

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 26-0397.02 Anna Petrini x5497

SENATE BILL 26-019

SENATE SPONSORSHIP

Ball and Bright,

HOUSE SPONSORSHIP

Sirota,

Senate Committees
Education

House Committees

A BILL FOR AN ACT

101 **CONCERNING CHANGES TO LOCAL EARLY CHILDHOOD**
102 **INFRASTRUCTURE, AND, IN CONNECTION THEREWITH,**
103 **EXPANDING THE RESPONSIBILITIES AND FUNCTIONS OF EARLY**
104 **CHILDHOOD COUNCILS TO INCLUDE CERTAIN RESPONSIBILITIES**
105 **AND FUNCTIONS FORMERLY PERFORMED BY LOCAL**
106 **COORDINATING ORGANIZATIONS AND IMPOSING NEW**
107 **ACCOUNTABILITY REQUIREMENTS.**

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://leg.colorado.gov>.)

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

Current law establishes a statewide integrated system of early childhood councils (councils) to improve and sustain the availability, accessibility, capacity, and quality of early childhood services. The bill expands the powers, functions, and responsibilities of a council in implementing a comprehensive system of early childhood and family support programs and services (programs and services) within the council's community.

Current law establishes local coordinating organizations (LCOs) to increase access to, coordinate, and allocate funding for programs and services through work with the families, program and service providers, and local governments in a community and with the department of early childhood (department). Effective July 1, 2026, the bill repeals provisions authorizing the creation and operation of LCOs and transfers the LCO rights, powers, duties, functions, and obligations concerning supporting access to and delivery of programs and services to the councils.

Current law requires a council to develop a strategic plan based upon an assessment of the early childhood needs in the council's designated service area (strategic plan). The bill requires a strategic plan to address specified issues, including:

- Assisting families in applying for programs and services;
- Coordinating outreach efforts with other councils, county departments of human or social services, school districts, local and regional service providers, and tribal agencies;
- Recruiting and coordinating providers to form a mixed delivery system that promotes family choice; and
- Supporting increased recruitment and retention of individuals in the early care and education workforce.

The bill requires a council, in partnership with the department, to create, review, and revise a scope of work that reflects the strategic plan and accurately represents the programs and services within the community, meets families' needs, and aligns with available appropriations and the department's statewide strategic planning process. Associated accountability metrics must also be reviewed and revised to align with the scope of work. The bill specifies a council's new obligations regarding monitoring and working to increase the availability of high-quality programs and services, supporting access to early childhood workforce training and other recruitment and retention efforts, data sharing agreements, integrated outreach for holistic family services, and auditing.

The bill establishes requirements for an agreement that sets forth the respective duties of a council and the department in implementing a strategic plan (agreement). The bill specifies the process for review and approval of and revisions to a scope of work or strategic plan and identifies the department's responsibilities for the coordinated distribution of public funding for programs and services; council training and

technical assistance; dissemination of information about successful council strategies and innovations; and standards for communication, resolution of disputes, and contracting protocols. The bill modifies the process for the department to approve or facilitate a waiver of the rules for the implementation of council projects.

The bill requires the department to implement an annual performance review process for each council and solicit community feedback about a council's performance at intervals ranging from 3 to 5 years. If the department determines that a council is not meeting the requirements of the scope of work and accountability metrics contained in the agreement, the department may require the council to implement a performance improvement plan. If a council fails to make substantial progress toward addressing the issues raised in the performance improvement plan, the department may terminate the council's agreement.

The bill makes substantive and technical conforming amendments to address the reallocation of responsibilities and functions from LCOs to councils, including administrative and funding provisions related to the Colorado child care assistance program and the Colorado universal preschool program.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 26.5-2-106 as
3 follows:

4 **26.5-2-106. Repeal of part.**

5 THIS PART 1 IS REPEALED, EFFECTIVE JULY 1, 2026.

6 **SECTION 2.** In Colorado Revised Statutes, **amend** 26.5-2-202
7 as follows:

8 **26.5-2-202. Definitions.**

9 As used in this part 2, unless the context otherwise requires:

10 (1) "ACCOUNTABILITY METRICS" MEANS THE ACCOUNTABILITY
11 METRICS INCLUDED IN AN AGREEMENT TO MEASURE A COUNCIL'S
12 PERFORMANCE.

13 (2) "AGREEMENT" MEANS THE AGREEMENT OR CONTRACT
14 DESCRIBED IN SECTION 26.5-2-206 THAT THE DEPARTMENT ENTERS INTO

1 WITH AN EARLY CHILDHOOD COUNCIL AND THAT CONTAINS A SCOPE OF
2 WORK AND ACCOUNTABILITY METRICS.

3 ~~(1)~~ (3) "Council" or "early childhood council" means an early
4 childhood council identified or established locally in communities
5 throughout the state pursuant to section 26.5-2-203 ~~or 26.5-5-102~~ for the
6 purpose of developing and ultimately implementing a comprehensive
7 system of early childhood services to ensure the school readiness of
8 children ~~five years of age or younger~~ UNDER SIX YEARS OLD in the
9 community.

10 ~~(2)~~ (4) "County department" means the county or district
11 department of human or social services.

12 (5) "EARLY CHILDHOOD AND FAMILY SUPPORT PROGRAM" MEANS
13 ANY PROGRAM ACROSS DISCIPLINES THAT SERVES CHILDREN UNDER SIX
14 YEARS OLD AND THEIR FAMILIES.

15 ~~(3)~~ (6) "Early childhood education program" means a child care
16 program licensed pursuant to part 3 of article 5 of this title 26.5 that
17 provides child care and education to children ~~five years of age or younger~~
18 UNDER SIX YEARS OLD.

19 ~~(4)~~ (7) "Fund" means the early childhood cash fund created in
20 section 26.5-2-209 (1).

21 (8) "MIXED DELIVERY SYSTEM" HAS THE MEANING SET FORTH IN
22 SECTION 26.5-4-203.

23 (9) "PERFORMANCE IMPROVEMENT PLAN" MEANS A PLAN
24 DEVELOPED BY THE DEPARTMENT PURSUANT TO SECTION 26.5-2-208.5
25 THAT AN EARLY CHILDHOOD COUNCIL MUST IMPLEMENT IF THE COUNCIL
26 IS NOT MEETING THE REQUIREMENTS OF THE SCOPE OF WORK AND
27 ACCOUNTABILITY METRICS CONTAINED IN THE AGREEMENT.

1 (10) "STRATEGIC PLAN" MEANS A COMPREHENSIVE PLAN
2 DEVELOPED PURSUANT TO SECTION 26.5-2-204 TO ADDRESS THE EARLY
3 CHILDHOOD NEEDS IN A DESIGNATED SERVICE AREA.

