAMILIES, INCLUDING BUT NOT LIMITED TO REIMBURSEMENT AND PAYMENT POLICIES. THE RESEARCH ORGANIZATION SHALL MAKE RECOMMENDATIONS THAT WOULD ENCOURAGE MORE CHILD CARE PROVIDERS TO ACCEPT CCCAP-SUBSIDIZED FAMILIES.
- (h) Subject to available appropriations, counties must work with the state department and providers to enhance equal access to child care for CCCAP-subsidized families by increasing regular daily provider reimbursement rates. If a county uses tiered reimbursement, the county's rate increases may reflect that tiered reimbursement structure.

SECTION 4. In Colorado Revised Statutes, 26-2-804, **amend** (1) introductory portion, (1) (a), (3), and (6) as follows:

26-2-804. Funding - allocation - maintenance of effort. (1) Subject to available appropriations, a county's block grant for the Colorado child care assistance program CCCAP for state fiscal year 1997-98 shall be determined by the state department and shall be based upon not less than one hundred percent of the state and federal moneys that the county received in state fiscal year 1996-97 to administer and implement JOBS-related child care and the Colorado child care assistance program CCCAP, including the administrative costs related to such programs. The state department shall consider factors that include, but are not limited to the following:

- (a) Historical expenditures on the Colorado child care assistance program CCCAP;
- (3) The moneys in a county block grant allocated to a county pursuant to subsection (1) of this section may only be used for the provision of child care services under rules promulgated by the state department BOARD PURSUANT TO THIS PART 8.
- (6) For state fiscal year 2005-06 and for each state fiscal year thereafter, each county shall be IS required to meet a level of county spending for the Colorado child care assistance program CCCAP that is equal to the county's proportionate share of the total county funds set forth in the annual general appropriation act for the Colorado child care assistance program CCCAP for that state fiscal year. The level of county spending shall be IS known as the county's maintenance of effort for the program CCCAP for that state fiscal year. For any state fiscal year, the state department is authorized to adjust a county's maintenance of effort, reflected as a percentage of the total county funds set forth in the annual general appropriation act for the Colorado child care assistance program CCCAP for that state fiscal year, so that the percentage equals the county's proportionate share of the total state and federal funds appropriated for the Colorado child care assistance program CCCAP for that state fiscal year, reflected as a percentage. For any state fiscal year, the sum of all counties' maintenance of effort shall MUST be equal to or greater than the total county funds set forth in the general appropriation act for the state fiscal year 1996-97 for employment-related child care.

SECTION 5. In Colorado Revised Statutes, 26-2-805, **repeal as added by House Bill 14-1022** (1) (e) (I.5).

SECTION 6. In Colorado Revised Statutes, **repeal and reenact**, with amendments, 26-2-805 as follows:

26-2-805. Services - eligibility - assistance provided - waiting lists - rules. (1) Subject to available appropriations and pursuant to rules promulgated by the state board for the implementation of this part 8, a county shall provide child care assistance to a participant or any person or family whose income is not more than one hundred sixty-five percent of the federal poverty level.

