



Welfare Oversight Committee

**Report to the
COLORADO
GENERAL ASSEMBLY**

**Colorado Legislative Council
Research Publication No. 450
December 1998**

RECOMMENDATIONS FOR 1999

WELFARE OVERSIGHT COMMITTEE

**Report to the
Colorado General Assembly**

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December 1998

To Members of the Sixty-second General Assembly:

Submitted herewith is the final report of the Welfare Oversight Committee. This committee was created pursuant to Section 26-2-722, C.R.S. The purpose of the committee is oversee the Colorado Works Program and its implementation by the counties.

At its meeting on October 15, 1998, the Legislative Council reviewed the report of this committee. A motion to forward this report and the bills therein for consideration in the 1999 session was approved.

Respectfully submitted,

/s/ Representative Chuck Berry
Chairman
Legislative Council

CB/JH/eg

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WELFARE OVERSIGHT COMMITTEE

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EXECUTIVE SUMMARY

Committee Charge

Pursuant to Section 26-2-722, C.R.S., the Legislative Oversight Committee for Welfare Reform (House and Senate Health, Environment, Welfare and Institutions Committees) has the responsibility of overseeing the Colorado Works Program and its implementation by the counties. The committee is directed to make recommendations concerning how to allocate any funds that the state receives as an illegitimacy bonus reward from the federal government.

Committee Activities

The Committee held four meetings. These briefings focused on: the state and county level impact of welfare reform, the State Auditor's report to evaluate the Colorado Works Program, illegitimacy bonus reward moneys and the current status of the Colorado Works Program. The Committee also received testimony from clients of the Colorado Works Program and discussed several proposals for legislation. All of the recommended bills pertain to the Colorado Works Program.

Committee Recommendations

As a result of committee discussion and deliberation, the Committee recommends five bills for consideration in the 1999 legislative session.

Bill A — Definition of Cash Assistance. The bill clarifies the definition of cash assistance, not currently in statute, to conform to the federal definition of cash assistance.

Bill B — Sixty-Month Lifetime Benefit Maximum. Bill B defines certain terms related to those persons who are disqualified or excluded from participation in the Colorado Works Program.

Bill C — Development of Individual Responsibility Contracts. Bill C provides that client assessments prepared prior to the development of an individual responsibility contract (IRC) apply to participants who are 18 years of age or older or who are the head of a household, regardless of age.

Bill D — Appeals of Disputed Individual Responsibility Contracts. Bill D would allow any recipient to appeal any requirement contained in an Individual Responsibility Contract without signing the IRC. The client could request an administrative appeal only if the client demonstrates good cause as determined by county policy.

Bill E — County Adoption of Written Policies. Bill E directs a Board of County Commissioners to adopt official written policies for its Colorado Works Program setting forth criteria to be used to implement those aspects of the Colorado Works Program that counties have the authority to determine. Public notice and an opportunity for public comment must also be provided prior to the adoption of the policy. These are to be in accordance with the requirements for public notice and comment that have been adopted by each county.

STATUTORY AUTHORITY AND RESPONSIBILITIES

Committee Charge

The Colorado Works Program, effective July 1, 1997, replaced the former Aid to Families with Dependent Children (AFDC) and the JOBS Program. Pursuant to Section 26-2-722, C.R.S., the Legislative Oversight Committee for Welfare Reform has the responsibility of overseeing the Colorado Works Program and its implementation by the counties.

The committee consists of the members of both the House and Senate Health, Environment, Welfare, Institutions committees. The statute directs the oversight committee to:

- Submit an annual report;
- Summarize the aspects of the Colorado Works Program that have been considered and any recommended legislative changes; and
- Make recommendations concerning how to allocate any funds that the state receives as an illegitimacy bonus reward from the federal government. In making its recommendations on this issue, the Committee shall consider how to make allocations based upon individual counties' success in reducing illegitimacy.

COMMITTEE ACTIVITIES

This report is a review of the activities of the Colorado Welfare Oversight Committee over the first two years of its existence. The committee has met four times since it was created in 1997. The Colorado Works Program started July 1, 1997, as required by statute. When the Welfare Oversight Committee met in October of 1997, the focus was on county implementation of plans, any problems that they were encountering. Representatives of the Colorado Department of Human Services (DHS), Colorado Counties, Inc., county departments of social services and advocates of Colorado Works Program clients testified on the status of the program. In its second year, the Committee continued to receive updates on the status of the Colorado Works Program from the state, counties, as well as clients and advocates. The Committee also was briefed on the State Auditor's planned review of the state welfare program, and the federal illegitimacy bonus reward fund.

Activities in 1997. In an effort to gain a sense of the status of welfare reform in Colorado, the Committee participated in a two-day conference on welfare reform with the Department of Human Services and Colorado Counties, Inc. The focus of the conference was to receive a statewide update on the implementation of welfare reform in Colorado. Breakout sessions focused on child care, individual responsibility contracts, county fiscal issues, community linkages, and child support enforcement. Participants included legislators, welfare administrators, county officials, welfare recipients and other concerned policy makers. County officials suggested that changes needed to be made to a county's maintenance of effort as well as the transfer of funds from TANF to child welfare.

Breakout sessions of the welfare reform conference showed that counties are diverse in terms of their Colorado Works implementation plans. Counties have submitted implementation plans to DHS, and the approach counties are taking for program components can be very different. For example, some counties are doing group assessments for participants, while other counties provide for self-assessment. The same diversity occurs with the individual responsibility contract — some forms are long and very detailed and others are not. The Committee was briefed on the following issues: participant assessment, county migration, county staff training, and program data systems. The Committee also briefly discussed two issues which are problematic for counties: maintenance of effort and work participation rates.

Legislation in 1997

The committee considered draft bills pertaining to a reduction in a county's maintenance of effort, transfer of TANF block grant funds to child welfare, and electronic benefit transfers. Due to the newness of the Works Program, committee members recommended only the bill dealing with electronic benefit transfers.

Charging a Fee For a Replacement Electronic Benefits Transfer Card. The Committee recommended authorizing the State Department of Human Services to charge a two dollar fee to a client for a replacement electronic benefits transfer card. The development and implementation of an electronic benefits transfer (EBT) was authorized by the General Assembly in 1995. That system is nearly fully operational in all areas of the state. As part of the implementation of EBT, the Department of Human Services and counties felt that it was important to assure that persons using the cards bore the cost of replacing any lost cards.

The State Board of Human Services promulgated a rule allowing the department to charge clients a two dollar EBT card replacement fee. The department estimates that the fee is the actual staff and materials replacement costs, and federal regulations allow states to charge a fee not to exceed the actual costs. As part of the review of the department's rules, the Committee on Legal Services cited the lack of specific state statutory authority for charging such a fee, and decided that this departmental rule should not be extended.

Other State Board of Human Services rules give discretion to each county as to when a replacement fee is charged. Most counties have chosen to charge a fee; however, some counties have not charged a fee during the first month or two of conversion to the EBT system. In addition, a fee may not be charged in instances where the card is inoperable due to no fault of the client, or where the client is being recertified and the original card has been lost, damaged or destroyed during the inactive period. This legislation was enacted.

Activities in 1998

Most recently, the committee heard from the Department of Human Services, Colorado Counties Inc., county social services department administrators, and clients and advocates of the Colorado Works Program. The Committee was briefed on the planned review of the Colorado Works Program by the State Auditor, the innovations undertaken by counties, and the federal illegitimacy bonus reward fund.

The Committee received an update on the Colorado Works Program caseload statistics. There has been a dramatic decrease in the number of individuals on welfare both nationally and in Colorado. At the end of FY97-98 there were under 25,000 cases (see Attachment A, page 15). The state also experienced a dramatic decrease in the amount of basic cash assistance payments from July 1, 1997 through June 30, 1998 (see Attachment B, page 17). Some counties have had good experiences with the one time diversion monies to keep people off of welfare. (State and county diversion and other assistance payments from July 1, 1997 through June 30, 1998 are found in Attachment C, page 19). There are people who simply did not want to participate in the Works Program, and there are many reasons that people did not come back to welfare since reform began. A conclusion cannot be drawn on why people did not elect to participate in the Works Program. For example, people left out of the program may be harder to serve, or they may have substance abuse, mental health or domestic violence problems. The Committee discussed the need for good

reporting by counties, building new information management systems, and getting more sophisticated in data collection for the Works Program.

Legislation in 1998

The Committee recommended four bills in 1998. In general, the recommendations listed on page 11 have arisen in the day to day administration of the program. There have not been any substantive policy changes to the major welfare reform bill.

Colorado Works Program

The passage of federal welfare reform legislation fundamentally changed the nature of the welfare program. Welfare recipients are now required to work after two years and are ineligible for benefits after five years. These changes have had a major impact on families and the way that the state and counties do business. To make this new program successful, various support systems have to be in place, such as good case management and child care. Part of the law that created the state welfare program, which is called Colorado Works, created an oversight committee to oversee the implementation process of this major overhaul of the welfare system. The Committee received a briefing on the following:

Participant assessment. The Colorado Works program requires counties to assess new applicants within 90 days of application. Counties are enforcing the assessment process by closing the case of recipients who do not attend the assessment interview, counties with extensive outreach have low case closure. For example, Arapahoe County Department of Social Services has developed a 10-page assessment form as well as requiring a personal interview as part of the assessment process. The case is closed, if a recipient is unwilling to come to the assessment process or telephone to say that they are unable to come. As a result, the county has experienced 23 percent case closure. The remedy for this sanction (i.e., the case closure) is to come in and complete the assessment.

County migration. The State Department is monitoring county migration, specifically whether participants in counties with low benefits are moving to counties with higher benefits. The Department has determined that caseload decreases are not due to migration, since caseloads in other counties are not increasing dramatically.

County staff training. The Department conducted regional training of county department staff regarding culture changes in the delivery of welfare services. The training was held in regional sites, rather than requiring county personnel to travel into Denver.