4 **SECTION 3.** In Colorado Revised Statutes, 26.5-2-203, **amend**
5 (1) as follows:

6 **26.5-2-203. Early childhood councils - established - rules.**

7 (1) There is established a statewide integrated system of early
8 childhood councils to COORDINATE, improve, and sustain the availability,
9 accessibility, ~~capacity~~, and quality of COMPREHENSIVE early childhood
10 services for children and families throughout the state. The councils have
11 consistent function and structure statewide and are governed by the
12 department with input, cooperation, and support services from the
13 ~~departments~~ DEPARTMENT of human services, INCLUDING THE
14 BEHAVIORAL HEALTH ADMINISTRATION, AND THE DEPARTMENTS OF
15 HIGHER EDUCATION, HEALTH CARE POLICY AND FINANCING, education, and
16 public health and environment.

17 **SECTION 4.** In Colorado Revised Statutes, 26.5-2-204, **add** (4.5)
18 as follows:

19 **26.5-2-204. Early childhood councils - applications - strategic**
20 **plans - rules.**

21 (4.5) (a) BEGINNING ON OR BEFORE JULY 1, 2026, A STRATEGIC
22 PLAN DEVELOPED PURSUANT TO SUBSECTION (4) OF THIS SECTION MUST
23 FOSTER ACCESS FOR FAMILIES TO, AND ROBUST PARTICIPATION BY
24 PROVIDERS IN, EARLY CHILDHOOD AND FAMILY SUPPORT PROGRAMS AND
25 SERVICES AND MUST ADDRESS ACCESSIBILITY AND QUALITY
26 IMPROVEMENTS THAT ARE CONSISTENT WITH THE EARLY CHILDHOOD
27 COLORADO FRAMEWORK.

1 (b) THE STRATEGIC PLAN MUST INCLUDE:

2 (I) THE MANNER IN WHICH THE COUNCIL WILL ASSIST FAMILIES IN
3 ACCESSING REFERRALS AND RESOURCES FOR EARLY CARE AND
4 EDUCATION, IN APPLYING FOR EARLY CHILDHOOD AND FAMILY SUPPORT
5 PROGRAMS AND SERVICES, AND IN ENROLLING CHILDREN WITH EARLY
6 CARE AND EDUCATION PROVIDERS;

7 (II) THE MANNER IN WHICH THE COUNCIL WILL COORDINATE WITH
8 OTHER ENTITIES, INCLUDING, BUT NOT LIMITED TO, OTHER COUNCILS,
9 COUNTY DEPARTMENTS, SCHOOL DISTRICTS, LOCAL AND REGIONAL
10 SERVICE PROVIDERS, AND TRIBAL AGENCIES TO INTEGRATE OUTREACH
11 EFFORTS;

12 (III) THE MANNER IN WHICH THE COUNCIL WILL RECRUIT AND
13 COORDINATE WITH PROVIDERS TO ENSURE THAT FAMILIES CAN CHOOSE
14 AMONG PROVIDERS, WITHIN THE MIXED DELIVERY SYSTEM IN THE
15 COUNCIL'S SERVICE AREA, THAT PARTICIPATE IN PUBLICLY FUNDED
16 PROGRAMS, INCLUDING THE COLORADO UNIVERSAL PRESCHOOL PROGRAM
17 AND THE COLORADO CHILD CARE ASSISTANCE PROGRAM; AND

18 (IV) A PLAN FOR FACILITATING ACCESS TO WORKFORCE TRAINING
19 AND EDUCATION FOR SERVICE PROVIDERS AND FOR IDENTIFYING AND
20 IMPLEMENTING RECRUITMENT AND RETENTION STRATEGIES.

21 (c) THE STRATEGIC PLAN MAY INCLUDE THE MANNER IN WHICH
22 THE COUNCIL WILL FACILITATE ACCESS TO EARLY CHILDHOOD AND FAMILY
23 SUPPORT PROGRAMS AND HOLISTIC SERVICES THAT INCLUDE FOOD, CASH
24 ASSISTANCE, HEALTH CARE, AND COUNTY CHILD WELFARE SERVICES,
25 INCLUDING IMPLEMENTATION OF THE FEDERAL "FAMILY FIRST
26 PREVENTION SERVICES ACT OF 2018", AS DEFINED IN SECTION 26-5-101.

27 (d) THE COUNCIL'S STRATEGIES FOR IDENTIFYING AND SECURING,

1 AS FEASIBLE, ADDITIONAL LOCAL RESOURCES AND FUNDING TO SUPPORT
2 EARLY CHILDHOOD AND FAMILY SUPPORT PROGRAMS AND SERVICES IN THE
3 COMMUNITY.

4 **SECTION 5.** In Colorado Revised Statutes, 26.5-2-206, **amend**
5 (1)(f); **repeal** (1)(c); and **add** (2), (3), (4), and (5) as follows:

6 **26.5-2-206. Early childhood councils - duties.**

7 (1) Each early childhood council has, at a minimum, the following
8 duties and functions:

9 (c) ~~To establish a local system of accountability to measure local~~
10 ~~progress based on the needs and goals set for program performance;~~

11 (f) To develop and implement a strategic plan as described in
12 ~~section 26.5-2-204 (4), including a comprehensive evaluation and report~~

13 SECTION 26.5-2-204 AND REGULARLY SHARE INFORMATION ABOUT
14 PROGRESS ON ACCOUNTABILITY METRICS WITH THE DEPARTMENT; and

15 (2) (a) BEGINNING ON OR BEFORE JULY 1, 2026, A COUNCIL, IN
16 PARTNERSHIP WITH THE DEPARTMENT, SHALL CREATE A SCOPE OF WORK
17 FOR THE COUNCIL AND ANNUALLY REVIEW THE SCOPE OF WORK AND
18 REVISE IT IF NECESSARY.

19 (b) CONTEMPORANEOUSLY WITH REVIEWING THE SCOPE OF WORK,
20 THE COUNCIL, IN PARTNERSHIP WITH THE DEPARTMENT, SHALL ANNUALLY
21 REVIEW ACCOUNTABILITY METRICS ASSOCIATED WITH THE SCOPE OF
22 WORK, AND REVISE THEM IF NECESSARY, TO ENSURE THEY ALIGN WITH THE
23 REVISED SCOPE OF WORK.

24 (3) BEGINNING ON OR BEFORE JULY 1, 2026, EACH COUNCIL SHALL,
25 CONSISTENT WITH THE COUNCIL'S SCOPE OF WORK, IMPLEMENT ITS
26 STRATEGIC PLAN.