- (2) THE COUNTY MAY PROVIDE CHILD CARE ASSISTANCE FOR ANY OTHER FAMILY WHOSE INCOME DOES NOT EXCEED EIGHTY-FIVE PERCENT OF THE STATE MEDIAN INCOME FOR A FAMILY OF THE SAME SIZE. UPON NOTIFICATION TO COUNTIES BY THE STATE DEPARTMENT THAT THE RELEVANT HUMAN SERVICES CASE MANAGEMENT SYSTEMS, INCLUDING THE COLORADO CHILD CARE AUTOMATED TRACKING SYSTEM, ARE CAPABLE OF ACCOMMODATING THIS SUBSECTION (2), AND FOR A PARTICIPANT OR A PERSON OR FAMILY WHOSE INCOME RISES TO THE LEVEL SET BY THE COUNTY AT WHICH THE COUNTY MAY DENY THE PARTICIPANT, PERSON, OR FAMILY CHILD CARE ASSISTANCE, THE COUNTY SHALL IMMEDIATELY NOTIFY THE FAMILY THAT IT IS NO LONGER ELIGIBLE FOR CCCAP AND CONTINUE TO PROVIDE THE CURRENT CCCAP SUBSIDY TO THAT FAMILY FOR NO LESS THAN NINETY DAYS WHILE THE FAMILY MAKES APPROPRIATE ARRANGEMENTS FOR CHILD CARE. THE COUNTY IS STRONGLY ENCOURAGED TO CONTINUE TO PROVIDE CHILD CARE ASSISTANCE FOR A PERIOD OF SIX MONTHS; EXCEPT THAT IN NO EVENT SHALL CHILD CARE ASSISTANCE BE PROVIDED IF THE INCOME EXCEEDS THE MAXIMUM LEVEL FOR ELIGIBILITY FOR SERVICES SET BY FEDERAL LAW FOR A FAMILY OF THE SAME SIZE. DURING THE SIX-MONTH PERIOD THE COUNTY SHALL WORK WITH THE PARTICIPANT, PERSON, OR FAMILY TO PROVIDE A GRADUAL TRANSITION OFF CHILD CARE ASSISTANCE PROVIDED PURSUANT TO THIS SUBSECTION (2).
- (3) (a) Subject to available appropriations, pursuant to rules promulgated by the state board for implementation of this part 8, and except as provided for in paragraph (b) of this subsection (3), a county shall provide child care assistance for a family transitioning off the works program due to employment or job training without requiring the family to apply for low-income child care but shall redetermine the family's eligibility within six months after the transition.
- (b) A FAMILY THAT TRANSITIONS OFF THE WORKS PROGRAM MUST NOT BE AUTOMATICALLY TRANSITIONED TO CCCAP PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (3) IF EITHER OF THE FOLLOWING CONDITIONS APPLY:
- (I) THE FAMILY IS LEAVING THE WORKS PROGRAM DUE TO A VIOLATION OF PROGRAM REQUIREMENTS AS DEFINED IN PART 7 OF THIS ARTICLE, BY RULE OF THE STATE BOARD, OR BY POLICY OF A COUNTY DEPARTMENT; OR

- (II) THE FAMILY IS LEAVING THE WORKS PROGRAM DUE TO EMPLOYMENT AND WILL BE AT AN INCOME LEVEL THAT EXCEEDS THE COUNTY-ADOPTED INCOME ELIGIBILITY LIMIT FOR THE COUNTY'S CCCAP.
- (c) AT THE COUNTY'S DISCRETION, A FAMILY THAT TRANSITIONS OFF THE WORKS PROGRAM, IS ELIGIBLE FOR CCCAP, AND RESIDES IN A COUNTY THAT HAS FAMILIES ON ITS WAITING LIST MAY BE ADDED TO THE WAITING LIST OR BE PROVIDED CHILD CARE ASSISTANCE WITHOUT FIRST BEING ADDED TO THE WAITING LIST.
- (4) (a) (I) A RECIPIENT OF CHILD CARE ASSISTANCE THROUGH CCCAP SHALL BE RESPONSIBLE FOR PAYING A PORTION OF HIS OR HER CHILD CARE COSTS BASED UPON THE RECIPIENT'S INCOME AND THE FORMULA DEVELOPED BY RULE OF THE STATE BOARD.
- (II) AFTER PROMULGATION OF RULES BY THE STATE BOARD, SUBJECT TO AVAILABLE APPROPRIATIONS, AND UPON NOTIFICATION TO COUNTIES BY THE STATE DEPARTMENT THAT THE RELEVANT HUMAN SERVICES CASE MANAGEMENT SYSTEMS, INCLUDING THE COLORADO CHILD CARE AUTOMATED TRACKING SYSTEM, ARE CAPABLE OF ACCOMMODATING THIS SUBPARAGRAPH (II), ON OR BEFORE JULY 1, 2016, THE FORMULA MUST INCLUDE A TIERED REDUCED COPAYMENT STRUCTURE FOR CHILDREN ATTENDING HIGH-QUALITY CARE.
- (III) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (II) OF THIS PARAGRAPH (a), UPON NOTIFICATION TO COUNTIES BY THE STATE DEPARTMENT THAT THE RELEVANT HUMAN SERVICES CASE MANAGEMENT SYSTEMS, INCLUDING THE COLORADO CHILD CARE AUTOMATED TRACKING SYSTEM, ARE CAPABLE OF ACCOMMODATING THIS SUBPARAGRAPH (III), FOR A FAMILY LIVING AT OR BELOW ONE HUNDRED PERCENT OF THE FEDERAL POVERTY LEVEL, THE FAMILY COPAYMENT RESPONSIBILITY MUST BE RESTRICTED TO NO MORE THAN ONE PERCENT OF THE FAMILY'S GROSS MONTHLY INCOME AS DETERMINED BASED ON ONE MONTH OF INCOME.
- (IV) PURSUANT TO RULES PROMULGATED BY THE STATE BOARD AND UPON NOTIFICATION TO COUNTIES BY THE STATE DEPARTMENT THAT THE RELEVANT HUMAN SERVICES CASE MANAGEMENT SYSTEMS, INCLUDING THE COLORADO CHILD CARE AUTOMATED TRACKING SYSTEM, ARE CAPABLE OF ACCOMMODATING THIS SUBPARAGRAPH (IV), INCOME RECEIVED DURING THE PAST THIRTY DAYS MUST BE USED IN DETERMINING THE COPAYMENT,