Data reporting. The department has invested 14,000 hours in programming to upgrade the automation system in order to meet federal reporting requirements. The data is showing that counties are using diversion to prevent persons from getting on welfare.

Maintenance of effort (MOE). The MOE for counties is based on 100 percent of county expenditure for FY 1995-96. However, this MOE was proving to be too high since caseloads are dropping at a rapid rate. The Department conducted a survey to determine what is happening to the families that are no longer in the welfare system. Federal law requires the overall state MOE to be, at minimum, 80 percent — which can be reduced to 75 percent if the state is meeting the work participation rates.

Work participation rates. Federal law also allows for a decrease in work participation rates as a result in decreased caseload. While counties want to exercise this option, DHS does not since the 5-year time clock (i.e., individuals are only eligible for welfare for 5 years) is still ticking for the individuals who are not subject to the work participation rate. There will always be a certain number who cannot work and never will be able to. If changes are not made to the work participation rate requirements, federal fiscal sanctions will be imposed. As caseloads drop, these participation rates will be harder to meet. The Department has decided not to take the federal option of reducing participation rates due to declining caseloads. Work participation rates are found in Attachment D, page 21.

Child Care Assistance. Welfare reform also makes major changes to the child care system. Federal law allows counties to transfer up to 30 percent of Temporary Assistance for Needy Families (TANF) funds to child care. This transferred funding cannot be transferred back to TANF during that year nor can it be rolled forward for use during future fiscal years. These transferred funds do not have to be used for child care or child welfare services to TANF recipients. Counties have the ability to negotiate contracts with providers (rather than adhere to rates set by the state). In terms of child care eligibility, families with up to 130 percent of the federal poverty level (FPL) are guaranteed child care, but services can be provided to families up to 185 percent FPL. Cost sharing for families, as established by the state, is currently approximately 10 percent. Counties want the option to determine local fee schedules. Colorado child care assistance program information for SFY 1997-98 is found in Attachment E, page 25.

The training of child care providers include: family resource centers, mental health centers, county departments of social services, child care resource and referral agencies, and community colleges. Health and safety and early child education is standardized. The Neighbor-to-Neighbor program (under which welfare recipients are trained to become child care providers) has more extensive training than is required for other providers. The Department is working with waivers for churches and other facilities that want to establish child care on the premises. There are a variety of creative child care assistance programs that in Colorado. Twelve counties are associated with the Child Care pilot program. There are efforts to increase the number of providers and workers.

The Committee heard that there is: 1) increased collaboration between agencies, 2) a high level of participation by nonprofits, and 3) counties will meet work participation rates for this year and the following year. While federal and state program regulations have decreased, reporting requirements have increased. In La Plata county, the morale of county department of social services staff has increased, since they can provide tailored services for participants instead of "pushing paper." The problem of affordable housing has not been addressed — especially in rural communities. In addition, there is a shortage of money to build child care centers and that the quality of child care needs to be emphasized.

In Fremont county, 92 percent of the welfare caseload showed up for assessment. Clients in the Works Program are people who end up there because they had no other choice, and that being on this program is not a goal for most recipients.

Counties are not achieving cost savings as a result of reduced caseload because of state maintenance of effort (MOE) requirements. (States have to expend MOE prior to drawing down federal funds.) Representatives of Colorado Counties Inc. made the following recommendations:

- reduce county MOE requirements;
- allow for a transfer of TANF monies to child welfare (Arapahoe is predicting a shortfall of \$800,000 in child welfare); or
- allow funds expended for underprivileged populations other than welfare recipients to count towards the MOE.

Many welfare recipients have various problems that are barriers to their retention in the workforce, including: medical problems, children with medical problems, and unstable housing conditions. Working poor families have no safe places to leave their teenagers after school and on holidays. Since these parents cannot afford to have children in structured services, child care funding should be flexible enough to serve these children. The Committee expressed concern with the clarity of client sanction notices and having everyone being treated the same in the particular county. Each county has modified the statewide sanction notice according to their policies. Information on participant sanctions can be found in Attachment F, page 27.

Maintenance of Effort (MOE). MOE means that state or county spending must meet a specific dollar amount each year in order to qualify to receive the federal Temporary Assistance for Needy families (TANF) grant. Colorado's total MOE for TANF is composed of both state and county funds in a number of program areas allowed under federal law. Under TANF, a state must spend at least 80 percent of FFY 1994 spending on AFDC, JOBS, AFDC related care and emergency assistance to meet the MOE. State and county spending at 80 percent in FFY 1994 was \$88.6 million. Under the Colorado Works Program, the county MOE must meet or exceed 100 percent of the county's spending on AFDC, JOBS, and the administrative costs related to those programs in SFY 1995-96. County spending at 100 percent in SFY 1995-96 was \$35.9 million. Because of the

decreased welfare caseload, counties requested a reduction in their share of spending for the Colorado Works Program for SFY 1997-98. Legislation was enacted in 1998 (SB185) that provided relief for the counties in this area.

State Auditor's Evaluation of The Colorado Works Program

Senate Bill 98-185 requires the Office of the State Auditor to oversee a longitudinal evaluation of the outcomes resulting from the Colorado Works Program, to evaluate its success in moving participants out of poverty and toward self-sufficiency, and to provide specific, solution-based recommendations for program improvements. The State Auditor released the request for proposal (RFP) for the evaluation on August 1, 1998.

As part of developing the RFP, the state auditor sought input from the Welfare Oversight Committee, the Department of Human Services, Colorado Counties, Inc., individual counties that are not affiliated with Colorado Counties, national organizations,, and representatives of advocate groups. The Auditor's Office provided the Committee with a progress report of the evaluation. The evaluation will focus on program outcomes. The following issues are included in the Colorado Works Program evaluation:

Population characteristics and demographics. The evaluation will identify and collect basic information on all Colorado Works Program participants, including demographic information, welfare history, and characteristics that contribute to or inhibit employment success.

Preparing for employment. The evaluation will assess the success of the Works Program in preparing participant groups for employment by evaluating the assessment, case management, education, and training services provided by counties, employers, and other organizations.

Employment and self-sufficiency. The evaluation will assess the effectiveness of the Works Program in assisting participants with obtaining and retaining employment, moving out of poverty, and attaining self-sufficiency.

Quality of life for children and families. The evaluation will assess the impact of the Works Program on the well-being of participants and their children and families.

Statewide issues. The evaluation will assess the impact of the Works Program on issues of concern to state policy makers, such as 1) changes in the utilization of state-funded assistance programs in Medicaid, food stamps, child care, mental health, substance abuse, and children welfare programs; 2) changes in utilization of local programs and services, such as homeless shelters, food pantries, and services provided by churches and charities; 3) the effectiveness of funding policies in addressing service gaps and moving participants toward employment; 4) the economic costs and benefits of bringing participants to self-sufficiency; and 5) the performance of the Colorado Works Program compared with welfare reform programs operating in other states; and 6) participant attitudes toward work and their satisfaction with Works Program Services.

The State Auditor's Office has requested periodic input from the Welfare Oversight Committee regarding the evaluation of the Colorado Works Program.

Federal Illegitimacy Bonus Reward

Section 26-2-722, C.R.S., provides that the Welfare Oversight Committee shall make recommendations no later than January 15, 1999, concerning how to allocate any funds that the state receives as an illegitimacy bonus reward from the federal government. In making its recommendations, the Welfare Oversight Committee must consider how to make allocations based upon individual counties' success in reducing illegitimacy.

One incentive for states to reduce their out-of-wedlock birth rate is bonus money. The federal government plans to grant \$20 million each to five states that show the highest reduction in abortions and births to unmarried mothers. The bonus is to be awarded each year between fiscal years 1999 and 2002. In order to receive the bonus, states must compare consecutive two-year period and prove that the decline is not caused by an increase in abortions. All states are then compared with each other in regard to how much the birth rates have decreased within each. In addition, states must also show that the number of abortions performed is less than the number performed in 1995, the baseline year. Currently, no standard method exists for collecting data on unmarried births, nor does the federal government require states to collect abortion data (although the Center for Disease Control has data on all 50 states). Because methods of collecting data vary, the law stipulates that differences attributable to this calculation must be disregarded when computing the bonus.

The Committee heard that the award is based upon birth and abortion data for the state population as a whole, not on data for Colorado Works or other more limited populations. Statewide, Colorado's percentage of out-of-wedlock births has dropped by one-tenth of one percentage point (from 24.9 percent to 24.8 percent) when the ratio of out-of-wedlock births for 1995 and 1996 is compared to the ratio of such births for 1993 and 1994. The number of reported abortions in Colorado increased in 1996 for the first time since 1990. Reported abortions increased from 9,384 in 1995 to 9,710 in 1996. The rate of abortions to live births also increased slightly by two-tenths of one percentage point from 17.2 percent when divided by live births to 17.4 percent.

Colorado is not likely to be among the five states with the "largest proportionate decrease" in the rate of out-of-wedlock births because our illegitimacy rate has been significantly below the national percentage (more than 5 percentage points) since 1980. For example, in 1996, Colorado was 7.6 percentage points below the national percentage of illegitimate births (24.8 percent vs 32.4 percent nationally); while the overall birth rate was almost the same as the national birth rate (14.5 percent in Colorado compared to 14.8 percent nationally).

SUMMARY OF RECOMMENDATIONS

The Committee recommends the following five bills:

Bill A — Definition of Cash Assistance

The bill defines the term "cash assistance" for the purposes of the Colorado Works Program. After the passage of the 1997 Colorado Works Program, the federal government proposed regulations to identify by the use of the term "cash assistance" those cases that are subject to federal Temporary Aid to Needy Families (TANF) requirements, including work requirements and assignment of child support rights. Because the federal government has not yet issued its final definition, it is proposed that this language be added in the definitions part of the Colorado Works Program in order to assure more consistency with the federal definition.

