SENATE COMMITTEE OF REFERENCE REPORT

	March 31, 2022
Chair of Committee	Date
Committee on Education.	
After consideration on the merits following:	s, the Committee recommends the
· · · · · · · · · · · · · · · · · · ·	ys, and as so amended, be referred to Appropriations with favorable
substitute:	7, strike lines 25 through 27 and y action - authority of executive
Page 18, strike lines 1 through 3.	
AND MEETING THE REQUIREMENTS EXECUTIVE DIRECTOR SHALL ENSURING MEMBER AMONG THE UPPER MANAG WHOSE JOB RESPONSIBILITIES INCLU	MENT IN EXECUTING THE FUNCTIONS S SPECIFIED IN THIS SECTION, THE E THAT THERE IS AT LEAST ONE STAFF EMENT LEVELS OF THE DEPARTMENT UDE ENSURING THAT STAFF SUPPORT D PARTNER WITH THE COUNTIES AND TINED IN SECTION 26.5-4-103.".
Renumber succeeding subsection ac	ecordingly.
INCLUDING WHETHER TO CREATE A DEPARTMENT TO BE APPOINTED BY THE SENATE AND TRANSFER RULE-MARKET RULE-M	ENT;" and substitute "DEPARTMENT, TYPE 1 POLICY BOARD WITHIN THE HE GOVERNOR WITH THE CONSENT OF AKING AUTHORITY AND OVERSIGHT OF CUTIVE DIRECTOR TO THE POLICY

- 21 Page 31, line 2, strike "AND".
- Page 31, after line 2 insert:

- 1 "(IV) THE IMPACT OF THE IMPLEMENTATION OF THE COLORADO
- 2 UNIVERSAL PRESCHOOL PROGRAM PURSUANT TO PART 2 OF ARTICLE 4 OF
- 3 THIS TITLE 26.5 ON THE NUMBER OF CHILDREN SERVED BY THE COLORADO
- 4 CHILD CARE ASSISTANCE PROGRAM PURSUANT TO PART 1 OF ARTICLE 4 OF
- 5 THIS TITLE 26.5. THE INDEPENDENT EVALUATOR SHALL EVALUATE THIS
- 6 ISSUE IN CONSULTATION WITH COUNTY DEPARTMENTS, AS DEFINED IN
- 7 SECTION 26.5-4-103.".
- 8 Renumber succeeding subparagraph accordingly.
- 9 Page 37, line 23, after the period add "IN IDENTIFYING COMMUNITIES AND
- 10 ESTABLISHING COMMUNITY BOUNDARIES THROUGHOUT THE STATE, THE
- 11 DEPARTMENT SHALL ENSURE THAT A SCHOOL DISTRICT IS NOT INCLUDED
- 12 IN MORE THAN ONE COMMUNITY WITHOUT THE PRIOR APPROVAL OF THE
- 13 SCHOOL DISTRICT BOARD OF EDUCATION EXPRESSED IN AN APPROVED
- 14 BOARD RESOLUTION.".
- Page 50, line 15, strike "PLAN," and substitute "PLAN;".
- Page 50, line 16, after "26.5-2-104," insert "INCLUDING PROVIDING A
- 17 MIXED DELIVERY SYSTEM OF PRESCHOOL PROVIDERS;".
- 18 Page 88, strike line 27 and substitute:
- 19 "(6) "Defined service area", on and after July 1, 2024,
- 20 MEANS THE GEOGRAPHICAL AREA THAT A COMMUNITY-CENTERED BOARD
- 21 SERVES AS SPECIFIED IN THE CONTRACT BETWEEN THE
- 22 COMMUNITY-CENTERED BOARD AND THE DEPARTMENT.".
- Page 89, strike line 1.
- 24 Page 165, after line 26 insert:
- 25 "(3) "COUNTY DEPARTMENT" MEANS THE COUNTY OR DISTRICT
- 26 DEPARTMENT OF HUMAN OR SOCIAL SERVICES.".
- 27 Renumber succeeding subsections accordingly.
- 28 Page 167, line 14, strike "rates." and substitute "rates provider
- 29 recruitment.".
- Page 168, line 7, after the period add "BEFORE ADOPTING A CHANGE TO
- 31 THE PROVIDER RATES OR OTHER PAYMENT POLICIES, THE DEPARTMENT, IN
- 32 CONSULTATION WITH THE COUNTY DEPARTMENTS AND PROVIDERS, SHALL