UNLESS ON A CASE-BY-CASE BASIS THE PRIOR THIRTY-DAY PERIOD DOES NOT PROVIDE AN ACCURATE INDICATION OF ANTICIPATED INCOME, IN WHICH CASE A COUNTY CAN REQUIRE EVIDENCE OF UP TO TWELVE OF THE MOST RECENT MONTHS OF INCOME. A FAMILY MAY ALSO PROVIDE EVIDENCE OF UP TO TWELVE OF THE MOST RECENT MONTHS OF INCOME IF IT CHOOSES TO DO SO IF SUCH EVIDENCE MORE ACCURATELY REFLECTS AN ABILITY TO AFFORD THE REQUIRED FAMILY COPAYMENT.

- (b) THE STATE BOARD SHALL ESTABLISH, AND PERIODICALLY REVISE, BY RULE A COPAYMENT SCHEDULE SO THAT THE COPAYMENT GRADUALLY INCREASES AS THE FAMILY INCOME APPROACHES SELF-SUFFICIENCY INCOME LEVELS. THIS REVISED COPAYMENT SCHEDULE SHOULD ALLOW FAMILIES TO RETAIN A PORTION OF ITS INCREASES IN INCOME.
- (c) A PARTICIPANT WHO IS EMPLOYED SHALL PAY A PORTION OF HIS OR HER INCOME FOR CHILD CARE ASSISTANCE UNDER CCCAP. THE PARTICIPANT'S REQUIRED COPAYMENT UNDER THE PROVISIONS OF THIS PARAGRAPH (c) MUST BE DETERMINED BY A FORMULA ESTABLISHED BY RULE OF THE STATE BOARD THAT TAKES INTO CONSIDERATION THE FACTORS SET FORTH IN PARAGRAPHS (a) AND (b) OF THIS SUBSECTION (4).
- (5) (a) On and after July 1, 2014, a county may require a person who receives child care assistance pursuant to this section and who is not otherwise a participant to apply, pursuant to section 26-13-106 (2), for child support establishment, modification, and enforcement services related to any support owed by obligors to their children and to cooperate with the delegate child support enforcement unit to receive these services; except that a person shall not be required to submit a written application for child support establishment, modification, and enforcement services if the person shows good cause to the county implementing the Colorado child care assistance program for not receiving these services.
- (b) THE STATE BOARD SHALL PROMULGATE RULES FOR THE IMPLEMENTATION OF THIS SUBSECTION (5), INCLUDING BUT NOT LIMITED TO RULES ESTABLISHING GOOD CAUSE FOR NOT RECEIVING THESE SERVICES, AND RULES FOR THE IMPOSITION OF SANCTIONS UPON A PERSON WHO FAILS, WITHOUT GOOD CAUSE AS DETERMINED BY THE COUNTY IMPLEMENTING THE

COLORADO CHILD CARE ASSISTANCE PROGRAM, TO APPLY FOR CHILD SUPPORT ENFORCEMENT SERVICES OR TO COOPERATE WITH THE DELEGATE CHILD SUPPORT ENFORCEMENT UNIT AS REQUIRED BY THIS SUBSECTION (5).