In reviewing rules passed by the State Board of Human Services, the Legislative Legal Services Committee said that statutory authority was lacking for such rules because "cash assistance" has not been defined in state statute. This proposed definition is broader than just those participants who are receiving a "basic assistance grant" as defined under Colorado Works. It excludes participants who are receiving only "short term assistance" that is less than 90 days, such as that received by most recipients of state or county diversion payments, but includes other forms of monetary value that participants may be receiving in addition to the basic monthly assistance grant. For example, a bus pass or a new car battery.

Bill B — Sixty-Month Lifetime Benefit Maximum

Bill B defines certain terms related to those persons who are disqualified or excluded from participation in the Colorado Works Program. The bill specifies that any month in which an assistance unit receives cash assistance under Title IV-A of the Social Security Act shall count toward that caretaker relative's 60-month lifetime maximum. It also specifies that any month in which a caretaker relative is determined to be a disqualified or excluded person from a basic assistance grant shall count as a month of participation in the calculation of such person's overall 60-month lifetime maximum.

Current rules call for persons who have committed intentional program violations that is fraud to be disqualified from the Colorado Works Program, and others, such as fleeing felons or illegal aliens, to be excluded from the program. In both instances, other family members remain on the Works Program and children of that person are receiving the basic assistance grant. In these cases, based on the requirement in the Colorado Works Program that the eligibility rules be used which were in effect on July 16, 1996, the "needs" of the disqualified or excluded person are removed from the family's grant. Since an adult is no

longer included as part of such a case, the clock for time limits does not tick, and the children can remain on assistance indefinitely.

Families who have been sanctioned for failing to cooperate with the child support, immunization, or work participation requirements of the program continue to have the adult participant's "needs" left on the case so long as the family is receiving any cash assistance, and the time clock continues to run. Therefore, families with a disqualified or excluded adult participant are treated differently from other families in the program. By adding the proposed language in Bill B, the disqualified or excluded adult would be counted as part of the assistance unit, and the family would be subject to the same 24-month work requirement and the 60-month lifetime limits as other families.

Bill C — Development of Individual Responsibility Contracts

Bill C provides that client assessments prepared prior to the development of an individual responsibility contract (IRC) apply to participants who are 18 years of age or older or who are the head of a household, regardless of age. Currently, following the application for public assistance, the assessment is the first major activity that leads to the development of an IRC. Current law requires an assessment for all participants who come into the program after June 3, 1997, and an IRC would be developed for any participant who has been assessed. An IRC must be developed with the participant within 30 days following the assessment. Bill C also allows updated assessments to be conducted at the discretion of the county. Finally, the bill repeals a provision that relates to the assessment of and preparation of IRC's for persons who were receiving Aid to Families with Dependent Children prior to the implementation of TANF since that process has already occurred.

Bill D — Appeals of Disputed Individual Responsibility Contracts

Bill D states that an individual in the Colorado Works Program who refuses to sign a proposed individual responsibility contract (IRC) and demonstrates good cause as determined by county policy may request an administrative appeal. However, good cause does not constitute an exemption from work or time limits. Currently, there are no provisions for a participant who has good cause to disagree with the proposed IRC to appeal its provisions, or for the continuation of assistance while a participant is disputing the IRC. State Administrative Law Judges are ruling that under current law a participant cannot appeal unless there is a signed IRC. This means that if participants are to appeal such an IRC, they have to sign a contract which has provisions they believe may cause significant problems (e.g. health issues), then not follow through on its requirements, be sanctioned, and then appeal the sanction. This issue arose after a state administrative law judge ruled that under current law a participant cannot appeal a proposed IRC unless the client signs the IRC.

Bill E — County Adoption of Written Policies

Bill E directs a Board of County Commissioners to adopt official written policies for its Colorado Works Program setting forth criteria to be used to implement those aspects of the Colorado Works Program that counties have the authority to determine. Public notice and an opportunity for public comment must also be provided prior to the adoption of the policy. These are to be in accordance with the requirements for public notice and comment that have been adopted by each county. This issue related to the purported lack of public and Colorado Works Programs client access to county policies governing the county's CWP. The bill requires the Board of County Commissioners to adopt official written policies for its CWP, setting forth the criteria to be used to implement a county's CWP that the county has the authority to determine.

Legislative Oversight Committee October 1, 1998**Expenditures and Caseloads for State Fiscal Year 1997-98**

The attached report entitled "Summary of Colorado Works Expenditures July 1, 1997 through June 30, 1998" contains expenditure information for the recently ended State Fiscal Year. A similar report has been sent to you for each quarter of the year beginning in February 1998.

Some highlights of this report include the following:

The average costs per case for the following types of assistance in SFY 98 were:

- \$314 per month for Basic Cash Assistance;
- \$779 per case receiving State Diversion payment;
- \$600 per case receiving County Diversion payment;
- \$110 per case receiving Other Assistance.

The average cost per case of all county expenditures for Works was \$459 per month.

- 98% of all participants received Basic Cash Assistance
- 1% of all participants received State or County Diversion Assistance
- 11% of all participants received Other Assistance

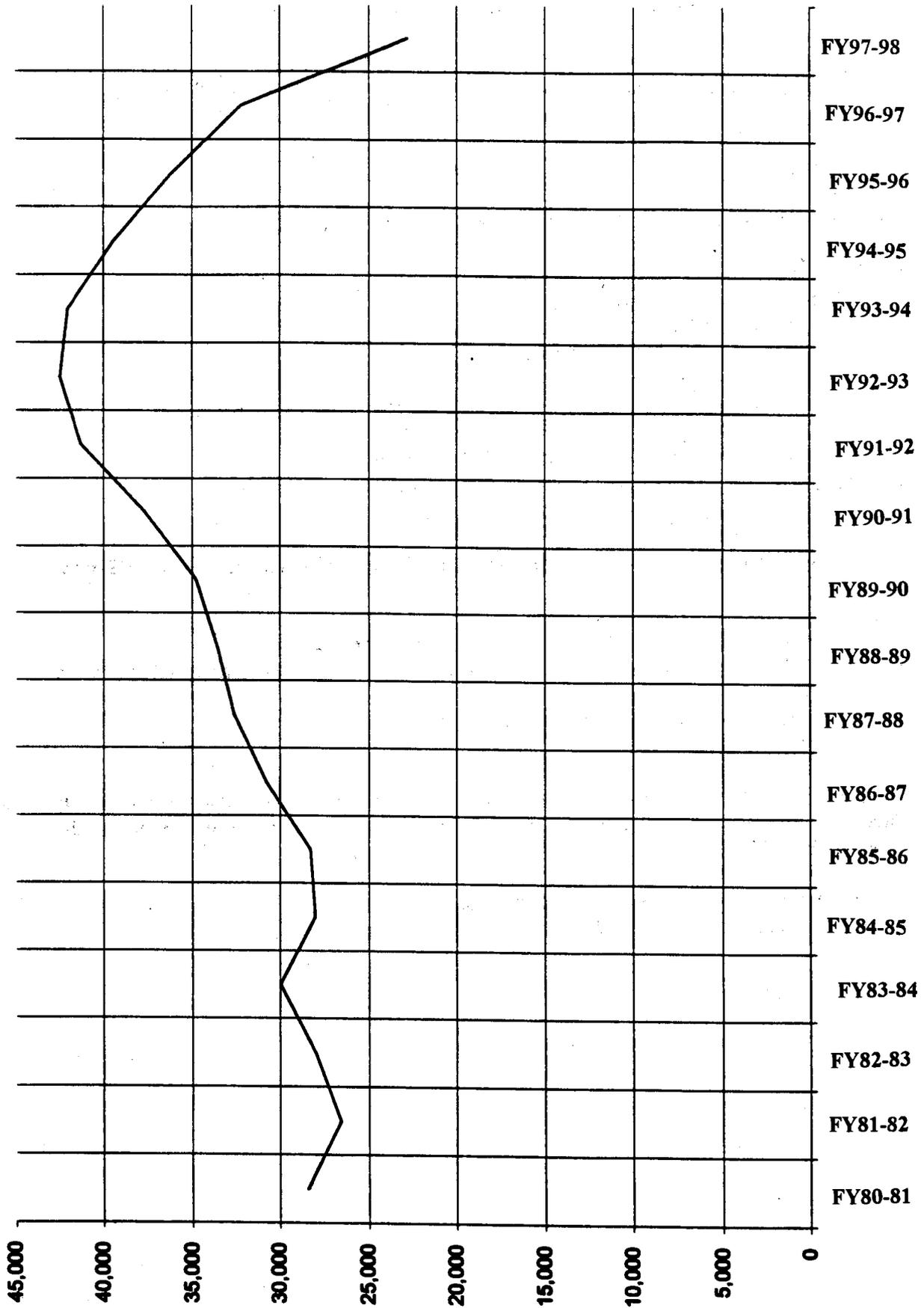
The total appropriation for FY 1997-98 for the County Block Grants and the county MOE was \$174.5 million:

- \$87.4 million was expended for payment to or on behalf of participants
- \$34.4 million was expended for costs related to direct services and non financial assistance for participants
- \$3.3 million was spent for capped administrative costs
- \$49.4 million was not spent

A report entitled "Colorado Works Cases Receiving Basic Cash Assistance & State and County Diversion and Other Assistance in July 1997 thru June 1998 is enclosed." The average monthly caseload for SFY 1998 was 22,735 which represents a decline of:

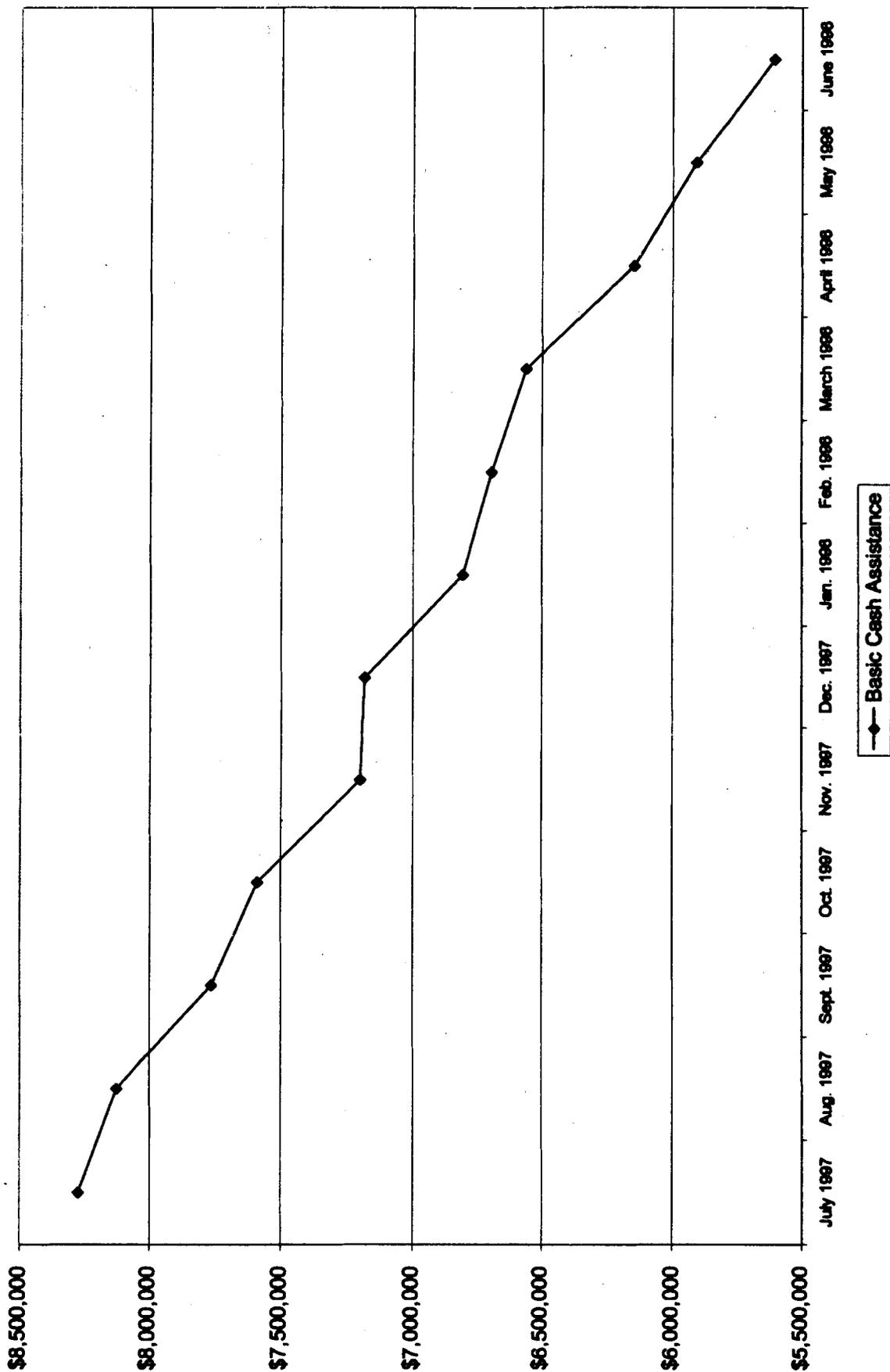
- 29% from State Fiscal Year 1996-97 (average monthly caseload of 31,894)
- 46% from State Fiscal Year 1992-93 (average monthly caseload of 42,449)

AFDC AND COLORADO WORKS CASELOAD STATISTICS

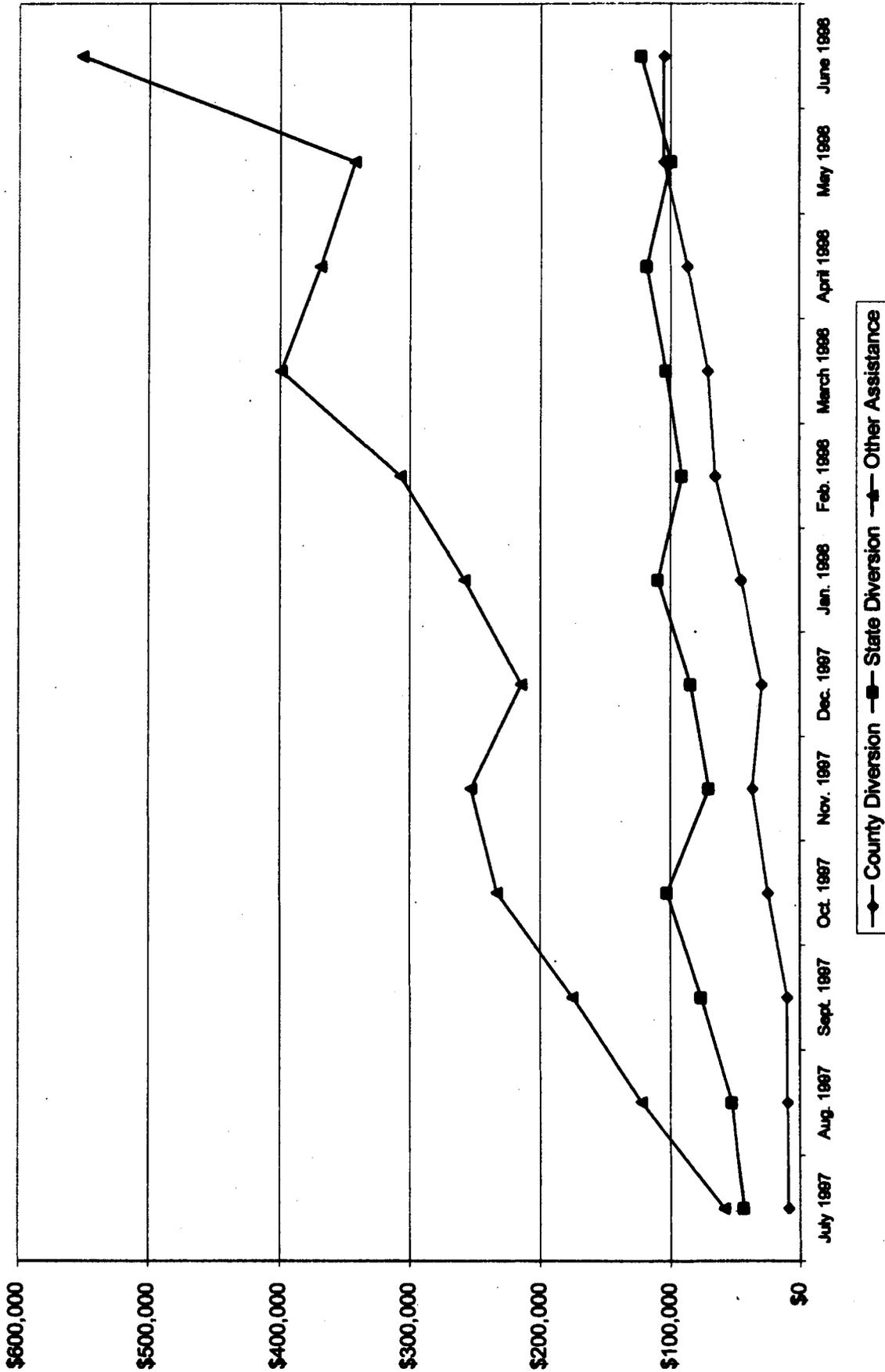


Source: Historical Data FY 80-81 thru FY 96-97 - Data Binders and Accounting SOEs
 Source: Colorado Works FY 97-98 - COIN Payment History file by payment date, unduplicated cases receiving assistance in a calendar month

BASIC CASH ASSISTANCE PAYMENTS
July 1, 1997 through June 30, 1998



STATE AND COUNTY DIVERSION AND OTHER ASSISTANCE PAYMENTS
July 1, 1997 through June 30, 1998



Legislative Oversight Committee October 1, 1998

Work Participation Rates

Average Work Participation Rates for January through June 1998

	<u>State Average</u>
All Families	25.8%
Two Parent Families	33.4%

The work participation rates for each county for each month through June for all families and for two parent families are shown on the enclosed reports.

Federal Requirements

	FFY 1997-98	FFY 1998-99	FFY 1999-00	FFY 00-01	FFY 01-02
All Families					
percent of cases	30%	35%	40%	45%	50%
average hours per week	20	25	30	30	30
Two Parent Families					
percent of cases	75%	90%	90%	90%	90%
average hours per week	35	35	35	35	35

Note: average hours per week for 2-parent families increase to 55 hours if federally funded child care is provided.

The annual work participation rate is the average of the monthly rates for the federal fiscal year of October through September. For FFY 1997-98, Colorado is required to report work rates for January through September – a total of nine months.

Federal law provides for the pro rata reduction of a state's work participation rates if the caseload for the preceding year has decreased compared to FFY 1994-95. The law does not define a clear method to calculate the pro rata reduction. The exact amount of the reduction will probably not be known until some time in calendar year 1999.

Federal Penalties

If a state fails to comply with either the all family or the two parent rate for the federal fiscal year, federal law requires the secretary to reduce the state's TANF block grant for the following year. The block grant may be reduced by up to 5% of the total block grant for the first failure and an additional 2% for failure in each succeeding year up to a maximum of penalty of 21%.

The secretary is to impose reductions based on the degree of non compliance. The federal penalty may be avoided if the secretary finds there to be "reasonable cause" for the failure to comply or if the secretary approves a corrective compliance plan and the state corrects the violation. If a penalty is imposed, states are required to replace the amount of the reduction with state or local funds.

For Colorado 5% of the TANF block grant is \$6.8 million and 21% would be \$28.6 million. The combined impact of the penalties and the requirement to replace the reduced federal funds would be \$13.6 million at 5% and \$57.2 million at the maximum 21%.