- 1 ANALYZE THE ANTICIPATED IMPACT OF THE CHANGE TO THE COLORADO
- 2 CHILD CARE ASSISTANCE PROGRAM, INCLUDING THE IMPACT ON THE COSTS
- 3 OF SERVICES AND ON THE FAMILIES AND PROVIDERS THAT PARTICIPATE IN
- 4 CCCAP. THE DEPARTMENT SHALL INCLUDE AN ANALYSIS COMPLETED
- 5 PURSUANT TO THIS SUBSECTION (1)(a) IN THE REPORT DESCRIBED IN
- 6 SECTION 26.5-4-109.".
- 7 Page 168, line 9, after "SECTION," insert "BUT NO LATER THAN OCTOBER
- 8 1, 2022,".
- 9 Page 168, line 10, strike "OF HUMAN AND SOCIAL SERVICES".
- 10 Page 168, line 20, strike "THE DEPARTMENT" and substitute "THE
- 11 DEPARTMENT SHALL INCLUDE AN EXPLANATION OF THE CALCULATION OF
- 12 THE PROVIDER RATES IN THE REPORT ON CCCAP REQUIRED PURSUANT TO
- 13 SECTION 26.5-4-109, BEGINNING WITH THE REPORT SUBMITTED ON
- 14 NOVEMBER 1, 2024, AND IN EACH SUBSEQUENT REPORT.
- 15 (4) The department, working with early childhood
- 16 COUNCILS AS DEFINED IN SECTION 26.5-2-202, COUNTY DEPARTMENTS,
- 17 AND LOCAL COORDINATING ORGANIZATIONS, AS DEFINED IN SECTION
- 18 26.5-2-102, SHALL IDENTIFY AND RECRUIT PROVIDERS THROUGHOUT THE
- 19 STATE TO PARTICIPATE IN THE CHILD CARE ASSISTANCE PROGRAM. IN
- 20 IDENTIFYING AND RECRUITING PROVIDERS, THE DEPARTMENT AND LOCAL
- 21 COORDINATING ORGANIZATIONS SHALL ESTABLISH A MIXED DELIVERY
- 22 SYSTEM OF PUBLIC AND PRIVATE PROVIDERS IN COMMUNITIES
- 23 THROUGHOUT THE STATE THAT ENABLES PARENTS TO SELECT CCCAP
- 24 PROVIDERS FOR THEIR CHILDREN FROM AS BROAD A RANGE AS POSSIBLE
- 25 WITHIN THEIR RESPECTIVE COMMUNITIES.".
- 26 Page 168, strike lines 21 through 23.
- 27 Page 168, strike line 25 and substitute "maintenance of effort -
- 28 **allocation committee rules.** (1) THERE IS CREATED THE CHILD CARE
- 29 ASSISTANCE PROGRAM ALLOCATION COMMITTEE CONSISTING OF ELEVEN
- 30 MEMBERS, EIGHT OF WHOM ARE APPOINTED BY A STATEWIDE ASSOCIATION
- 31 OF COUNTIES AND THREE OF WHOM ARE APPOINTED BY THE DEPARTMENT.
- 32 OF THE MEMBERS APPOINTED BY THE STATEWIDE ASSOCIATION OF
- 33 COUNTIES, AT LEAST TWO MEMBERS MUST BE FROM SMALL OR
- 34 MEDIUM-SIZED COUNTIES AND AT LEAST THREE MUST BE FROM LARGE
- 35 COUNTIES, ONE APPOINTEE OF WHOM MUST BE A REPRESENTATIVE FROM
- 36 THE COUNTY THAT HAS THE GREATEST PERCENTAGE OF THE STATE'S CHILD
- 37 CARE ASSISTANCE PROGRAM CASELOAD. THE APPOINTING AUTHORITIES
- 38 SHALL CONSULT WITH EACH OTHER TO ENSURE THAT THE CHILD CARE

ASSISTANCE PROGRAM ALLOCATION COMMITTEE IS REPRESENTATIVE OF THE COUNTIES IN THE STATE. THE CHILD CARE ASSISTANCE PROGRAM ALLOCATION COMMITTEE SHALL DEVELOP ITS OWN OPERATIONAL PROCEDURES.