- (6) FOR A FAMILY WITH A CHILD WHO IS ENROLLED IN CCCAP, A COUNTY SHALL SET THE INCOME LEVEL AT WHICH THE COUNTY MAY DENY THE FAMILY ACCORDING TO THE PARAMETERS DEFINED IN RULES PROMULGATED BY THE STATE BOARD. IN THE RULES, THE STATE BOARD SHALL ENSURE THAT IF A COUNTY SETS THE INCOME LEVEL AT WHICH THE COUNTY CHOOSES TO INITIALLY PROVIDE CCCAP AT OR BELOW ONE HUNDRED AND EIGHTY-FIVE PERCENT OF THE FEDERAL POVERTY LEVEL, THEN THAT COUNTY MUST SET THE INCOME LEVEL AT WHICH THE COUNTY MAY DENY THE FAMILY HIGHER THAN THE INCOME LEVEL AT WHICH THE COUNTY CHOOSES TO INITIALLY PROVIDE CHILD CARE ASSISTANCE FOR THAT COUNTY AND AT A LEVEL NOT TO EXCEED EIGHTY-FIVE PERCENT OF THE STATE MEDIAN INCOME FOR A FAMILY OF THE SAME SIZE. THIS SUBSECTION (6) GOES INTO EFFECT UPON NOTIFICATION TO COUNTIES BY THE STATE DEPARTMENT THAT THE RELEVANT HUMAN SERVICES CASE MANAGEMENT SYSTEMS, INCLUDING THE COLORADO CHILD CARE AUTOMATED TRACKING SYSTEM, ARE CAPABLE OF ACCOMMODATING THIS SUBSECTION (6).
- (7) (a) FOR A FAMILY WITH A CHILD WHO IS ENROLLED IN BOTH CCCAP AND A HEAD START PROGRAM, THE FAMILY'S CCCAP ELIGIBILITY REDETERMINATION MUST OCCUR NO SOONER THAN THE END OF THE LAST MONTH OF THE CHILD'S FIRST FULL TWELVE-MONTH PROGRAM YEAR OF ENROLLMENT IN THE HEAD START PROGRAM. CHILD CARE ASSISTANCE PROGRAM ELIGIBILITY REDETERMINATION FOR A CHILD ENROLLED IN BOTH PROGRAMS MUST OCCUR ONCE EVERY TWELVE MONTHS THEREAFTER.
- (b) If a county reduces its income eligibility requirements, a child enrolled in CCCAP when the change is implemented must continue to be enrolled in CCCAP until the family's next eligibility redetermination or for six months, whichever is longer.
- (c) [Formerly 26-2-805 (1) (e) (I.5), as added by House Bill 14-1022.] TO THE EXTENT PRACTICABLE, THE DURATION OF THE CHILD CARE AUTHORIZATION NOTICE, AS DEFINED BY RULE OF THE STATE BOARD, FOR A CHILD WHO IS ENROLLED IN CCCAP MUST BE THE SAME AS THE CHILD CARE ASSISTANCE ELIGIBILITY PERIOD FOR THE CHILD'S FAMILY; EXCEPT

THAT, UNDER SPECIFIC, LIMITED CIRCUMSTANCES DESCRIBED BY RULE OF THE STATE BOARD, INCLUDING BUT NOT LIMITED TO JOB-SEARCH PERIODS, THE DURATION OF THE AUTHORIZATION NOTICE MAY BE LESS THAN THE FAMILY'S FULL PERIOD OF ELIGIBILITY. A COUNTY MAY REDUCE THE NUMBER OF FAMILIES SERVED PURSUANT TO THIS PART 8 IF NECESSARY TO ENSURE THAT THE COUNTY, IN IMPLEMENTING THE PROVISIONS OF THIS PARAGRAPH (c), DOES NOT EXCEED THE AMOUNT OF THE COUNTY BLOCK GRANT FOR CCCAP ALLOCATED TO THE COUNTY PURSUANT TO SECTION 26-2-804 FOR THE APPLICABLE FISCAL YEAR.