27 (4) EACH COUNCIL SHALL:

1 (a) SUPPORT THE AVAILABILITY OF HIGH-QUALITY EARLY
2 CHILDHOOD CARE AND EDUCATION FOR ALL CHILDREN, INCLUDING
3 SUPPORTING ACCESS TO TRAINING AND SUPPORT FOR MEMBERS OF THE
4 EARLY CHILDHOOD WORKFORCE IN ALL SETTINGS, INCLUDING INFORMAL
5 OR LICENSE-EXEMPT PROVIDERS;

6 (b) MONITOR THE AVAILABILITY OF HIGH-QUALITY EARLY CHILD
7 CARE AND EDUCATION PROGRAMS WITHIN THE COMMUNITY, AND, AS
8 APPROPRIATE, WORK TO INCREASE THAT AVAILABILITY OVER TIME TO
9 BETTER MEET FAMILY AND COMMUNITY NEEDS;

10 (c) SUPPORT PUBLIC AND PRIVATE PROVIDERS IN RECRUITING,
11 DEVELOPING, AND RETAINING WITHIN THE COMMUNITY A QUALITY EARLY
12 CHILDHOOD WORKFORCE;

13 (d) WORK WITH PROVIDERS IN THE COMMUNITY AND ENTER INTO
14 DATA-SHARING AGREEMENTS AS NECESSARY TO ENSURE THE COLLECTION
15 AND REPORTING OF ACCOUNTABILITY METRICS TO THE DEPARTMENT, AS
16 REQUIRED BY DEPARTMENT RULES, IN A MANNER THAT MINIMIZES
17 DUPLICATION AND THE BURDEN ON FAMILIES AND PROVIDERS AND
18 ENSURES COMPLIANCE WITH ALL APPLICABLE DATA PRIVACY AND
19 SECURITY PROTECTIONS;

20 (e) WORK IN COORDINATION WITH COUNTY DEPARTMENTS AND
21 TRIBAL AGENCIES AND LOCAL COMMUNITY-BASED ORGANIZATIONS TO
22 INTEGRATE OUTREACH FOR EARLY CHILDHOOD AND FAMILY SUPPORT
23 PROGRAMS AND SERVICES WITH OTHER EFFORTS TO PROVIDE HOLISTIC
24 SERVICES FOR FAMILIES, INCLUDING FOOD, CASH ASSISTANCE, AND HEALTH
25 CARE;

26 (f) COMPLY WITH DEPARTMENT RULES, IF ANY, IN IMPLEMENTING
27 THE COUNCIL'S STRATEGIC PLAN AND CARRYING OUT THE COUNCIL'S

1 DUTIES;

2 (g) COMPLY WITH ANY STATUTORY AUDITING REQUIREMENTS
3 THAT APPLY TO THE COUNCIL OR, IF THE COUNCIL IS NOT OTHERWISE
4 REQUIRED BY STATUTE TO UNDERGO AN ANNUAL FINANCIAL AUDIT,
5 CONTRACT FOR THE PERFORMANCE OF AN ANNUAL FINANCIAL AUDIT OR
6 FINANCIAL REVIEW OF THE OPERATIONS OF THE COUNCIL BY AN
7 INDEPENDENT AUDITOR; AND

8 (h) COMPLY WITH ANY OTHER PROVISIONS INCLUDED IN THE
9 AGREEMENT ENTERED INTO BETWEEN THE COUNCIL AND THE DEPARTMENT
10 PURSUANT TO SUBSECTION (5)(a) OF THIS SECTION.

11 (5) TO SUPPORT PARTNERSHIP AND MUTUAL ACCOUNTABILITY
12 BETWEEN EARLY CHILDHOOD COUNCILS AND THE DEPARTMENT, THE
13 DEPARTMENT SHALL:

14 (a) ENTER INTO AN AGREEMENT WITH EACH EARLY CHILDHOOD
15 COUNCIL THAT IS BASED ON THE COUNCIL'S STRATEGIC PLAN AND
16 DEPARTMENT GOALS AND THAT SPECIFIES THE RESPECTIVE DUTIES OF THE
17 EARLY CHILDHOOD COUNCIL AND THE DEPARTMENT IN IMPLEMENTING THE
18 COUNCIL'S STRATEGIC PLAN. AN AGREEMENT IS NOT SUBJECT TO THE
19 REQUIREMENTS OF THE "PROCUREMENT CODE", ARTICLES 101 TO 112 OF
20 TITLE 24. THE TERM OF THE INITIAL AGREEMENT FOR AN EARLY
21 CHILDHOOD COUNCIL IS THREE YEARS, AND SUBSEQUENT AGREEMENTS
22 MUST HAVE TERMS OF AT LEAST THREE BUT NOT MORE THAN FIVE YEARS,
23 AS DETERMINED BY THE DEPARTMENT. THE AGREEMENT, AT A MINIMUM,
24 MUST INCLUDE:

25 (I) A SCOPE OF WORK FOR THE COUNCIL CREATED IN PARTNERSHIP
26 WITH THE COUNCIL THAT IS RESPONSIVE TO LOCAL COMMUNITY NEEDS;
27 CONTRIBUTES TO COLLECTIVE OUTCOMES; PROMOTES THE SHARED GOALS

1 OF THE EARLY CHILDHOOD COLORADO FRAMEWORK AND THE
2 DEPARTMENT OF EARLY CHILDHOOD'S STATEWIDE STRATEGIC PLAN; AND
3 REFLECTS EXPECTATIONS, TARGETS, AND ACCOUNTABILITY METRICS, IN
4 ALIGNMENT WITH THE COUNCIL'S STRATEGIC PLAN AND STATEWIDE GOALS
5 FOR THE PROVISION OF EARLY CHILDHOOD AND FAMILY SUPPORT
6 PROGRAMS AND SERVICES IN COLORADO, TAKING INTO CONSIDERATION
7 AVAILABLE APPROPRIATIONS; AND

8 (II) THE AMOUNT OF ANY PAYMENT THAT THE COUNCIL RECEIVES
9 FROM THE DEPARTMENT TO COVER INDIRECT COSTS DURING THE TERM OF
10 THE AGREEMENT.

11 (b) REVIEW AND APPROVE THE COUNCIL'S STRATEGIC PLAN AND
12 SCOPE OF WORK CREATED BY EACH EARLY CHILDHOOD COUNCIL,
13 INCLUDING REVISIONS OF THE STRATEGIC PLAN. BEFORE APPROVING THE
14 COUNCIL'S STRATEGIC PLAN, THE DEPARTMENT MAY RETURN THE
15 STRATEGIC PLAN OR SCOPE OF WORK TO THE COUNCIL WITH CHANGES TO
16 ENSURE THE STRATEGIC PLAN OR SCOPE OF WORK IS FEASIBLE, MEETS THE
17 REQUIREMENTS OF THIS SECTION, AND IS ALIGNED WITH THE STATEWIDE
18 GOALS FOR THE PROVISION OF EARLY CHILDHOOD AND FAMILY SUPPORT
19 PROGRAMS AND SERVICES IN COLORADO.

