



**Legislative Council Staff**  
*Nonpartisan Services for Colorado's Legislature*

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# Fiscal Note

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**Drafting Number:** LLS 21-1012 **Date:** May 20, 2021  
**Prime Sponsors:** Sen. Winter; Smallwood **Bill Status:** Senate HHS  
Rep. Michaelson Jenet; **Fiscal Analyst:** Aaron Carpenter | 303-866-4918  
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**Bill Topic:** **LICENSING OF RESPITE CHILD CARE CENTERS**

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**Summary of Fiscal Impact:**

<input checked="" type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill adds the definition for respite child care center for child care licensing purposes. The bill increases expenditures in FY 2021-22 only, and minimally increase ongoing state revenue..

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**Appropriation Summary:** For FY 2021-22, the bill requires an appropriation of \$21,352 to the Department of Human Services.

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**Fiscal Note Status:** This fiscal note reflects the introduced bill.

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**Table 1**  
**State Fiscal Impacts Under SB 21-269**

	<b>Budget Year</b> <b>FY 2021-22</b>	<b>Out Year</b> <b>FY 2022-23</b>
<b>Revenue</b>	-	-
<b>Expenditures</b>		
General Fund	\$14,092	-
Federal Funds	\$7,260	-
<b>Total Expenditures</b>	<b>\$21,352</b>	-
<b>Transfers</b>	-	-
<b>TABOR Refund</b>	-	-

## **Summary of Legislation**

The bill adds a definition of “respite child care center” for child care licensing purposes. A respite child care center is a facility that provides temporary 24-hour group care for three or more children who are placed in foster care or kinship care homes and children with open cases through a regional accountable entity. The respite child care center is not a treatment facility but provides recreational activities, peer engagement, and skill development to children in its care.

## **State Revenue**

Starting in FY 2021-22, the bill will increase revenue to the Child Care Licensing Cash Funds in the Department of Human Services by a minimal amount for respite child care centers to pay a licensing fee. The fiscal note assumes that there will be five such centers and therefore, any increase in revenue will be minimal.

## **State Expenditures**

In FY 2021-22 only, the bill will increase state expenditures in the Department of Human Services by \$21,352 to update the state’s child welfare information system (known as TRAILS) with a new license type. The upgrades are estimated to take 136 hours of work at \$157 per hour. System upgrades are assumed eligible for a 34 percent federal match. The bill will also minimally increase DHS workload to regulate a new licensing type.

**TABOR refunds.** The bill increases state revenue subject to TABOR. For FY 2022-23, the March 2021 LCS forecast projects revenue to fall short of the TABOR limit by \$28.6 million, or 0.2 percent of the limit. If actual revenue exceeds the limit, the bill will increase the amount required to be refunded to taxpayers from the General Fund in FY 2023-24.

**Federal ARPA funds.** This bill minimally increases state revenue, which may impact the state’s flexibility in spending federal American Rescue Plan Act (ARPA) funds. For more information, see the LCS memo, titled "Legislative Changes and Flexibility in Use of American Rescue Plan Funds," available online at: <https://leg.colorado.gov/node/2211881>.

## **Effective Date**

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## **State Appropriations**

For FY 2021-22, the bill requires a \$21,352 appropriation to the Department of Human Services, of which \$14,092 is from the General Fund and \$7,260 is from federal funds.

**State and Local Government Contacts**

Counties

Human Services

Information Technology