- (d) For a family with a child who is solely enrolled in CCCAP or dually enrolled with an early education program other than head start or early head start, the family's CCCAP eligibility redetermination must occur once every twelve months.
- (e) Notwithstanding the provisions of Section 26-1-127 (2) (a), a family that receives child care assistance pursuant to this part 8 is not required to report income or activity changes during the twelve-month eligibility period; except that, within the twelve-month eligibility period, a family is required to report a change in income if the family's income exceeds eighty-five percent of the state median income. If a family no longer participates in the activity under which it was made eligible in the child care case, the family shall report that change within four weeks from the time it ceased participating in the eligible activity.
- (f) A PARENT MUST NOT BE DETERMINED INELIGIBLE TO RECEIVE CHILD CARE ASSISTANCE PURSUANT TO THIS PART 8 AS A RESULT OF:
 - (I) TAKING MATERNITY LEAVE; OR
- (II) BEING A SEPARATED SPOUSE OR PARENT UNDER A VALIDLY ISSUED TEMPORARY ORDER FOR PARENTAL RESPONSIBILITIES OR CHILD CUSTODY WHERE THE OTHER SPOUSE OR PARENT HAS DISQUALIFYING FINANCIAL RESOURCES.
- (g) Upon notification to counties by the state department that the relevant human services case management systems, including the Colorado Child Care automated tracking system,

ARE CAPABLE OF ACCOMMODATING THIS PARAGRAPH (g), A PARENT WITH A CHILD ENROLLED IN CCCAP WHO LOSES EMPLOYMENT WHILE PARTICIPATING IN THE PROGRAM MUST REMAIN ELIGIBLE FOR CCCAP FOR AT LEAST SIXTY DAYS WITHIN A TWELVE-MONTH PERIOD IF HE OR SHE IS ACTIVELY SEARCHING FOR EMPLOYMENT AND HE OR SHE CONTINUES TO MEET ALL OTHER CCCAP ELIGIBILITY CRITERIA.

- (h) Subject to available appropriations and pursuant to rules promulgated by the state board for the implementation of this part 8, and upon notification to counties by the state department that the relevant human services case management systems, including the Colorado Child Care automated tracking system, are capable of accommodating this paragraph (h), a parent who is not employed is eligible for CCCAP for sixty days within a twelve-month period if he or she is actively searching for employment and meets all other CCCAP eligibility criteria.
- (i) Subject to available appropriations and pursuant to rules promulgated by the state board for the implementation of this part 8, and upon notification to counties by the state department that the relevant human services case management systems, including the Colorado child care automated tracking system, are capable of accommodating this paragraph (i), a parent who is enrolled in a postsecondary education program or a workforce training program is eligible for CCCAP for at least any two years of the postsecondary education or workforce training program, provided all other CCCAP eligibility requirements are met during those two years. A county may give priority for services to a working family over a family enrolled in postsecondary education or workforce training.
- (j) Upon notification to counties by the state department that the relevant human services case management systems, including the Colorado child care automated tracking system, are capable of accommodating this paragraph (j), and to provide continuous child care with the least disruption to the child, the hours authorized for the provision of child care through CCCAP must include authorized hours for the child that promote continuous, consistent, and regular care and must not be linked directly to a parent's employment, education, or workforce

TRAINING SCHEDULE. PURSUANT TO RULES PROMULGATED BY THE STATE BOARD, THE NUMBER OF HOURS AUTHORIZED FOR CHILD CARE SHOULD BE BASED ON THE NUMBER OF HOURS THE PARENT IS PARTICIPATING IN AN ELIGIBLE ACTIVITY AND THE CHILD'S NEEDS FOR CARE.