FEDERAL WORK PARTICIPATION FOR FISCAL YEAR 1997-98 FOR ALL FAMILIES

	Jan 1998	Feb 1998	Mar 1998	Apr 1998	May 1998	June 1998		YTD
	rate	rate	rate	rate	rate	numerator	denominator	rate
1 ADAMS	15.2%	15.0%	15.8%	19.3%	21.9%	197	926	21.3%
2 ALAMOSA	27.2%	30.7%	35.1%	36.6%	33.9%	45	98	45.9%
3 ARAPAHOE	20.3%	25.4%	23.6%	26.3%	25.3%	278	900	30.9%
4 ARCHULETA	37.5%	50.0%	45.5%	63.6%	63.6%	3	5	60.0%
5 BACA	5.9%	5.6%	28.6%	20.0%	28.6%	3	14	21.4%
6 BENT	28.9%	57.1%	58.3%	57.1%	73.7%	14	20	70.0%
7 BOULDER	11.7%	18.4%	26.1%	34.0%	33.0%	119	362	32.9%
8 CHAFFEE	20.7%	25.9%	21.2%	22.6%	25.5%	16	52	30.8%
9 CHEYENNE	66.7%	66.7%	50.0%	na	0.0%	-	1	0.0%
10 CLEAR CREEK	0.0%	0.0%	0.0%	0.0%	30.0%	1	5	20.0%
11 CONEJOS	3.5%	7.5%	7.8%	7.0%	5.8%	6	113	5.3%
12 COSTILLA	0.0%	0.0%	1.6%	4.8%	7.1%	9	57	15.8%
13 CROWLEY	3.2%	26.2%	47.1%	45.8%	50.0%	14	48	29.2%
14 CUSTER	0.0%	19.0%	22.2%	0.0%	12.5%	2	14	14.3%
15 DELTA	51.7%	34.9%	21.7%	35.1%	46.0%	54	107	50.5%
16 DENVER	8.6%	15.3%	18.2%	21.4%	24.5%	1,077	3,689	29.2%
17 DOLORES	0.0%	0.0%	10.0%	25.0%	40.0%	3	7	42.9%
18 DOUGLAS	34.4%	38.1%	36.8%	41.3%	39.6%	20	50	40.0%
19 EAGLE	0.0%	0.0%	0.0%	0.0%	11.1%	1	3	33.3%
20 ELBERT	0.0%	0.0%	0.0%	9.5%	9.5%	2	18	11.1%
21 EL PASO	18.9%	26.4%	30.2%	28.7%	33.2%	695	2,039	34.1%
22 FREMONT	35.6%	42.6%	44.9%	53.8%	40.5%	108	240	45.0%
23 GARFIELD	46.8%	44.8%	38.1%	34.9%	40.4%	29	53	54.7%
24 GILPIN	0.0%	66.7%	66.7%	75.0%	75.0%	2	3	66.7%
25 GRAND	0.0%	33.3%	25.0%	50.0%	20.0%	2	3	66.7%
26 GUNNISON	0.0%	0.0%	46.2%	46.7%	60.0%	9	15	60.0%
27 HINSDALE (included in Gunnison County)								
28 HUERFANO	19.0%	23.8%	19.6%	20.0%	19.6%	8	51	15.7%
29 JACKSON	0.0%	0.0%	25.0%	83.3%	60.0%	4	4	100.0%
30 JEFFERSON	27.2%	34.5%	34.5%	34.7%	36.2%	333	815	40.9%
31 KIOWA	80.0%	0.0%	66.7%	80.0%	60.0%	3	3	100.0%
32 KIT CARSON	44.4%	33.3%	33.3%	25.0%	26.7%	4	13	30.8%
33 LAKE	0.0%	20.0%	50.0%	71.4%	0.0%	3	9	33.3%
34 LA PLATA	8.6%	19.3%	24.2%	20.3%	17.6%	13	79	16.5%
35 LARIMER	17.3%	21.1%	24.2%	30.2%	30.7%	159	496	32.1%
36 LAS ANIMAS	32.9%	35.1%	35.6%	40.7%	34.1%	59	136	43.4%
37 LINCOLN	20.0%	20.0%	30.0%	14.3%	12.5%	3	6	50.0%
38 LOGAN	37.5%	39.6%	36.2%	52.5%	43.9%	12	33	36.4%
39 MESA	26.6%	32.6%	29.2%	35.1%	37.4%	157	424	37.0%
40 MINERAL	0.0%	0.0%	0.0%	0.0%	0.0%	1	3	33.3%
41 MOFFAT	32.8%	35.5%	26.1%	38.3%	40.7%	26	56	46.4%
42 MONTEZUMA	0.0%	0.0%	0.0%	0.0%	0.0%	27	91	29.7%
43 MONTROSE	5.6%	13.2%	17.9%	14.8%	21.5%	23	130	17.7%
44 MORGAN	42.4%	42.1%	31.6%	43.7%	46.3%	25	82	30.5%
45 OTERO	42.1%	48.0%	44.3%	51.9%	34.9%	66	167	39.5%
46 OURAY	0.0%	0.0%	0.0%	0.0%	0.0%	-	2	0.0%
47 PARK	36.4%	53.8%	42.9%	44.4%	57.1%	2	5	40.0%
48 PHILLIPS	18.2%	57.1%	66.7%	75.0%	100.0%	1	1	100.0%
49 PITKIN	na	na	0.0%	0.0%	0.0%	-	1	0.0%
50 PROWERS	18.7%	25.0%	30.9%	37.5%	25.0%	17	66	25.8%
51 PUEBLO	17.4%	16.9%	18.7%	26.3%	24.3%	277	1,051	26.4%
52 RIO BLANCO	75.0%	71.4%	83.3%	57.1%	60.0%	4	5	80.0%
53 RIO GRANDE	0.0%	9.3%	13.4%	26.4%	32.9%	59	154	38.3%
54 ROUTT	0.0%	0.0%	28.6%	0.0%	0.0%	1	3	33.3%
55 SAGUACHE	0.0%	0.0%	57.4%	24.4%	38.9%	9	35	25.7%
56 SAN JUAN	33.3%	33.3%	33.3%	33.3%	100.0%	2	2	100.0%
57 SAN MIGUEL	0.0%	0.0%	0.0%	0.0%	0.0%	-	4	0.0%
58 SEDGWICK	50.0%	100.0%	50.0%	100.0%	0.0%	-	-	na
59 SUMMIT	0.0%	0.0%	0.0%	25.0%	0.0%	2	3	66.7%
60 TELLER	20.0%	31.9%	37.2%	45.8%	51.2%	22	34	64.7%
61 WASHINGTON	16.7%	60.0%	40.0%	50.0%	50.0%	-	2	0.0%
62 WELD	31.1%	34.9%	36.0%	37.5%	39.8%	115	315	36.5%
63 YUMA	62.5%	64.3%	53.3%	50.0%	40.0%	8	9	88.9%
STATE	17.2%	22.7%	24.7%	27.9%	29.9%	4,295	13,132	32.7%

Based on work activities entered to CACTIS by counties within 30 days from end of month. Total in numerator may not equal the sum for all counties.
 Colorado Department of Human Services - Office of Self Sufficiency 1/7/98