20 (c) DISTRIBUTE AND ADMINISTER PUBLIC FUNDING FOR EARLY
21 CHILDHOOD AND FAMILY SUPPORT PROGRAMS AND SERVICES IN
22 ACCORDANCE WITH STRATEGIC PLANS AND IN COORDINATION WITH LOCAL
23 AND TRIBAL AGENCIES, WHEN APPLICABLE; EXCEPT THAT THE
24 DEPARTMENT MAY DELEGATE ALL OR A PORTION OF THE RESPONSIBILITY
25 FOR DISTRIBUTING AND ADMINISTERING PUBLIC FUNDING TO A COUNCIL
26 THROUGH THE COUNCIL'S AGREEMENT;

27 (d) SUPPORT EARLY CHILDHOOD COUNCILS BY PROVIDING

1 FUNDING, TRAINING, AND TECHNICAL ASSISTANCE, INCLUDING TRAINING
2 AND TECHNICAL ASSISTANCE FOR THE USE OF REQUIRED TECHNOLOGY
3 SYSTEMS, REGULAR AND AS-NEEDED COLLABORATIVE SUPPORT, AND
4 ASSISTANCE IN IMPLEMENTING STRATEGIC PLANS;

5 (e) IDENTIFY SUCCESSFUL STRATEGIES AND INNOVATIONS
6 IMPLEMENTED BY EARLY CHILDHOOD COUNCILS THROUGHOUT THE STATE
7 AND PROVIDE INFORMATION, BY POSTING INFORMATION ON THE
8 DEPARTMENT WEBSITE OR BY ANOTHER MEANS, TO ASSIST EARLY
9 CHILDHOOD COUNCILS IN REPLICATING AND ADAPTING THE STRATEGIES
10 AND INNOVATIONS IN THEIR COMMUNITIES; AND

11 (f) COMMIT TO WORKING WITH EACH EARLY CHILDHOOD COUNCIL
12 IN PARTNERSHIP TO DELIVER SERVICES FOR CHILDREN AND FAMILIES. THE
13 DEPARTMENT'S COMMITMENTS IN THE PARTNERSHIP INCLUDE, BUT ARE
14 NOT LIMITED TO:

15 (I) CLEAR AND FREQUENT COMMUNICATION, INCLUDING REGULAR
16 RECOMMENDATIONS TO SUPPORT THE SMOOTH FUNCTIONING OF THE
17 PARTNERSHIP;

18 (II) TIMELY RESOLUTION OF ISSUES AND DISPUTES;

19 (III) MAINTAINING A CLEAR CHAIN OF COMMAND THAT OFFERS A
20 COUNCIL OPPORTUNITIES TO CONNECT DIRECTLY WITH PROGRAM
21 SPECIALISTS AND DEPARTMENT LEADERSHIP; AND

22 (IV) MAINTAINING TIMELY CONTRACTING, INVOICING, AND
23 REIMBURSEMENT IN ACCORDANCE WITH THE TERMS OF THE AGREEMENT.

24 **SECTION 6.** In Colorado Revised Statutes, 26.5-2-207, **amend**
25 (1), (2)(a), and (2)(b); and **add** (3) as follows:

26 **26.5-2-207. Early childhood councils - waivers - rules -**
27 **funding - application.**

1 (1)(a) A local council may request a waiver of any rule that would
2 prevent a council from implementing council projects IN ACCORDANCE
3 WITH THE COUNCIL'S STRATEGIC PLAN. The local council shall submit the
4 request to the ~~early childhood leadership commission created in part 3 of~~
5 ~~article 1 of this title 26.5. The early childhood leadership commission~~
6 ~~shall consult with the affected state agency in reviewing the request. The~~
7 ~~department or other affected state agency~~ DEPARTMENT. THE EXECUTIVE
8 DIRECTOR shall grant waivers upon recommendation by the ~~commission~~
9 DEPARTMENT.

10 (b) IF A COUNCIL'S WAIVER REQUEST FALLS OUTSIDE THE PURVIEW
11 OF THE DEPARTMENT, THE DEPARTMENT SHALL ASSIGN A LIAISON TO
12 CONSULT WITH THE AFFECTED STATE AGENCY.

13 (c) THE EXECUTIVE DIRECTOR SHALL ESTABLISH BY RULE THE
14 REQUIREMENTS FOR THE WAIVER PROCESS, INCLUDING THE FORMAT AND
15 CONTENT OF A COUNCIL'S WAIVER REQUEST, THE CRITERIA FOR THE
16 EXECUTIVE DIRECTOR TO GRANT A REQUEST TO WAIVE A DEPARTMENT
17 RULE, AND ASSOCIATED TIMELINES.

18 (2) (a) The executive director shall ~~promulgate~~ ADOPT rules to
19 develop and distribute to councils the application form and application
20 process to be used by each council seeking to receive council
21 infrastructure, quality improvement, AND technical assistance ~~and~~
22 ~~evaluation~~ funding from the early childhood cash fund created in section
23 26.5-2-209 and other funding sources appropriated for early childhood
24 services.

25 (b) The department shall, upon receipt, review applications for
26 early childhood funding from the early childhood cash fund established
27 in section 26.5-2-209 and ~~other funding sources~~ FROM MONEY

1 appropriated FROM OTHER SOURCES for early childhood services.

2 (3) THE RULES MUST INCLUDE INFORMATION ABOUT THE
3 AGREEMENT TERMINATION PROCESS, APPLICATION PROCESS, AND
4 ASSOCIATED TIMELINES IF A COUNTY RECONFIGURES OR DESIGNATES A
5 NEW CONVENING ENTITY.

6 **SECTION 7.** In Colorado Revised Statutes, **add** 26.5-2-208.5 as
7 follows:

8 **26.5-2-208.5. Early childhood councils - performance review**
9 **and accountability - rules - report.**

10 (1) (a) THE EXECUTIVE DIRECTOR SHALL ADOPT RULES
11 ESTABLISHING A PROCESS THAT SATISFIES THE REQUIREMENTS OF THIS
12 SECTION TO REVIEW THE PERFORMANCE OF EACH COUNCIL. BEGINNING ON
13 OR BEFORE JANUARY 1, 2027, THE DEPARTMENT SHALL IMPLEMENT THE
14 REVIEW PROCESS ESTABLISHED IN RULE BY WHICH THE DEPARTMENT AT
15 LEAST ANNUALLY REVIEWS THE PERFORMANCE OF EACH COUNCIL IN
16 SERVING THE COUNCIL'S COMMUNITY, INCLUDING IMPLEMENTING THE
17 APPROVED STRATEGIC PLAN AND SCOPE OF WORK. DURING THE REVIEW
18 PROCESS, THE DEPARTMENT SHALL, AT A MINIMUM:

19 (I) REVIEW THE COUNCIL'S PERFORMANCE UNDER THE AGREEMENT
20 USING THE ACCOUNTABILITY METRICS ESTABLISHED WITH THE SCOPE OF
21 WORK; AND

22 (II) AT INTERVALS RANGING FROM THREE TO FIVE YEARS, AS
23 DETERMINED BY THE DEPARTMENT, SOLICIT INPUT FROM FAMILIES;
24 PROVIDERS; MEMBERS OF THE EARLY CHILDHOOD WORKFORCE; LOCAL AND
25 TRIBAL AGENCIES; LOCAL GOVERNMENTS; ADMINISTRATIVE UNITS, AS
26 DEFINED IN SECTION 22-20-103; HEAD START AGENCIES; FAMILY
27 RESOURCE CENTERS, AS DEFINED IN SECTION 26.5-3-102; COUNTY

1 DEPARTMENTS OF HUMAN OR SOCIAL SERVICES; AND OTHER INTERESTED
2 PERSONS WITHIN THE COMMUNITY CONCERNING THE PERFORMANCE OF
3 THE EARLY CHILDHOOD COUNCIL.