- (8) PURSUANT TO RULES PROMULGATED BY THE STATE BOARD AND UPON NOTIFICATION TO COUNTIES BY THE STATE DEPARTMENT THAT THE RELEVANT HUMAN SERVICES CASE MANAGEMENT SYSTEMS, INCLUDING THE COLORADO CHILD CARE AUTOMATED TRACKING SYSTEM, ARE CAPABLE OF ACCOMMODATING THIS SUBSECTION (8), INCOME RECEIVED DURING THE PAST THIRTY DAYS MUST BE USED IN DETERMINING ELIGIBILITY UNLESS, ON A CASE-BY-CASE BASIS, THE PRIOR THIRTY-DAY PERIOD DOES NOT PROVIDE AN ACCURATE INDICATION OF ANTICIPATED INCOME, IN WHICH CASE A COUNTY CAN REQUIRE EVIDENCE OF UP TO TWELVE OF THE MOST RECENT MONTHS OF INCOME. A FAMILY MAY ALSO PROVIDE EVIDENCE OF UP TO TWELVE OF THE MOST RECENT MONTHS OF INCOME IF IT CHOOSES TO DO SO IF SUCH EVIDENCE MORE ACCURATELY REFLECTS A FAMILY'S CURRENT INCOME LEVEL.
- (9) A COUNTY HAS THE AUTHORITY TO DEVELOP A VOUCHER SYSTEM FOR FAMILIES ENROLLED IN CCCAP THROUGH WHICH THEY CAN SECURE RELATIVE OR UNLICENSED CHILD CARE.
- (10) AN EARLY CARE AND EDUCATION PROVIDER OR COUNTY MAY CONDUCT A PRE-ELIGIBILITY DETERMINATION FOR CHILD CARE ASSISTANCE FOR A FAMILY TO FACILITATE THE DETERMINATION PROCESS. THE EARLY CARE AND EDUCATION PROVIDER SHALL SUBMIT ITS PRE-ELIGIBILITY DOCUMENTATION TO THE COUNTY FOR FINAL DETERMINATION OF ELIGIBILITY FOR CHILD CARE ASSISTANCE. THE EARLY CARE AND EDUCATION PROVIDER OR COUNTY MAY PROVIDE SERVICES TO THE FAMILY PRIOR TO FINAL DETERMINATION OF ELIGIBILITY, AND THE COUNTY SHALL REIMBURSE A PROVIDER FOR SUCH SERVICES ONLY IF THE COUNTY DETERMINES THE FAMILY IS ELIGIBLE FOR SERVICES AND THERE IS NO NEED TO PLACE THE FAMILY ON A WAITING LIST. IF THE FAMILY IS FOUND INELIGIBLE FOR SERVICES, THE COUNTY SHALL NOT REIMBURSE THE EARLY CARE AND EDUCATION PROVIDER FOR ANY SERVICES PROVIDED DURING THE PERIOD BETWEEN ITS PRE-ELIGIBILITY DETERMINATION AND THE COUNTY'S FINAL DETERMINATION OF ELIGIBILITY.
 - (11) A PROVIDER MAY ACCEPT A FAMILY'S CCCAP APPLICATION

AND SUBMIT IT TO THE COUNTY ON BEHALF OF A FAMILY SEEKING CHILD CARE ASSISTANCE.

(12) EACH COUNTY:

- (a) Upon notification to counties by the state department that the relevant human services case management systems, including the Colorado child care automated tracking system, are capable of accommodating this paragraph (a), and pursuant to rules promulgated by the state board, in addition to regular daily provider reimbursement rates, shall reimburse providers according to the following schedule:
- (I) FOR PROVIDERS IN THE FIRST LEVEL OF THE STATE DEPARTMENT'S QUALITY RATING AND IMPROVEMENT SYSTEM, FOR NO FEWER THAN SIX ABSENCES OR HOLIDAYS PER YEAR;
- (II) FOR PROVIDERS IN THE SECOND LEVEL OF THE STATE DEPARTMENT'S QUALITY RATING AND IMPROVEMENT SYSTEM, FOR NO FEWER THAN TEN ABSENCES OR HOLIDAYS PER YEAR; AND
- (III) FOR PROVIDERS IN THE TOP THREE LEVELS OF THE STATE DEPARTMENT'S QUALITY RATING AND IMPROVEMENT SYSTEM, FOR NO FEWER THAN FIFTEEN ABSENCES OR HOLIDAYS PER YEAR.
- (b) Shall maintain a current and accurate waiting list of parents who have inquired about securing a CCCAP subsidy and are likely to be eligible for CCCAP based on self-reported income and job, education, or workforce training activity if families are not able to be served at the time of application due to funding concerns. Counties may enroll families off waiting lists according to local priorities and may require an applicant to restate his or her intention to be kept on the waiting list every six months in order to maintain his or her place on the waiting list.
- (c) Shallposteligibility, authorization, and administration policies and procedures so they are easily accessible and readable to a layperson. The policies must be sent to the state department for compilation.