FEDERAL WORK PARTICIPATION RATE FOR FISCAL YEAR 1997-98 FOR TWO PARENT FAMILIES

	Jan 1998	Feb 1998	Mar 1998	Apr 1998	May 1998	June 1998				YTD
	rate	rate	rate	rate	rate	numerator	denominator	rate	rate	
1 ADAMS	0.0%	6.3%	13.0%	21.7%	18.2%	7	19	36.8%	16.0%	
2 ALAMOSA	0.0%	31.3%	41.7%	16.7%	36.4%	1	6	16.7%	23.8%	
3 ARAPAHOE	8.3%	24.0%	16.2%	18.5%	24.2%	6	29	20.7%	18.7%	
4 ARCHULETA	na	0.0%	100.0%	100.0%	100.0%	1	1	100.0%	80.0%	
5 BACA	na	na	0.0%	0.0%	0.0%	0	2	0.0%	0.0%	
6 BENT	0.0%	na	0.0%	na	na	0	0	na	0.0%	
7 BOULDER	25.0%	10.0%	17.6%	16.7%	28.6%	8	22	36.4%	22.4%	
8 CHAFFEE	33.3%	25.0%	0.0%	33.3%	50.0%	2	5	40.0%	30.3%	
9 CHEYENNE	na	na	na	na	na	0	0	na	na	
10 CLEAR CREEK	na	0.0%	0.0%	0.0%	100.0%	0	0	na	25.0%	
11 CONEJOS	0.0%	10.0%	16.7%	16.7%	16.7%	2	15	13.3%	12.2%	
12 COSTILLA	0.0%	0.0%	0.0%	0.0%	0.0%	0	9	0.0%	0.0%	
13 CROWLEY	na	na	na	0.0%	100.0%	0	0	na	50.0%	
14 CUSTER	na	0.0%	0.0%	0.0%	0.0%	1	3	33.3%	6.7%	
15 DELTA	20.0%	40.0%	33.3%	63.6%	69.2%	7	12	58.3%	47.4%	
16 DENVER	7.4%	12.3%	18.8%	16.8%	19.8%	27	89	30.3%	17.6%	
17 DOLORES	0.0%	0.0%	0.0%	0.0%	na	0	1	0.0%	0.0%	
18 DOUGLAS	na	na	na	na	100.0%	1	1	100.0%	100.0%	
19 EAGLE	na	na	0.0%	0.0%	0.0%	0	0	na	0.0%	
20 ELBERT	0.0%	0.0%	0.0%	0.0%	0.0%	0	2	0.0%	0.0%	
21 EL PASO	20.5%	47.9%	68.5%	82.0%	75.7%	76	102	74.5%	61.5%	
22 FREMONT	40.0%	42.9%	40.0%	65.0%	47.8%	11	18	61.1%	49.5%	
23 GARFIELD	66.7%	100.0%	25.0%	66.7%	100.0%	2	3	66.7%	70.8%	
24 GILPIN	na	na	na	na	na	0	0	na	na	
25 GRAND	na	na	na	100.0%	na	0	0	na	100.0%	
26 GUNNISON	na	na	na	0.0%	100.0%	1	1	100.0%	66.7%	
27 HINSDALE (included in Gunnison County)										
28 HUERFANO	50.0%	0.0%	0.0%	20.0%	30.8%	4	11	36.4%	23.9%	
29 JACKSON	0.0%	na	na	na	na	0	0	na	0.0%	
30 JEFFERSON	25.0%	30.0%	34.4%	25.0%	45.5%	13	32	40.6%	33.4%	
31 KIOWA	na	na	na	na	na	0	0	na	na	
32 KIT CARSON	na	na	0.0%	na	0.0%	0	0	na	0.0%	
33 LAKE	na	na	na	na	na	0	0	na	na	
34 LA PLATA	0.0%	40.0%	40.0%	50.0%	33.3%	2	4	50.0%	35.6%	
35 LARIMER	50.0%	66.7%	53.8%	72.7%	46.7%	8	15	53.3%	57.2%	
36 LAS ANIMAS	50.0%	66.7%	50.0%	54.5%	38.5%	3	9	33.3%	48.8%	
37 LINCOLN	0.0%	na	0.0%	na	na	0	0	na	0.0%	
38 LOGAN	na	na	0.0%	100.0%	100.0%	0	1	0.0%	50.0%	
39 MESA	50.0%	50.0%	37.5%	19.2%	42.3%	9	20	45.0%	40.7%	
40 MINERAL	na	na	0.0%	0.0%	0.0%	0	2	0.0%	0.0%	
41 MOFFAT	25.0%	50.0%	71.4%	125.0%	50.0%	1	3	33.3%	59.1%	
42 MONTEZUMA	0.0%	0.0%	0.0%	0.0%	0.0%	8	10	80.0%	13.3%	
43 MONTROSE	0.0%	0.0%	0.0%	33.3%	12.5%	4	9	44.4%	15.0%	
44 MORGAN	14.3%	0.0%	20.0%	100.0%	100.0%	2	2	100.0%	55.7%	
45 OTERO	14.3%	14.3%	0.0%	37.5%	16.7%	4	11	36.4%	19.9%	
46 OURAY	na	na	na	na	na	0	0	na	na	
47 PARK	0.0%	100.0%	100.0%	100.0%	na	0	0	na	75.0%	
48 PHILLIPS	0.0%	na	na	na	na	0	0	na	0.0%	
49 PITKIN	na	na	na	na	na	0	0	na	na	
50 PROWERS	na	0.0%	na	na	0.0%	1	4	25.0%	8.3%	
51 PUEBLO	0.0%	7.7%	28.6%	50.0%	36.6%	13	33	39.4%	27.0%	
52 RIO BLANCO	na	0.0%	100.0%	na	na	0	0	na	50.0%	
53 RIO GRANDE	0.0%	5.9%	10.5%	30.4%	39.3%	8	24	33.3%	19.9%	
54 ROUTT	na	na	0.0%	0.0%	na	0	0	na	0.0%	
55 SAGUACHE	na	na	na	0.0%	0.0%	0	3	0.0%	0.0%	
56 SAN JUAN	0.0%	0.0%	0.0%	0.0%	0.0%	1	1	100.0%	16.7%	
57 SAN MIGUEL	na	na	na	na	na	0	0	na	na	
58 SEDGWICK	na	na	na	na	na	0	0	na	na	
59 SUMMIT	na	na	na	na	na	0	0	na	na	
60 TELLER	50.0%	50.0%	33.3%	45.5%	80.0%	8	8	100.0%	59.8%	
61 WASHINGTON	na	na	na	na	na	0	0	na	na	
62 WELD	0.0%	0.0%	35.3%	87.5%	75.0%	2	5	40.0%	39.6%	
63 YUMA	100.0%	50.0%	na	na	na	0	0	na	75.0%	
STATE	16.8%	27.9%	31.2%	39.7%	40.5%	244	547	44.6%	33.4%	

Monthly work activities entered to CACTIS by counties within 30 days after end of month. State total in numerator may not equal the total for all counties.
 Colorado Department of Human Services - Office of Self Sufficiency 8/7/98

Colorado Child Care Assistance Program Information for State Fiscal Year 1997-98

The Colorado Child Care Assistance Program (CCCAP) is the umbrella label for four programs that offer child care assistance to families. The two largest components, and those funded by the county child care allocations, are the Low-Income program and Colorado Works child care.

Expenditures

For SFY 97-98, the Low-Income program made up 76% of the total child care expenditure.

<u>Low-Income</u>	<u>Colorado Works</u>	<u>Total</u>
\$34,685,267	\$11,230,525	\$45,915,792

Caseloads

The caseload numbers below are unduplicated counts of families and children served in each of the child care assistance programs.

Total Families Served

<u>Low-Income</u>	<u>Colorado Works</u>	<u>Total</u>
16,102 families	8,823 families	24,925 families

Total Children Served

<u>Low-Income</u>	<u>Colorado Works</u>	<u>Total</u>
29,291 children	16,367 children	45,658 children

Rate of Growth in Cases from July 97 to June 98

<u>Low-Income</u>	<u>Colorado Works</u>	<u>Total</u>
61% increase	62% increase	61% increase

Eligibility in Low-Income (130%-185%)

In the Low-Income program, counties have the flexibility to set their own income eligibility level between 130% and 185% of the federal poverty level.

- 43 counties set their eligibility at 185% of the 1997 federal poverty level.
- Only 3 counties were at or below 150% of poverty (Chaffee, Elbert and Montezuma).
- 7 of the 10 large counties were at 185% of poverty (those not were Boulder, 175%; El Paso, 160%; Weld, 155%).
- 84% of all families served in the Low-Income program have household incomes below 130% of the federal poverty level.

Rates & Payments

Counties have the option of adopting the state-set rates for provider reimbursement or setting their own rates based on the individual needs of the county.

- 42 counties increased their rates over the state-set rate.
- 13 counties set alternative rates for night, evening and weekend care.
- 25 counties pay market rates for licensed care for children 2 years and over.
- 10 counties had slot contracts with providers.
- 3 counties instituted programs to pay parents who utilize legally exempt providers rather than paying the provider. (Montrose, Ouray, Gilpin)

Participant Sanctions

State statute requires that the State Board of Human Services to establish rules for sanctions for basic cash assistance. Currently 8% of the active caseload includes a participant who is serving a sanction at level one, two or three.

- Sanctions are progressively severe as the number of violations increase.
- Sanctions are based on county criteria, which may be stricter in some counties than in others.
- Sanction time frames vary according to county policy.

Types of sanctions:

Participants may be sanctioned for the following reasons as determined by the counties:

1. Failure to cooperate with work activities as outlined in the Individual Responsibility Contract
2. Failure to cooperate with child support enforcement.
3. Failure to immunize children.

Basis for Sanctions:

County Departments determine who will be sanctioned according to their county policy. County Departments also determine "good cause" for failing to cooperate with program requirements prior to sanctioning participants.

Amount and Duration of Sanctions:

There are three levels of sanction. A sanction must be cured by the participant or the sanction increases to the next level. County Departments determine when a participant has resumed cooperation with the program requirements.

County Departments may choose from the options for the length of each level of sanction within the following state guidelines:

Sanction Level	Duration	Amount of Sanction Percent of Cash Assistance Grant
Sanction 1	1-3 months	25% of the cash assistance grant
Sanction 2	1-3 months	50%
Sanction 3	3-6 months	100%

Client Notices

The Department and several counties began to revise the client notices in October 1997. The language was revised to increase readability and several changes to the information were updated. These forms were printed February 1998. Due to the notices being very generic in terms of why participants were sanctioned, the Board of Social Services requested the Department meet with advocates and county departments to try to develop a notice form, which could be used for sanctions. This group concluded work on August 31, 1998, and new notices were put into production on September 15, 1998.

Individuals and Percent of Cases Sanctioned by Level of Sanction
(assume one sanctioned individual per case)

	Total Cases	Level 1: 25% of grant		Level 2: 50% of grant		Level 3: 100% of grant		Total Sanctioned	
		number	% of cases	number	% of cases	number	% of cases	number	% of cases
Dec-97	22,689	636	2.8%	443	2.0%	289	1.3%	1,368	6.0%
Jan-98	22,198	590	2.7%	188	0.8%	262	1.2%	1,040	4.7%
Feb-98	21,774	471	2.2%	370	1.7%	363	1.7%	1,204	5.5%
Mar-98	21,284	563	2.6%	338	1.6%	378	1.8%	1,279	6.0%
Apr-98	20,622	729	3.5%	373	1.8%	416	2.0%	1,518	7.4%
May-98	19,986	572	2.9%	461	2.3%	432	2.2%	1,465	7.3%
Jun-98	19,398	663	3.4%	401	2.1%	494	2.5%	1,558	8.0%
YTD Average	21,136	603	2.9%	368	1.7%	376	1.8%	1,347	6.4%

MATERIALS AVAILABLE

The following meeting summaries and reports are available from Legislative Council staff.

Meeting Summaries	Topics Discussed
October 16, 1997	Overview of the Colorado Works Program
November 12, 1997	Proposed Legislation Concerning the Works Program
October 1, 1998	State Auditors Report, Federal Illegitimacy Bonus Reward and Public Testimony
October 8, 1998	Proposed Legislation Concerning the Works Program

Reports

A Request For Proposal To Evaluate the Colorado Works, Office of the State Auditor, August 1998.

Evaluation of The Colorado Works Program, Office of the State Auditor, Progress Report, September 1998.

Briefing Report to Welfare Oversight Committee, Colorado Department of Human Services, October 1, 1998.

Colorado Child Care Assistance Program Information for State Fiscal Year 1997-98, Colorado Department of Human Services, October 1998.