4 (b) (I) IF THE DEPARTMENT DETERMINES THAT THE COUNCIL IS NOT
5 MEETING THE REQUIREMENTS OF THE SCOPE OF WORK AND
6 ACCOUNTABILITY METRICS CONTAINED IN THE AGREEMENT, OR IS NOT
7 PERFORMING AT THE LEVEL REQUIRED TO SUCCESSFULLY IMPLEMENT THE
8 STRATEGIC PLAN AND TO ENSURE THAT THE COMMUNITY SUBSTANTIALLY
9 MEETS LOCAL AND STATEWIDE GOALS FOR THE PROVISION OF EARLY
10 CHILDHOOD AND FAMILY SUPPORT PROGRAMS AND SERVICES, THEN THE
11 DEPARTMENT MAY REQUIRE THE COUNCIL TO IMPLEMENT A PERFORMANCE
12 IMPROVEMENT PLAN.

13 (II) THE DEPARTMENT SHALL PROVIDE ONGOING TECHNICAL
14 ASSISTANCE, SUPPORT, AND FEEDBACK TO THE COUNCIL AS THE COUNCIL
15 IMPLEMENTS A PERFORMANCE IMPROVEMENT PLAN.

16 (III) IF THE DEPARTMENT DETERMINES THAT THE COUNCIL HAS
17 FAILED TO MAKE SUBSTANTIAL PROGRESS TOWARD ADDRESSING THE
18 ISSUES IDENTIFIED IN THE PERFORMANCE IMPROVEMENT PLAN WITHIN THE
19 TIME FRAME IDENTIFIED IN THE PLAN, THE DEPARTMENT SHALL TERMINATE
20 THE COUNCIL'S AGREEMENT. ON OR BEFORE JULY 1, 2027, THE EXECUTIVE
21 DIRECTOR SHALL ADOPT RULES GOVERNING THE PROCESS FOR
22 TERMINATING AN AGREEMENT.

23 (IV) ON OR BEFORE JULY 1, 2027, THE EXECUTIVE DIRECTOR
24 SHALL ADOPT RULES ESTABLISHING OBJECTIVE, MEASURABLE CRITERIA
25 THAT THE DEPARTMENT SHALL APPLY IN REQUIRING A COUNCIL TO
26 IMPLEMENT A PERFORMANCE IMPROVEMENT PLAN.

27 (2) FOR ANY AREA WITHIN THE STATE FOR WHICH A COUNCIL IS

1 NOT ESTABLISHED, RECONFIGURING, OR IN THE PROCESS OF APPLYING TO
2 BECOME PART OF THE STATEWIDE SYSTEM OF EARLY CHILDHOOD
3 COUNCILS PURSUANT TO THIS PART 2, OR FOR WHICH AN EXISTING COUNCIL
4 IS NOT FULLY CAPABLE OF IMPLEMENTING ALL ASPECTS OF THE STRATEGIC
5 PLAN, THE DEPARTMENT SHALL WORK WITH THE COUNCIL, IF ANY, AND
6 THE FAMILIES, PROVIDERS, LOCAL GOVERNMENTS, LOCAL AND TRIBAL
7 AGENCIES IN THE AREA, AND, PRIOR TO JULY 1, 2026, LOCAL
8 COORDINATING ORGANIZATIONS AND CHILD CARE RESOURCE AND
9 REFERRAL AGENCIES. AT A MINIMUM, THE DEPARTMENT SHALL:

10 (a) ASSIST FAMILIES IN APPLYING FOR EARLY CHILDHOOD AND
11 FAMILY SUPPORT PROGRAMS AND SERVICES AND IN ENROLLING CHILDREN
12 WITH EARLY CARE AND EDUCATION PROVIDERS;

13 (b) ENSURE, TO THE EXTENT PRACTICABLE, THAT A MIXED
14 DELIVERY SYSTEM OF EARLY CHILDHOOD PROVIDERS IS AVAILABLE WITHIN
15 THE AREA, WHICH MAY INCLUDE CONTRACTING WITH PROVIDERS FOR THE
16 DELIVERY OF EARLY CHILDHOOD SERVICES;

17 (c) ASSIST FAMILIES IN COMBINING AND COORDINATING CHILD
18 CARE RESOURCES AND FUNDING IN ORDER TO CREATE A FULL DAY OF
19 SERVICES FOR AS MANY CHILDREN AS POSSIBLE; AND

20 (d) ALLOCATE, DISTRIBUTE, AND ADMINISTER STATE FUNDING AND
21 COORDINATE WITH LOCAL AND TRIBAL AGENCIES AND LOCAL
22 GOVERNMENTS TO ALLOCATE, COMBINE, AND DISTRIBUTE LOCAL FUNDING
23 FOR EARLY CHILDHOOD AND FAMILY SUPPORT PROGRAMS AND SERVICES
24 WITHIN THE AREA.

25 (3) IF A COUNCIL HAS FAILED TO MEET THE REQUIREMENTS OF THE
26 SCOPE OF WORK AND ACCOUNTABILITY METRICS CONTAINED IN THE
27 AGREEMENT, THE DEPARTMENT SHALL NOTIFY THE BOARD OR BOARDS OF

1 COUNTY COMMISSIONERS THAT DESIGNATED THE CONVENING ENTITY
2 PURSUANT TO SECTION 26.5-2-203 (3). THE EXECUTIVE DIRECTOR SHALL
3 ADOPT RULES ADDRESSING THE PROCESS FOR A BOARD OR BOARDS OF
4 COUNTY COMMISSIONERS TO APPOINT A NEW CONVENING ENTITY IF THE
5 DEPARTMENT TERMINATES AN AGREEMENT DUE TO A COUNCIL'S
6 PERFORMANCE ISSUES.

7 (4) BEGINNING IN JANUARY 2028, AND IN JANUARY EVERY YEAR
8 THEREAFTER, THE DEPARTMENT SHALL INCLUDE, AS PART OF ITS
9 PRESENTATION DURING ITS "SMART ACT" HEARING REQUIRED BY SECTION
10 2-7-203, INFORMATION CONCERNING COUNCILS' PROGRESS TOWARD
11 ACHIEVING ACCOUNTABILITY METRICS AS SHARED WITH THE DEPARTMENT
12 PURSUANT TO SECTION 26.5-2-206 (1)(f).

13 **SECTION 8.** In Colorado Revised Statutes, **repeal** 26.5-2-208.

14 **SECTION 9.** In Colorado Revised Statutes, **add** 26.5-2-210 as
15 follows:

16 **26.5-2-210. Transfer of functions.**

17 (1) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT ON AND
18 AFTER JULY 1, 2026, THE STATEWIDE SYSTEM OF EARLY CHILDHOOD
19 COUNCILS IS RESPONSIBLE FOR EXECUTING, ADMINISTERING, PERFORMING,
20 AND ENFORCING THE RIGHTS, POWERS, DUTIES, FUNCTIONS, AND
21 OBLIGATIONS VESTED BEFORE JULY 1, 2026, IN THE LOCAL COORDINATING
22 ORGANIZATIONS ESTABLISHED PURSUANT TO PART 1 OF THIS ARTICLE 2, AS
23 IT EXISTED PRIOR TO JULY 1, 2026.