- (d) MAY USE ITS CCCAP ALLOCATION TO PROVIDE DIRECT CONTRACTS OR GRANTS TO EARLY CARE AND EDUCATION PROVIDERS FOR A COUNTY-DETERMINED NUMBER OF CCCAP SLOTS FOR A TWELVE-MONTH PERIOD TO INCREASE THE SUPPLY AND IMPROVE THE QUALITY OF CHILD CARE FOR INFANTS AND TODDLERS, CHILDREN WITH DISABILITIES, AFTER-HOURS CARE, AND CHILDREN IN UNDERSERVED NEIGHBORHOODS; AND
- (e) Subject to available appropriations and pursuant to rules promulgated by the state board for the implementation of this part 8, and upon notification to counties by the state department that the relevant human services case management systems, including the Colorado Child Care automated tracking system, are capable of accommodating this paragraph (e), must determine that a recipient of benefits from the food assistance program established in part 3 of this article is eligible for CCCAP if he or she meets all other CCCAP eligibility criteria and may use eligibility determination information from other public assistance programs and systems to determine CCCAP eligibility.
- (13) THE STATE BOARD SHALL PROMULGATE RULES FOR THE IMPLEMENTATION OF THIS PART 8.

SECTION 7. In Colorado Revised Statutes, **amend** 26-2-805.5 as follows:

- **26-2-805.5.** Exemptions requirements. (1) Notwithstanding any provision of section 26-2-805 to the contrary, an exempt family child care home provider, as defined in section 26-6-102 (3.7), shall not be IS NOT eligible to receive child care assistance moneys through the Colorado child care assistance program CCCAP if he or she fails to meet the criteria established in section 26-6-120.
- (2) As a prerequisite to entering into a valid Colorado child care assistance program CCCAP contract with a county office or to being a party to any other payment agreement for the provision of care for a child whose care is funded in whole or in part with moneys received on the child's behalf from publicly funded state child care assistance programs, an exempt family child care home provider shall sign an attestation that affirms he or she, and any qualified adult residing in the exempt family

child care home, has not been determined to be insane or mentally incompetent by a court of competent jurisdiction and a court has not entered, pursuant to part 3 or 4 of article 14 of title 15, C.R.S., or section 27-65-109 (4) or 27-65-127, C.R.S., an order specifically finding that the mental incompetency or insanity is of such a degree that the provider cannot safely operate an exempt family child care home.

SECTION 8. In Colorado Revised Statutes, **add** 26-2-809 as follows:

- 26-2-809. Colorado child care assistance program reporting requirements. (1) On or before December 1, 2016, and on or before December 1 each year thereafter, the state department shall prepare a report on CCCAP. The state department shall provide the report to the public health care and human services committee of the house of representatives and the health and human services committee of the senate, or any successor committees. The report must include, at a minimum, the following information related to benchmarks of success for CCCAP:
- (a) THE NUMBER OF CHILDREN AND FAMILIES SERVED THROUGH CCCAP STATEWIDE AND BY COUNTY;
- (b) The average length of time that parents remain in the workforce while receiving CCCAP subsidies, even when their income increases;
- (c) The average number of months of uninterrupted, continuous care for children enrolled in CCCAP;
- (d) THE NUMBER AND PERCENT OF ALL CHILDREN ENROLLED IN CCCAP WHO RECEIVE CARE AT EACH LEVEL OF THE STATE'S QUALITY AND IMPROVEMENT RATING SYSTEM;
- (e) THE AVERAGE LENGTH OF TIME A FAMILY IS AUTHORIZED FOR A CCCAP SUBSIDY, DISAGGREGATED BY RECIPIENTS' ELIGIBLE ACTIVITIES, SUCH AS JOB SEARCH, EMPLOYMENT, WORKFORCE TRAINING, AND POSTSECONDARY EDUCATION;
 - (f) THE NUMBER OF FAMILIES ON EACH COUNTY'S WAIT LIST AS OF