(1) (2) (a) Starting with the $\frac{2018-19}{2023-24}$ state fiscal".

Strike page 169 and substitute "annually the state department shall THE DEPARTMENT, UPON RECEIVING RECOMMENDATIONS FROM THE CHILD CARE ASSISTANCE PROGRAM ALLOCATION COMMITTEE, SHALL ANNUALLY establish the amount of each county's block grant for CCCAP BASED ON AN ALLOCATION FORMULA AGREED UPON BY THE DEPARTMENT AND THE CHILD CARE ASSISTANCE PROGRAM ALLOCATION COMMITTEE. The block grant shall be based upon each county's percentage of the estimated total number of children eligible to participate in CCCAP times the appropriate reimbursement rate for each county as determined by the state required by section 26-2-803 Counties are only required to spend the state CCCAP allocation and the maintenance of effort for that allocation.

- (b) IF THE DEPARTMENT AND THE CHILD CARE ASSISTANCE PROGRAM ALLOCATION COMMITTEE DO NOT REACH AN AGREEMENT ON THE ALLOCATION FORMULA ON OR BEFORE JUNE 1 OF A STATE FISCAL YEAR FOR THE SUCCEEDING STATE FISCAL YEAR, THE DEPARTMENT AND THE CHILD CARE ASSISTANCE PROGRAM COMMITTEE SHALL SUBMIT ALTERNATIVES TO THE JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY FROM WHICH THE JOINT BUDGET COMMITTEE SHALL SELECT AN ALLOCATION FORMULA BEFORE THE BEGINNING OF THE SUCCEEDING STATE FISCAL YEAR.
- (2) (3) The amount of each county's block grant determined by subsection (1) of this section may be adjusted by the state department. The state department shall, in consultation with the counties, THE DEPARTMENT, AFTER INPUT FROM THE CHILD CARE ASSISTANCE PROGRAM ALLOCATION COMMITTEE, SHALL adopt rules regarding adjustments to the amount of a block grant, and the rules must address the following factors:
 - (I) (a) The cost of living;
 - (H) (b) The cost of high-quality early childhood programs;
 - (HH) (c) The cost of programs;
 - (IV) (d) The regional market rates OR COSTS for CCCAP;
 - (V) (e) Drastic economic changes; and
 - (VI) (f) Geographic differences within a county; AND
- (g) OTHER FACTORS AS DETERMINED BY THE CHILD CARE ASSISTANCE PROGRAM ALLOCATION COMMITTEE.
- (b) The state department may make an adjustment to the amount of a block grant authorized by rules promulgated pursuant to subsection (2)(a) of this section.