24 (2) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE
25 RIGHTS, POWERS, DUTIES, FUNCTIONS, AND OBLIGATIONS CONCERNING
26 SUPPORTING ACCESS TO AND DELIVERY OF EARLY CHILDHOOD AND FAMILY
27 SUPPORT PROGRAMS AND SERVICES ARE TRANSFERRED TO THE STATEWIDE

1 SYSTEM OF EARLY CHILDHOOD COUNCILS, EFFECTIVE JULY 1, 2026.

2 (3) A LOCAL COORDINATING ORGANIZATION RETAINS THE RIGHTS,
3 POWERS, DUTIES, FUNCTIONS, AND OBLIGATIONS NECESSARY TO SATISFY
4 THE REQUIREMENTS OF A COORDINATOR AGREEMENT IN FORCE PRIOR TO
5 JULY 1, 2026. AN EARLY CHILDHOOD COUNCIL MAY SUBCONTRACT THE
6 PROVISION OF SERVICES DESCRIBED IN THIS PART 2 TO A LOCAL
7 COORDINATING ORGANIZATION THAT IS ESTABLISHED PRIOR TO JULY 1,
8 2026, AND THAT IS NOT ALSO AN EARLY CHILDHOOD COUNCIL. AN EARLY
9 CHILDHOOD COUNCIL MAY SUBCONTRACT THE PROVISION OF SERVICES
10 DESCRIBED IN THIS PART 2, INCLUDING AFTER JULY 1, 2026, IF THE
11 SUBCONTRACTING IS CONSISTENT WITH THE COUNCIL'S APPROVED SCOPE
12 OF WORK, ACCOUNTABILITY METRICS, AND DEPARTMENT OVERSIGHT.

13 (4) THE RULES PERTAINING TO THE RIGHTS, POWERS, DUTIES,
14 FUNCTIONS, AND OBLIGATIONS TRANSFERRED TO THE STATEWIDE SYSTEM
15 OF EARLY CHILDHOOD COUNCILS THAT ARE ADOPTED BY THE EXECUTIVE
16 DIRECTOR AND ARE IN EFFECT AS OF JULY 1, 2026, CONTINUE IN EFFECT
17 AND APPLY TO THE DEPARTMENT AND PERSONS PROVIDING THE SERVICES
18 DESCRIBED IN PART 1 OF THIS ARTICLE 2 AS IT EXISTED PRIOR TO JULY 1,
19 2026, UNTIL REPLACED BY RULES ADOPTED BY THE EXECUTIVE DIRECTOR
20 PURSUANT TO THIS PART 2 ON OR BEFORE JULY 1, 2027.

21 (5) ON AND AFTER JULY 1, 2026, UNLESS OTHERWISE SPECIFIED, IF
22 A PROVISION OF LAW REFERS TO A LOCAL COORDINATING ORGANIZATION
23 WITH REGARD TO THE RIGHTS, POWERS, DUTIES, FUNCTIONS, OR
24 OBLIGATIONS SPECIFIED IN SUBSECTION (1) OF THIS SECTION, THE LAW IS
25 CONSTRUED AS REFERRING TO AN EARLY CHILDHOOD COUNCIL.

26 **SECTION 10.** In Colorado Revised Statutes, 26.5-1-103, **amend**
27 (4) as follows:

1 **26.5-1-103. Definitions.**

2 As used in this title 26.5, unless the context otherwise requires:

3 (4) "Local coordinating organization" means the entity selected by
4 the department ~~pursuant to section 26.5-2-103~~ PRIOR TO JULY 1, 2026, to
5 implement a community plan for increasing access to, coordinating, and
6 allocating funding for early childhood and family support programs and
7 services within a specified community.

8 **SECTION 11.** In Colorado Revised Statutes, 26.5-1-105, **amend**
9 (2)(i) as follows:

10 **26.5-1-105. Powers and duties of the executive director - rules**
11 **- rules advisory council - repeal.**

12 (2) (i) In reviewing and making recommendations concerning
13 rules and in preparing other recommendations for the executive director,
14 the council shall strive to develop recommendations that are detailed and
15 measurable and consider the impacts on children, parents, families,
16 providers, school districts, counties, and ~~local coordinating organizations~~
17 EARLY CHILDHOOD COUNCILS. The RULES ADVISORY council must approve
18 recommendations by a majority vote and provide those recommendations
19 to the executive director in writing. Members of the council voting in the
20 minority may submit a written explanation of their opposition to the
21 recommendations to the executive director.

22 **SECTION 12.** In Colorado Revised Statutes, 26.5-1-109, **amend**
23 (1)(i) as follows:

24 **26.5-1-109. Department functions - operating principles.**

25 (1) The department shall execute the following functions and
26 operate programs and provide services associated with those functions as
27 described in this title 26.5 and authorized by federal law:

1 (i) Collaborate with other state departments, local and tribal
2 agencies, and ~~local coordinating organizations~~ EARLY CHILDHOOD
3 COUNCILS to safely collect and share data, eliminating duplication of data
4 collection when possible, while ensuring privacy and security for children
5 and families, to enable the department to gauge the statewide quality,
6 availability, capacity, and delivery of early childhood and family support
7 programs and services;

8 **SECTION 13.** In Colorado Revised Statutes, 26.5-1-111, **amend**
9 (1) introductory portion and (2)(c) as follows:

10 **26.5-1-111. Data system - collection - analysis - cross-agency**
11 **agreements.**

12 (1) The department shall work with ~~local coordinating~~
13 ~~organizations~~ EARLY CHILDHOOD COUNCILS, state agencies, local and
14 tribal agencies, and providers, as necessary, to collect, share, manage, and
15 protect qualitative and quantitative data pertaining to early childhood and
16 family support programs and services. The department shall review and
17 analyze the collected data to assess:

18 (2) At a minimum, the department shall collect data pertaining to
19 early childhood and family support programs and services that includes:

20 (c) Information that enables the department, ~~local coordinating~~
21 ~~organizations~~ EARLY CHILDHOOD COUNCILS, and local and tribal agencies
22 to assess on a continuing basis the needs for early childhood and family
23 support programs and services in an area and make decisions concerning
24 the provision of programs and services;

25 **SECTION 14.** In Colorado Revised Statutes, 26.5-1-112, **amend**
26 (1)(d) as follows:

27 **26.5-1-112. Transition review - program review - report -**

1 **repeal.**

2 (1) (d) In conducting the reviews and making recommendations
3 pursuant to this subsection (1), the independent evaluator shall solicit
4 input through a process that includes participation by the populations
5 served by the programs; the providers and members of the workforce
6 working in the programs; ~~local coordinating organizations~~; state, local,
7 and tribal agencies involved in implementing the programs; and any other
8 relevant experts.