Bill A

By Representative Paschall;
also Senator Rupert

A BILL FOR AN ACT

CONCERNING THE DEFINITION OF CASH ASSISTANCE FOR PURPOSES OF THE
COLORADO WORKS PROGRAM.

Bill Summary

"Cash Assistance Under Colo Works"

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Welfare Oversight Committee. Defines the term "cash assistance" for purposes of the Colorado works program.

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

SECTION 1. 26-2-703, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

26-2-703. Definitions. As used in this part 7, unless the context otherwise requires:

(3.5) "CASH ASSISTANCE" MEANS ASSISTANCE THAT IS PROVIDED TO OR ON BEHALF OF A PARTICIPANT. CASH ASSISTANCE DOES NOT INCLUDE:

(a) SERVICES THAT HAVE NO DIRECT MONETARY VALUE AND THAT DO NOT INVOLVE DIRECT OR INDIRECT INCOME SUPPORT; OR

(b) ONE-TIME SHORT-TERM ASSISTANCE THAT IS PAID FOR A PERIOD OF TIME THAT DOES NOT EXCEED NINETY DAYS.

SECTION 2. Effective date. This act shall take effect July 1, 1999.

SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.



Colorado Legislative Council Staff
NO FISCAL IMPACT

Drafting Number: LLS 99-0118
Prime Sponsor(s): Rep. Paschall
Sen. Rupert

Date: November 3, 1999
Bill Status: Welfare Reform
Oversight Committee
Fiscal Analyst: Janis Baron (303-866-3523)

TITLE: CONCERNING THE DEFINITION OF CASH ASSISTANCE FOR PURPOSES OF THE COLORADO WORKS PROGRAM.

Summary of Legislation

The bill adds to the list of definitions under the Colorado Works Programs, the term "cash assistance". Cash assistance is assistance provided to or on behalf of a program participant, but does not include:

- services having no direct monetary value;
- services that do not involve direct or indirect income support; and
- one-time short-term assistance paid for a period of 90 days or less.

The bill provides clarification by defining an additional term for purposes of the Colorado Works Program. It is assessed as having no fiscal impact. The bill includes an effective date of July 1, 1999.

Departments Contacted

Human Services

Bill B

By Representative Hagedorn;
also Senator Linkhart

A BILL FOR AN ACT

CONCERNING THE SIXTY-MONTH LIFETIME MAXIMUM FOR THE RECEIPT OF
BENEFITS UNDER THE COLORADO WORKS PROGRAM.

Bill Summary

"Individuals Excluded From Colorado Works"

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Welfare Oversight Committee. Defines certain terms related to those persons who are disqualified or excluded from participation in the Colorado works program. Specifies that any month in which an assistance unit receives cash assistance under Title IV-A of the social security act shall count toward that caretaker relative's 60-month lifetime maximum. Specifies that any month in which a caretaker relative is determined to be a disqualified or excluded person from a basic assistance grant shall count as a month of participation in the calculation of such person's overall 60-month lifetime maximum.

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

SECTION 1. 26-2-703, Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

26-2-703. Definitions. As used in this part 7, unless the context otherwise requires:

(2.5) "ASSISTANCE UNIT" MEANS THOSE FAMILY MEMBERS WHO ARE PARTICIPANTS IN THE COLORADO WORKS PROGRAM AND WHO ARE RECEIVING CASH ASSISTANCE.

(9.5) "DISQUALIFIED OR EXCLUDED PERSON" MEANS A PERSON WHO WOULD OTHERWISE BE A MEMBER OF AN ASSISTANCE UNIT BUT WHO IS RENDERED INELIGIBLE TO PARTICIPATE DUE TO PROGRAM PROHIBITIONS.

(17.5) "PROGRAM PROHIBITIONS" MEANS ANY ONE OR MORE OF THE FOLLOWING CIRCUMSTANCES THAT, PURSUANT TO THIS PART 7 OR FEDERAL LAW, RENDERS AN INDIVIDUAL UNABLE TO PARTICIPATE IN THE COLORADO WORKS PROGRAM:

(a) THAT THE APPLICANT OR PARTICIPANT HAS MISREPRESENTED RESIDENCE TO OBTAIN TANF BENEFITS IN TWO OR MORE STATES AT THE SAME TIME, PURSUANT TO SECTION 26-2-711 (7);

(b) THAT THE APPLICANT OR PARTICIPANT IS A FLEEING FELON;

(c) THAT THE APPLICANT OR PARTICIPANT HAS BEEN CONVICTED OF A DRUG-RELATED FELONY UNDER THE LAWS OF THIS STATE, ANY OTHER STATE, OR THE FEDERAL GOVERNMENT ON OR AFTER JUNE 3, 1997, EXCEPT AS OTHERWISE PROVIDED IN SECTION 26-2-706 (3);

(d) THAT THE APPLICANT OR PARTICIPANT IS AN ALIEN WHO DOES NOT MEET THE DEFINITION OF A QUALIFIED ALIEN PURSUANT TO SECTION 26-2-103 (7.5);

(e) THAT THE APPLICANT OR PARTICIPANT HAS BEEN CONVICTED OF WELFARE FRAUD UNDER THE LAWS OF THIS STATE, ANY OTHER STATE, OR THE FEDERAL GOVERNMENT; OR

(f) THAT THE APPLICANT OR PARTICIPANT LACKS, AND HAS FAILED TO APPLY FOR, A SOCIAL SECURITY NUMBER.

SECTION 2. Part 7 of article 2 of title 26, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

26-2-706.5. Restrictions on length of participation. (1) AS OF JUNE 3, 1997, EACH MONTH OF CASH ASSISTANCE RECEIVED BY AN ASSISTANCE UNIT THAT INCLUDES A CARETAKER RELATIVE WHO HAS RECEIVED ASSISTANCE UNDER TITLE IV-A OF THE SOCIAL SECURITY ACT, AS AMENDED, SHALL COUNT TOWARD THAT CARETAKER RELATIVE'S SIXTY-MONTH LIFETIME MAXIMUM OF TANF BENEFITS AS ESTABLISHED IN THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT.

(2) ANY MONTH IN WHICH A CARETAKER RELATIVE IS DETERMINED TO BE A DISQUALIFIED OR EXCLUDED PERSON, AS THAT TERM IS DEFINED IN SECTION 26-2-703 (9.5), FROM A BASIC ASSISTANCE GRANT SHALL COUNT AS A MONTH OF PARTICIPATION IN THE CALCULATION OF SUCH PERSON'S OVERALL SIXTY-MONTH LIFETIME MAXIMUM.

SECTION 3. Effective date - applicability. This act shall take effect July 1, 1999, and shall apply to persons applying for or receiving assistance under part 7 of article 2 of title 26, C.R.S., on or after said date.

SECTION 4. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.



Colorado Legislative Council Staff
NO FISCAL IMPACT

Drafting Number: LLS 99-0119
Prime Sponsor(s): Rep. Hagedorn
Sen. Linkhart

Date: November 3, 1998
Bill Status: Welfare Oversight
Committee
Fiscal Analyst: Janis Baron (303-866-3523)

TITLE: CONCERNING THE SIXTY-MONTH LIFETIME MAXIMUM FOR THE RECEIPT OF BENEFITS UNDER THE COLORADO WORKS PROGRAM.

Summary of Legislation

The bill includes definitions of terms related to persons disqualified or excluded from participating in the Colorado Works Program. Section 26-2-706.5 of the bill requires that any month in which an assistance unit receives cash assistance under Title IV-A of the Social Security Act shall count toward that caretaker relative's 60-month lifetime maximum. Additionally, any month in which a caretaker relative is either disqualified or excluded from a basic assistance grant shall count as a month of participation in the calculation of the 60-month lifetime maximum. The bill is effective upon signature of the Governor.

The bill is assessed as having no fiscal impact. Although savings may be realized under Section 26-2-706.5 of the bill, these savings would remain at the county level. The Colorado Works Program is a block grant program, wherein counties receive an allocated block of moneys. Thus, any savings that may occur would remain at the county level for services for other clients in the program.

Departments Contacted

Human Services

Bill C

By Senator Rupert

A BILL FOR AN ACT

CONCERNING THE DEVELOPMENT OF INDIVIDUAL RESPONSIBILITY CONTRACTS
UNDER THE COLORADO WORKS PROGRAM.

Bill Summary

"Individual Responsibility Contracts"

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Welfare Oversight Committee. Provides that assessments prepared prior to the development of an individual responsibility contract (IRC) under the Colorado works program apply to participants who are 18 years of age or older or who are the head of a household. Allows updated assessments to be conducted at the discretion of the county.

Requires that an IRC be developed for any participant who has been assessed.

Repeals a provision that relates to the assessment of and preparation of IRC's for persons who were receiving aid to families with dependent children prior to the implementation of TANF since that process has already occurred.

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

SECTION 1. 26-2-708 (1), (2), and (4), Colorado Revised Statutes, are amended to read:

26-2-708. Benefits - assessment - individual responsibility contract - screening for domestic violence. (1) Subject to the provisions of the federal law, the provisions of this section, and available appropriations, a county department shall perform an assessment for a new participant on or after June 3, 1997, who is eighteen years of age or older, or ~~who has not completed high school or obtained a certificate of high school equivalency and is not attending high school~~ WHO IS THE HEAD OF A HOUSEHOLD. The INITIAL assessment shall be completed no more than thirty days after the submission of the application for assistance under the works program. UPDATED ASSESSMENTS MAY BE CONDUCTED AT THE DISCRETION OF THE COUNTY DEPARTMENT.

(2) A county department shall develop an individual responsibility contract (IRC) for a new participant on or after June 3, 1997, WHO HAS BEEN ASSESSED PURSUANT TO SUBSECTION (1) OF THIS SECTION, within thirty days after completing the INITIAL assessment of the participant as required in subsection (1) of this section, subject to the provisions of the federal law and this section. The IRC shall be limited in scope to matters relating to securing and maintaining training, education, or work.