- 1 (3) The money in a county block grant allocated to a county
- 2 pursuant to this section must only be used for the provision of child care
- 3 services under PURSUANT TO DEPARTMENT rules promulgated by the state
- 4 board pursuant to this part 8 PART 1.".
- 5 Page 170, line 1, strike "(4)" and substitute "(4)".
- 6 Page 170, line 7, strike "(5)" and substitute "(5)(6)".
- 7 Page 171, line 5, strike "EDUCATION" and substitute "EDUCATION, INCOME
- 8 SECURITY, AND CHILD WELFARE".
- 9 Page 186, strike lines 17 through 22 and substitute "program reporting
- requirements. (1) On or before December 1, 2016, and on or before
- 11 December 1 each year thereafter, the state NOVEMBER 1, 2022, AND ON OR
- 12 BEFORE NOVEMBER 1 EACH YEAR THEREAFTER, THE department shall
- prepare a report on CCCAP. Notwithstanding section 24-1-136 (11)(a)(I),
- 14 the state department shall provide the report to the public health care
- JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY, THE PUBLIC AND
- 16 BEHAVIORAL HEALTH and human services committee of the house of
- 17 representatives, and the health and human services committee of the".
- Page 186, line 27, strike "county;" and substitute "county, WHICH,
- 19 BEGINNING NOVEMBER 1, 2024, MUST INCLUDE THE NUMBER OF CHILDREN
- 20 SERVED IN PART-TIME CHILD CARE THROUGH CCCAP AND THE NUMBER
- 21 OF CHILDREN SERVED IN FULL-TIME CHILD CARE THROUGH CCCAP, BOTH
- 22 GROUPS DISAGGREGATED BY AGES FROM BIRTH THROUGH THIRTEEN YEARS
- 23 OF AGE;".
- Page 187, line 21, strike "and" and substitute "and".
- 25 Page 187, line 25, strike "CCCAP." and substitute "CCCAP,
- 26 DISAGGREGATED BY ESTIMATED AGES FROM BIRTH THROUGH THIRTEEN
- 27 YEARS OF AGE; AND
- 28 (j) BEGINNING WITH THE REPORT SUBMITTED NOVEMBER 1, 2024,
- 29 AND IN EACH ANNUAL REPORT THEREAFTER:
- 30 (I) A YEAR-OVER-YEAR COMPARISON OF THE NUMBER OF
- 31 CHILDREN SERVED BY CCCAP TO SHOW FLUCTUATIONS IN THE NUMBER
- 32 OF CHILDREN SERVED;
- 33 (II) THE NUMBER OF INFORMAL, LICENSE-EXEMPT PROVIDERS,
- 34 IN-HOME PROVIDERS, COMMUNITY-BASED PROVIDERS, AND SCHOOL-BASED
- 35 PROVIDERS THAT AGREE TO SERVE CHILDREN WITH A CCCAP SUBSIDY
- 36 COMPARED TO THE TOTAL NUMBER OF PROVIDERS;

- 1 (III) THE NUMBER OF PROVIDER AGREEMENTS AND ENROLLMENT 2 CONTRACTS WITH PROVIDERS;
- 3 (IV) AN EXPLANATION OF THE CALCULATION OF THE MOST 4 RECENTLY ADOPTED PROVIDER RATES; AND
- 5 (V) AN EXPLANATION OF THE QUALITY INCENTIVES MADE 6 AVAILABLE TO PROVIDERS.".
- 7 Page 188, line 2, after "COUNTIES" insert "AND THE DEPARTMENT'S".
- 8 Page 188, lines 5 and 6, strike "THE COUNTY'S OR GROUP OF COUNTIES'
- 9 DUTY TO ADMINISTER" and substitute "EACH PARTY'S DUTIES AND
- 10 RESPONSIBILITIES TO WORK IN A COLLABORATIVE MANNER TO
- 11 ADMINISTER, FINANCIALLY SUPPORT,".
- Page 188, line 9, strike "SANCTIONED" and substitute "PENALIZED".
- Page 188, line 11, strike "SANCTIONS" and substitute "PENALTIES".
- Page 188, strike lines 19 through 24 and substitute:
- 15 "(3) IF A DISAGREEMENT CONCERNING THE PERFORMANCE
- 16 CONTRACT ARISES BETWEEN THE COUNTY OR GROUP OF COUNTIES AND
- 17 THE DEPARTMENT, EITHER PARTY MAY REQUEST RESOLUTION OF THE
- 18 DISAGREEMENT THROUGH AN INDEPENDENT DISPUTE RESOLUTION PROCESS
- 19 THAT IS AGREED UPON BY THE PARTIES.".
- 20 Page 188, line 25, strike "ALL PARTIES.".
- 21 Page 189, lines 1 and 2, strike "EXECUTIVE DIRECTOR RESOLVES THE
- 22 MATTER." and substitute "DISAGREEMENT IS RESOLVED.".
- Page 209, after line 23 insert:
- 24 "(c) THE DEPARTMENT SHALL ALLOW PRESCHOOL PROVIDERS AND
- 25 PUBLISHERS TO SUBMIT CURRICULA TO THE DEPARTMENT AT ANY TIME TO
- 26 BE REVIEWED AND CONSIDERED FOR INCLUSION IN THE RESOURCE BANK,
- 27 REGARDLESS OF THE SCHEDULE FOR REVIEWING THE RESOURCE BANK. THE
- 28 DEPARTMENT SHALL REVIEW ALL SUBMITTED CURRICULA IN ACCORDANCE
- 29 WITH THE ADOPTED PROCEDURES DESCRIBED IN SUBSECTION (3)(b) OF THIS
- 30 SECTION.".
- 31 Reletter succeeding paragraph accordingly.
- 32 Page 340, after line 17 insert:

- "26.5-5-328. Applications for licenses authority to suspend licenses rules definitions. (1) EVERY APPLICATION BY AN INDIVIDUAL FOR A LICENSE ISSUED BY THE DEPARTMENT OR ANY AUTHORIZED AGENT OF THE DEPARTMENT MUST REQUIRE THE APPLICANT'S NAME, ADDRESS, AND SOCIAL SECURITY NUMBER OR TAX IDENTIFICATION NUMBER.
- (2) THE DEPARTMENT OR ANY AUTHORIZED AGENT OF THE DEPARTMENT SHALL DENY, SUSPEND, OR REVOKE A LICENSE PURSUANT TO THE PROVISIONS OF SECTION 26-13-126, AND ANY RULES PROMULGATED TO IMPLEMENT SAID SECTION, IF THE DEPARTMENT OR AGENT RECEIVES A NOTICE TO DENY, SUSPEND, OR REVOKE FROM THE STATE CHILD SUPPORT ENFORCEMENT AGENCY BECAUSE THE LICENSEE OR APPLICANT IS OUT OF COMPLIANCE WITH A COURT OR ADMINISTRATIVE ORDER FOR CURRENT CHILD SUPPORT, CHILD SUPPORT DEBT, RETROACTIVE CHILD SUPPORT, CHILD SUPPORT ARREARAGES, OR CHILD SUPPORT WHEN COMBINED WITH MAINTENANCE OR BECAUSE THE LICENSEE OR APPLICANT HAS FAILED TO COMPLY WITH A PROPERLY ISSUED SUBPOENA OR WARRANT RELATING TO A PATERNITY OR CHILD SUPPORT PROCEEDING. ANY SUCH DENIAL, SUSPENSION, OR REVOCATION MUST BE IN ACCORDANCE WITH THE PROCEDURES SPECIFIED BY RULE OF THE DEPARTMENT OF HUMAN SERVICES AND RULES PROMULGATED BY THE STATE BOARD OF HUMAN SERVICES FOR THE IMPLEMENTATION SECTION 26-13-126.
 - (3) (a) THE DEPARTMENT SHALL ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE STATE CHILD SUPPORT ENFORCEMENT AGENCY, WHICH MEMORANDUM MUST IDENTIFY THE RELATIVE RESPONSIBILITIES OF THE DEPARTMENT AND THE STATE CHILD SUPPORT ENFORCEMENT AGENCY WITH RESPECT TO THE IMPLEMENTATION OF THIS SECTION AND SECTION 26-13-126.
 - (b) THE EXECUTIVE DIRECTOR MAY PROMULGATE RULES TO IMPLEMENT THE PROVISIONS OF THIS SECTION.
- 30 AS USED IN THIS SECTION, "LICENSE" MEANS ANY 31 RECOGNITION, AUTHORITY, OR PERMISSION THAT THE DEPARTMENT OR 32 ANY AUTHORIZED AGENT OF THE DEPARTMENT IS AUTHORIZED BY LAW TO 33 ISSUE FOR AN INDIVIDUAL TO PRACTICE A PROFESSION OR OCCUPATION OR 34 RECREATIONAL ACTIVITY. "LICENSE" INCLUDES, BUT IS NOT LIMITED TO, 35 A LICENSE, CERTIFICATE, CERTIFICATION, LETTER OF AUTHORIZATION, OR 36 REGISTRATION ISSUED FOR AN INDIVIDUAL TO PRACTICE A PROFESSION OR 37 OCCUPATION OR FOR AN INDIVIDUAL TO PARTICIPATE IN A RECREATIONAL
- 38 ACTIVITY.".