9 **SECTION 15.** In Colorado Revised Statutes, 26.5-4-109, **amend**
10 (4) as follows:

11 **26.5-4-109. Provider rates - provider recruitment - provider.**

12 (4) The department, working with early childhood councils as
13 defined in section 26.5-2-202 AND county departments, ~~and local~~
14 ~~coordinating organizations as defined in section 26.5-2-102~~ shall identify
15 and recruit providers throughout the state to participate in the child care
16 assistance program. In identifying and recruiting providers, the
17 department and ~~local coordinating organizations~~ EARLY CHILDHOOD
18 COUNCILS shall establish a mixed delivery system of public and private
19 providers in communities throughout the state that enables parents to
20 select CCCAP providers for their children from as broad a range as
21 possible within their respective communities.

22 **SECTION 16.** In Colorado Revised Statutes, 26.5-4-111, **amend**
23 (11) and (12)(d) as follows:

24 **26.5-4-111. Services - eligibility - assistance provided - waiting**
25 **lists - rules - exceptions from cooperating with child support**
26 **establishment.**

27 (11) A provider or a ~~local coordinating organization~~, as defined

1 ~~in section 26.5-2-102~~ AN EARLY CHILDHOOD COUNCIL, AS DEFINED IN
2 SECTION 26.5-2-202, may accept a family's CCCAP application and
3 submit ~~it~~ THE APPLICATION to the county on behalf of a family seeking
4 child care assistance.

5 (12) Each county:

6 (d) May use ~~its~~ THE COUNTY'S CCCAP allocation to provide
7 enrollment contracts or grants to early care and education providers: To
8 support implementation of the ~~local community plan described in section~~
9 ~~26.5-2-104~~ APPLICABLE EARLY CHILDHOOD COUNCIL STRATEGIC PLAN
10 DESCRIBED IN SECTION 26.5-2-204; to increase the supply and improve the
11 quality of child care for infants and toddlers, children with disabilities,
12 after-hours care, and children in underserved neighborhoods; to provide
13 stability for the early childhood sector; and to improve alignment with the
14 provision of additional preschool services, as defined in section
15 26.5-4-203, to working families who need additional care;

16 **SECTION 17.** In Colorado Revised Statutes, 26.5-4-203, **repeal**
17 (5) and (11); and **add** (5.5) as follows:

18 **26.5-4-203. Definitions.**

19 As used in this part 2, unless the context otherwise requires:

20 (5) ~~"Community plan" means the community plan adopted by a~~
21 ~~local coordinating organization pursuant to section 26.5-2-104.~~

22 (5.5) "EARLY CHILDHOOD COUNCIL" MEANS AN EARLY CHILDHOOD
23 COUNCIL IDENTIFIED OR ESTABLISHED LOCALLY IN COMMUNITIES
24 THROUGHOUT THE STATE PURSUANT TO SECTION 26.5-2-203.

25 (11) ~~"Local coordinating organization" means the entity selected~~
26 ~~by the department pursuant to section 26.5-2-103 to implement a~~
27 ~~community plan for early childhood and family support programs and~~

1 ~~services within a specified community.~~

2 **SECTION 18.** In Colorado Revised Statutes, 26.5-4-204, **amend**
3 (2) as follows:

4 **26.5-4-204. Colorado universal preschool program - created**
5 **- eligibility - workforce development plan - program funding - rules.**

6 (2) For the 2023-24 school year and each school year thereafter,
7 subject to the availability and enrollment capacity of preschool providers,
8 parents throughout the state may enroll their children, free of charge, in
9 ten hours per week of publicly funded preschool services for the school
10 year preceding the school year in which the children are eligible to enroll
11 in kindergarten. The department, working with ~~local coordinating~~
12 ~~organizations~~ EARLY CHILDHOOD COUNCILS, shall identify and recruit
13 preschool providers throughout the state to participate in the Colorado
14 universal preschool program. In identifying and recruiting preschool
15 providers, the department and ~~local coordinating organizations~~ EARLY
16 CHILDHOOD COUNCILS shall, to the extent practicable, establish a mixed
17 delivery system in communities throughout the state that enables parents
18 to select preschool providers for their children from as broad a range as
19 possible within their respective communities.

20 **SECTION 19.** In Colorado Revised Statutes, 26.5-4-205, **amend**
21 (1)(b)(I) as follows:

22 **26.5-4-205. Quality standards - evaluation - support.**

23 (1) (b) (I) Except as provided in subsection (1)(b)(II) of this
24 section, the department shall ensure that each preschool provider that
25 participates in the preschool program meets the quality standards
26 established by rule in accordance with this section. The department may
27 work with a ~~local coordinating organization~~ AN EARLY CHILDHOOD

1 COUNCIL to ensure that a preschool provider meets the quality standards.
2 The department may prohibit a preschool provider that fails to meet one
3 or more of the quality standards from participating in the preschool
4 program.

5 **SECTION 20.** In Colorado Revised Statutes, 26.5-4-207, **amend**
6 (3) as follows:

7 **26.5-4-207. Preschool program evaluation and improvement**
8 **process - independent evaluator.**

9 (3) The department shall communicate the evaluations and
10 recommendations of the independent evaluator to families, communities,
11 preschool providers, ~~local coordinating organizations~~ EARLY CHILDHOOD
12 COUNCILS, the state board of education, and the general assembly, as
13 appropriate, to inform and improve early childhood teaching and
14 education and policy-making related to early childhood education.

15 **SECTION 21.** In Colorado Revised Statutes, 26.5-4-208, **amend**
16 (1)(c), (1)(e), (3)(a), (3)(c)(II), and (3)(c)(IV) as follows:

17 **26.5-4-208. Preschool provider funding - per-child rates - local**
18 **contribution - distribution and use of money - definitions.**

19 (1) (c) In establishing the formula for additional preschool
20 services, in addition to the considerations specified in subsection (1)(a)
21 of this section, the department may consider the amount of local funding
22 available to assist families within a community based on the ~~community~~
23 ~~plan~~ APPLICABLE EARLY CHILDHOOD COUNCIL STRATEGIC PLAN DESCRIBED
24 IN SECTION 26.5-2-204 or available within an area that does not have a
25 ~~local coordinating organization~~ AN EARLY CHILDHOOD COUNCIL. A
26 preschool provider is prohibited from charging a fee for additional
27 preschool services to a family that participates in the preschool program

1 that exceeds the amount charged to families that do not receive additional
2 preschool services.

3 (e) In establishing the formulas and other distribution amounts,
4 the department shall consult with the rules advisory council, the early
5 childhood leadership commission, and members of the early childhood
6 community, including parents of preschool-age children, preschool
7 educators, preschool providers, early childhood councils, school districts,
8 charter schools, representatives of county departments of human or social
9 services, ~~local coordinating organizations~~, and individuals with financial
10 expertise in public and private funding sources for early childhood
11 services.