NOVEMBER 1 OF EACH YEAR, AS WELL AS THE AVERAGE LENGTH OF TIME EACH FAMILY REMAINS ON THE WAIT LIST IN EACH COUNTY;

- (g) THE NUMBER OF FAMILIES AND CHILDREN STATEWIDE AND BY COUNTY THAT EXIT CCCAP DUE TO THEIR FAMILY INCOMES EXCEEDING THE ELIGIBILITY LIMITS;
- (h) The number of families and children statewide and by county that reenter CCCAP within two years of exiting due to their family incomes exceeding the eligibility limits; and
- (i) AN ESTIMATE OF UNMET NEED FOR CCCAP IN EACH COUNTY AND THROUGHOUT THE STATE BASED ON ESTIMATES OF THE NUMBER OF CHILDREN AND FAMILIES WHO ARE LIKELY TO BE ELIGIBLE FOR CCCAP IN EACH COUNTY BUT WHO ARE NOT ENROLLED IN CCCAP.
- **SECTION 9.** In Colorado Revised Statutes, 26-2-703, **amend** (4) as follows:
- **26-2-703. Definitions.** As used in this part 7, unless the context otherwise requires:
- (4) "Colorado child care assistance program" means the state program of child care assistance implemented pursuant to the provisions of part 8 of this article and rules of the state department BOARD.
- **SECTION 10. Appropriation.** (1) In addition to any other appropriation, there is hereby appropriated to the department of human services, for the fiscal year beginning July 1, 2014, the sum of \$9,922,744, or so much thereof as may be necessary, to be allocated for the implementation of this act as follows:
- (a) \$8,279,903 general fund for county Colorado child care assistance program allocations;
- (b) \$255,000 general fund for the division of early care and learning to conduct a Colorado child care assistance program market rate study;
- (c) \$1,216,781 federal funds for modifications to the child care automated tracking system;

- (d) \$130,448, comprised of \$31,100 from the general fund, \$4,189 from the old age pension fund created in section 1 of article XXIV of the state constitution, \$44,529 from reappropriated funds received from the department of health care policy and financing out of the appropriation made in subsection (2) of this section, and \$50,630 from federal funds, for modifications to the Colorado benefits management system; and
- (e) \$40,612, comprised of \$12,184 from the general fund, \$2,843 from the family support registry fund created in section 26-13-115.5 (1), Colorado Revised Statutes, and \$25,585 federal funds, for modifications to the automated child support enforcement system.
- (2) In addition to any other appropriation, there is hereby appropriated, to the department of health care policy and financing, for the fiscal year beginning July 1, 2014, the sum of \$44,529, or so much thereof as may be necessary, for allocation to department of human services medicaid-funded programs, office of information technology services-medicaid funding, Colorado benefits management system, for system modifications related to the implementation of this act. Of said sum, \$21,813 is from the general fund, \$115 is from the old age pension health and medical care fund pursuant to section 7 (c) of article XXIV of the state constitution, \$276 is from the children's basic health plan trust fund created in section 25.5-8-105 (1), Colorado Revised Statutes, and \$22,325 is from federal funds.
- (3) In addition to any other appropriation, there is hereby appropriated to the governor lieutenant governor state planning and budgeting, for the fiscal year beginning July 1, 2014, the sum of \$1,387,841, or so much thereof as may be necessary, for allocation to the office of information technology for the provision of services to the department of human services related to the implementation of this act. Said sum shall be from reappropriated funds received from the department of human services out of the appropriations made in subsection (1) of this section.

SECTION 11. Safety clause. The general assembly hereby finds,

Mark Ferrandino SPEAKER OF THE HOUSE OF REPRESENTATIVES	Morgan Carroll PRESIDENT OF THE SENATE
Marilyn Eddins CHIEF CLERK OF THE HOUSE OF REPRESENTATIVES	Cindi L. Markwell SECRETARY OF THE SENATE
APPROVED	
John W. Hickenloope	 r