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- 39 Page 354, strike lines 22 through 27 and substitute:
- 40 "SECTION 10. In Colorado Revised Statutes, 22-54-108, amend (3)(b)(I); repeal (3)(b)(IV)(C): and add (3)(b)(V) and (5) as follows:
- 42 22-54-108. Authorization of additional local revenues -

definitions. (3) (b) (I) Except as otherwise provided in subparagraphs (II), (III), and (IV) of this paragraph (b) SUBSECTIONS (3)(b)(II), (3)(b)(III), (3)(b)(IV), AND (3)(b)(V) OF THIS SECTION, the total additional local property tax revenues that may be received pursuant to elections held pursuant to this section shall MUST not exceed under any circumstances twenty percent of the district's total program, as determined pursuant to section 22-54-104 (2), or two hundred thousand dollars, whichever is greater.

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- (IV) (C) For purposes of this subparagraph (IV), a "small rural district" is a district in Colorado that the department of education determines is rural, based on the geographic size of the district and the distance of the district from the nearest large, urbanized area, and that enrolls fewer than one thousand students in kindergarten through twelfth grade.
- (V) (A) ON AND AFTER JULY 1, 2023, THE TOTAL ADDITIONAL LOCAL PROPERTY TAX REVENUES THAT A DISTRICT MAY RECEIVE PURSUANT TO AN ELECTION HELD PURSUANT TO THIS SECTION MUST NOT EXCEED UNDER ANY CIRCUMSTANCES: TWENTY-FIVE PERCENT OF THE DISTRICT'S TOTAL PROGRAM OR TWO HUNDRED THOUSAND DOLLARS, WHICHEVER IS GREATER; PLUS AN AMOUNT EQUAL TO THE MAXIMUM DOLLAR AMOUNT OF PROPERTY TAX REVENUE THAT THE DISTRICT COULD HAVE GENERATED FOR THE 2001-02 BUDGET YEAR IF, IN ACCORDANCE WITH THE PROVISIONS OF SECTION 22-54-107.5, THE DISTRICT SUBMITTED A QUESTION TO AND RECEIVED APPROVAL OF THE ELIGIBLE ELECTORS OF THE DISTRICT AT AN ELECTION HELD IN NOVEMBER 2001.
- (B) On and after July 1, 2023, the total additional local property tax revenues that a small rural district may receive pursuant to an election held pursuant to this section must not exceed under any circumstances: Thirty percent of the small rural district's total program or two hundred thousand dollars, whichever is greater; plus an amount equal to the maximum dollar amount of property tax revenue that the small rural district could have generated for the 2001-02 budget year if, in accordance with the provisions of section 22-54-107.5, the small rural district submitted a question to and received approval of the eligible electors of the small rural district at an election held in November 2001.
- (5) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:
- (a) "SMALL RURAL DISTRICT" MEANS A DISTRICT IN COLORADO THAT THE DEPARTMENT OF EDUCATION DETERMINES IS RURAL, BASED ON THE GEOGRAPHIC SIZE OF THE DISTRICT AND THE DISTANCE OF THE DISTRICT FROM THE NEAREST LARGE, URBANIZED AREA, AND THAT

- 1 ENROLLS FEWER THAN ONE THOUSAND STUDENTS IN KINDERGARTEN 2 THROUGH TWELFTH GRADE.
- 3 (b) "Total program", on and after July 1, 2023, means a district's or small rural district's total program calculated
- 5 PURSUANT TO SECTION 22-54-104 (2), BEFORE APPLICATION OF THE
- 6 BUDGET STABILIZATION FACTOR PURSUANT TO SECTION 22-54-104 (5)(g),
- 7 PLUS THE AMOUNT THE DISTRICT OR SMALL RURAL DISTRICT RECEIVES FOR
- 8 STUDENTS ENROLLED THROUGH THE COLORADO UNIVERSAL PRESCHOOL
- 9 PROGRAM PURSUANT TO PART 2 OF ARTICLE 4 OF TITLE 26.5.".
- 10 Strike pages 355 and 356.
- Page 357, strike lines 1 through 7.
- 12 Renumber succeeding sections accordingly.

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