12 (3) (a) Beginning in the ~~2023-24 fiscal year~~ 2026-27 FISCAL YEAR
13 and for each fiscal year thereafter, the department, working with ~~local~~
14 ~~coordinating organizations as provided in each local coordinating~~
15 ~~organization's coordinator agreement~~ EARLY CHILDHOOD COUNCILS IN
16 ACCORDANCE WITH EACH EARLY CHILDHOOD COUNCIL'S AGREEMENT with
17 the department, shall distribute the funding appropriated to the
18 department for preschool services from the preschool programs cash fund
19 and any amount received pursuant to section 26.5-4-209 (2). The
20 department and ~~local coordinating organizations~~ EARLY CHILDHOOD
21 COUNCILS, as applicable, shall base the amounts distributed on the
22 per-child rates and any special purpose distributions established for the
23 applicable fiscal year pursuant to subsection (1) of this section. At the
24 start of each fiscal year, the department and ~~local coordinating~~
25 ~~organizations~~ EARLY CHILDHOOD COUNCILS, as applicable, shall distribute
26 a portion of the funding to preschool providers based on the numbers and
27 types of eligible children expected to enroll in preschool as estimated in

1 the ~~community~~ STRATEGIC plans or as estimated by the department for an
2 area that does not have a ~~local coordinating organization~~ AN EARLY
3 CHILDHOOD COUNCIL. The department and ~~local coordinating~~
4 ~~organizations~~ EARLY CHILDHOOD COUNCILS, as applicable, shall continue
5 distributing portions of the funding periodically throughout the school
6 year and shall adjust the amounts distributed based on the actual numbers
7 and types of eligible children enrolled by preschool providers.

8 (c) (II) The department and ~~local coordinating organizations~~
9 EARLY CHILDHOOD COUNCILS, as applicable, shall distribute the funding
10 for preschool services for children who are three years of age or younger
11 as described in subsection (3)(c)(I)(B) of this section only to preschool
12 providers that are school districts or charter schools for the eligible
13 children who are three years of age and younger whom the school district
14 or charter school enrolls in accordance with the preschool program;
15 except that, in a fiscal year in which the general assembly specifically
16 appropriates an amount to provide preschool services for children three
17 years of age or younger who do not have disabilities that exceeds the
18 amount described in subsection (3)(c)(I)(B) of this section, the
19 department may distribute in accordance with the applicable ~~community~~
20 ~~plans~~ STRATEGIC PLANS DESCRIBED IN SECTION 26.5-2-204 all or any
21 portion of the excess appropriation amount to community-based
22 preschool providers. A school district may distribute all or a portion of the
23 amount received pursuant to this subsection (3)(c)(II) to a head start
24 agency or community-based preschool provider that provides preschool
25 services pursuant to a contract with the school district.

26 (IV) In a fiscal year in which the amount described in subsection
27 (3)(c)(I)(B) of this section to fund preschool services for children who are

1 three years of age or younger is less than is required to fully fund the
2 number of said eligible children who actually enroll for preschool
3 services, the department shall first provide funding for the eligible
4 children with disabilities and eligible children who are in low-income
5 families and meet at least one qualifying factor and then provide funding
6 for the remaining eligible children who are in low-income families. If any
7 amount of the appropriation described in subsection (3)(c)(I)(B) of this
8 section remains, the department, working with the rules advisory council,
9 the ~~local coordinating organizations~~ EARLY CHILDHOOD COUNCILS, and
10 any other interested persons, shall establish the priority for distributing
11 the funding among the remaining eligible children.

12 **SECTION 22.** In Colorado Revised Statutes, 26.5-4-209, **amend**
13 (5) as follows:

14 **26.5-4-209. Preschool programs cash fund - created - use.**

15 (5) AFTER ENSURING THE DELIVERY OF DIRECT SERVICES FOR
16 ELIGIBLE CHILDREN, the department may use money appropriated from the
17 preschool programs cash fund for the administrative costs of ~~local~~
18 ~~coordinating organizations~~ INCURRED BY EARLY CHILDHOOD COUNCILS
19 THAT ARE DIRECTLY RELATED TO THE DELIVERY OF PRESCHOOL SERVICES.

20 **SECTION 23.** In Colorado Revised Statutes, 26.5-4-210, **amend**
21 (1) introductory portion, (1)(e), (1)(g)(VII), and (2) as follows:

22 **26.5-4-210. Reporting.**

23 (1) ~~Beginning with the hearing held in January of 2025~~ As part of
24 the annual hearing held pursuant to the "State Measurement for
25 Accountable, Responsive, and Transparent (SMART) Government Act",
26 part 2 of article 7 of title 2, the department shall report on the
27 implementation and effectiveness of the Colorado universal preschool

1 program in the preceding fiscal year. At a minimum, the report must
2 include:

3 (e) The amount of funding distributed to preschool providers
4 through the preschool program, in total and disaggregated by
5 communities with ~~local coordinating organizations~~ EARLY CHILDHOOD
6 COUNCILS and areas of the state that do not have ~~local coordinating~~
7 ~~organizations~~ EARLY CHILDHOOD COUNCILS;

8 (g) Of the amount appropriated from the preschool programs cash
9 fund, the amount, expressed as a dollar amount and a percentage of the
10 total appropriation, that:

11 (VII) Was spent on administrative expenses of the department and
12 each ~~local coordinating organization~~ EARLY CHILDHOOD COUNCIL;

13 (2) The department may request and ~~local coordinating~~
14 ~~organizations~~ EARLY CHILDHOOD COUNCILS and preschool providers shall
15 provide information as necessary for the department to prepare the report
16 described in subsection (1) of this section.

17 **SECTION 24.** In Colorado Revised Statutes, 24-101-105, **amend**
18 (1)(a)(XVII) as follows:

19 **24-101-105. Application of this code.**

20 (1) (a) This code applies to all publicly funded contracts entered
21 into by all governmental bodies of the executive branch of this state;
22 except that this code does not apply to:

23 (XVII) The department of early childhood in soliciting and
24 ~~selecting~~ APPROVING entities to serve as ~~local coordinating organizations~~
25 ~~pursuant to section 26.5-2-103~~ EARLY CHILDHOOD COUNCILS PURSUANT
26 TO SECTION 26.5-2-204 and ~~coordinating~~ agreements entered into
27 pursuant to ~~section 26.5-2-105~~ SECTION 26.5-2-206; or

1 **SECTION 25. Effective date.** This act takes effect upon passage;
2 except that section 26.5-4-203 (5) and (11), Colorado Revised Statutes,
3 as repealed in section 17 of this act, and section 26.5-4-208 (3)(a),
4 (3)(c)(II), and (3)(c)(IV), Colorado Revised Statutes, as amended in
5 section 21 of this act, take effect July 1, 2026.

6 **SECTION 26. Safety clause.** The general assembly finds,
7 determines, and declares that this act is necessary for the immediate
8 preservation of the public peace, health, or safety or for appropriations for
9 the support and maintenance of the departments of the state and state
10 institutions.