(4) ~~(a) Each county department shall notify persons and families receiving AFDC immediately prior to June 3, 1997, of the implementation of the works program and encourage such persons and members of such families to initiate a job search or enter into an appropriate training program. The county department shall also advise and reasonably assist such individuals in applying for those medical assistance benefits to which they may be entitled.~~

~~(b) Subject to the provisions of the federal law, a county department shall provide assessments for persons who are receiving AFDC immediately prior to June 3, 1997, no later than ninety days after June 3, 1997.~~

~~(c) A county department shall develop an IRC for any person receiving AFDC immediately prior to June 3, 1997, no later than ninety days after the completion of the assessment required in paragraph (b) of this subsection (4).~~

SECTION 2. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.



Colorado Legislative Council Staff
NO FISCAL IMPACT

Drafting Number: LLS 99-0120
Prime Sponsor(s): Sen. Rupert
Rep. Paschall

Date: November 3, 1998
Bill Status: Welfare Oversight
Committee
Fiscal Analyst: Janis Baron (303-866-3523)

TITLE: CONCERNING THE DEVELOPMENT OF INDIVIDUAL RESPONSIBILITY CONTRACTS UNDER THE COLORADO WORKS PROGRAM.

Summary of Legislation

The bill provides clarification on assessments and individual responsibility contracts (IRCs) under the Colorado Works Program. Assessments prepared prior to the development of an individual responsibility contract apply to participants who are 18 or older, or who are the head of a household. Updated assessments may be conducted at the discretion of the county. IRCs are required for any participant who has been assessed. Additionally, the bill repeals a provision relating to assessments and IRCs for persons who were receiving Aid to Families to Dependent Children prior to the implementation of Temporary Aid to Needy Families. The bill is effective upon signature of the Governor.

The bill provides clarification and technical corrections, and is assessed as having no fiscal impact. State department and county operations for the Colorado Works Program will not be affected by the bill.

Departments Contacted

Human Services

Bill D

By Representative Chavez

A BILL FOR AN ACT

CONCERNING APPEALS OF DISPUTED INDIVIDUAL RESPONSIBILITY CONTRACTS
UNDER THE COLORADO WORKS PROGRAM.

Bill Summary

"Appeals Of Ind Resp Contracts"

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Welfare Oversight Committee. States that an individual in the Colorado works program who refuses to sign a proposed individual responsibility contract (IRC) and demonstrates good cause as determined by county policy may request an administrative appeal. States that good cause does not constitute an exemption from work or time limits.

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

SECTION 1. 26-2-710, Colorado Revised Statutes, is amended to read:

26-2-710. Administrative review. (1) The state department shall promulgate rules for an administrative review process.

(2) All decisions of the state department shall be binding upon the county department involved and shall be complied with by such county department.

(3) If a participant does not agree with or fails to participate in a program or service identified in the IRC, the participant shall continue to receive the basic cash assistance grant that the participant received at the time the appeal is requested during the pendency of any appeal process.

(4) AN INDIVIDUAL WHO REFUSES TO SIGN AN IRC AND DEMONSTRATES GOOD CAUSE AS DETERMINED BY COUNTY POLICY MAY REQUEST AN ADMINISTRATIVE REVIEW AUTHORIZED PURSUANT TO SUBSECTION (1) OF THIS SECTION. GOOD CAUSE DOES NOT EXEMPT AN INDIVIDUAL FROM THE WORK ACTIVITIES OR TIME LIMITATIONS REQUIRED OR IMPOSED BY THIS PART 7 OR FEDERAL LAW.

SECTION 2. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.



Colorado Legislative Council Staff
NO FISCAL IMPACT

Drafting Number: LLS 99-0116
Prime Sponsor(s): Sen. Reeves
Rep. Chavez

Date: November 3, 1998
Bill Status: Welfare Reform
Oversight Committee
Fiscal Analyst: Janis Baron (303-866-3523)

TITLE: CONCERNING APPEALS OF DISPUTED INDIVIDUAL RESPONSIBILITY CONTRACTS UNDER THE COLORADO WORKS PROGRAM.

Summary of Legislation

The bill provides that a participant in the Colorado Works Program who refuses to sign an individual responsibility contract (IRC) and who demonstrates good cause as determined by county policy, may request an administrative review. Additionally, the bill states that good cause does not exempt an individual from work or time limits. The bill is effective upon signature of the Governor.

The Department of Human Services (DHS) indicates that it cannot estimate the number of individuals that might contest IRCs as unreasonable. Although the bill authorizes an appeals process, it does not provide an incentive to appeal — the participant's "clock" continues to run, and he or she must be engaged in work after 24 months of receiving cash assistance through Temporary Aid to Needy Families. DHS further indicates that, in general, counties are negotiating good contracts with their Colorado Works Program participants. The fiscal note assumes that the number of participants requesting an administrative review will be limited and accommodated through existing appropriations. Therefore, the bill is assessed as having no fiscal impact.

Departments Contacted

Human Services

Bill E

By Senator Linkhart

A BILL FOR AN ACT

CONCERNING THE REQUIREMENT THAT EACH COUNTY ADOPT OFFICIAL WRITTEN POLICIES FOR ITS COLORADO WORKS PROGRAM.

Bill Summary

"County Duty To Adopt Policies"

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Welfare Oversight Committee. Directs board of county commissioners for each county to adopt official written policies for its Colorado works program setting forth criteria to be used to implement those aspects of the program that counties have the authority to determine. Requires the board of county commissioners for each county to provide public notice and an opportunity for public comment prior to the adoption of the policy in accordance with the requirements for public notice and comment adopted by the board of county commissioners in each county.

Makes a conforming amendment.

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

SECTION 1. 26-2-716, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

26-2-716. County duties - county policies - appropriations - penalties - incentives. (2.5) THE BOARD OF COUNTY COMMISSIONERS IN EACH COUNTY SHALL ADOPT OFFICIAL WRITTEN POLICIES THAT PROVIDE CRITERIA

TO BE USED TO IMPLEMENT THOSE ASPECTS OF THE COLORADO WORKS PROGRAM THAT COUNTIES HAVE THE STATUTORY AUTHORITY AND FLEXIBILITY TO DETERMINE UNDER THIS PART 7. SUCH POLICIES SHALL BE ADOPTED PURSUANT TO THE PUBLIC NOTICE AND COMMENT REQUIREMENTS ADOPTED BY THE BOARD OF COUNTY COMMISSIONERS IN EACH COUNTY. THE BOARD OF COUNTY COMMISSIONERS IN EACH COUNTY SHALL MAKE SUCH POLICIES EASILY ACCESSIBLE AND AVAILABLE TO THE PUBLIC.

SECTION 2. 26-2-127 (1) (a) (I), Colorado Revised Statutes, is amended to read:

26-2-127. Appeals. (1) (a) (I) Except as provided in part 7 of this article, if an application for assistance payments is not acted upon by the county department within a reasonable time after filing of the same, or if an application is denied in whole or in part, or if a grant of assistance payments is suspended, terminated, or modified, the applicant or recipient, as the case may be, may appeal to the state department in the manner and form prescribed by the rules of the state department. Every county department or service delivery agency shall adopt procedures for the resolution of disputes arising between the county department or the service delivery agency and any applicant for or recipient of public assistance prior to appeal to the state department. Such procedures are referred to in this section as the "dispute resolution process". Two or more counties may jointly establish the dispute resolution process. The dispute resolution process shall be consistent with rules promulgated by the state board pursuant to article 4 of title 24, C.R.S. The dispute resolution process shall include an opportunity for all clients to have a county conference, upon the client's request, and such requirement may be met through a telephonic

conference upon the agreement of the client and the county department. The dispute resolution process need not conform to the requirements of section 24-4-105, C.R.S., as long as the rules adopted by the state board include provisions specifically setting forth expeditious time frames, notice, and an opportunity to be heard and to present information. If the dispute is not resolved, the applicant or recipient may appeal to the state department in the manner and form prescribed by the rules of the state department. Whether at the county level, state level, or both, disputes related to the delivery of assistance under the ~~successor program to aid to families with dependent children~~ COLORADO WORKS PROGRAM ESTABLISHED PURSUANT TO PART 7 OF THIS ARTICLE shall be decided in accordance with the rules promulgated by the state board pursuant to this subparagraph (I) and with the county's official written policies governing ADOPTED PURSUANT TO SECTION 26-2-716 (2.5), WHICH POLICIES GOVERN delivery of assistance under such program. The state board shall adopt rules setting forth what other issues, if any, may be appealed by an applicant or recipient to the state department. County notices to applicants or recipients shall inform them of the basis for the county's decision or action and shall inform them of their rights to a county conference under the dispute resolution process and of their rights to state level appeal and the process of making such appeal. A hearing need not be granted when either state or federal law requires or results in an automatic grant adjustment for classes of recipients, unless the reason for an individual appeal is incorrect grant computation.

SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.



Colorado Legislative Council Staff
NO FISCAL IMPACT

Drafting Number: LLS 99-0126
Prime Sponsor(s): Sen. Linkhart
Rep. Hagedorn

Date: November 3, 1998
Bill Status: Welfare Oversight
Committee
Fiscal Analyst: Janis Baron (303-866-3523)

TITLE: CONCERNING THE REQUIREMENT THAT EACH COUNTY ADOPT OFFICIAL WRITTEN POLICIES FOR ITS COLORADO WORKS PROGRAM.

Summary of Legislation

The bill directs the board of county commissioners in each county to adopt official written policies for its Colorado Works Program. These policies are to include the program criteria that counties have the flexibility and authority to set. Additionally, the bill requires that these policies be adopted pursuant to the public notice and comment requirements of each county. Each county's board of county commissioners is required to make the policies readily available to the public. The bill is effective upon signature of the Governor.

The bill codifies current county practice regarding Colorado Works Program policies. The bill is technical in nature and will have no fiscal impact on either the Department of Human Services or county operations.

Departments Contacted

Human Services