First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

ENGROSSED

This Version Includes All Amendments Adopted on Second Reading in the House of Introduction

LLS NO. 23-0587.01 Yelana Love x2295

HOUSE BILL 23-1078

HOUSE SPONSORSHIP

Willford and Gonzales-Gutierrez,

SENATE SPONSORSHIP

Hansen,

House Committees

Senate Committees

Business Affairs & Labor Appropriations

101

A BILL FOR AN ACT CONCERNING THE CREATION OF A DEPENDENT ALLOWANCE FOR

102 INDIVIDUALS RECEIVING UNEMPLOYMENT COMPENSATION, AND,

103 IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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.)

The bill creates a dependent allowance for an individual receiving unemployment compensation (eligible individual) for each of the eligible individual's dependents. The dependent allowance starts on July 1, 2025, is \$35 per dependent per week, and increases annually for inflation if necessary. The bill defines "dependent" as a child of an eligible individual

who receives at least half of the child's financial support from the eligible individual and who is:

• Under 18 years of age; or

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• 18 years of age or older and incapable of self-care because of a mental or physical disability.

SECTION 1. Short title. The short title of this act is the

The bill requires the division of unemployment insurance to report to the general assembly regarding the dependent allowance annually, beginning August 31, 2025, and by August 31 of each year thereafter.

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

3 "Sustaining Children and Other Dependents of Job Seekers Act". 4 **SECTION 2.** Legislative declaration. (1) The general assembly 5 finds and declares that: 6 The coronavirus pandemic demonstrated the key role 7 unemployment insurance plays in maintaining economic stability in times 8 of recession: 9 (b) It is time to modernize our state's unemployment insurance 10 program to make it effective for our modern workforce and to ensure 11 equitable access to unemployment insurance benefits; 12 (c) Modernization must ensure that working parents, many of 13 whom are sole providers for Colorado children, can find economic 14 stability while seeking reemployment; and 15 (d) Supporting family economic stability will bolster a more rapid 16 recovery from economic downturns for all Coloradans. 17 **SECTION 3.** In Colorado Revised Statutes, 8-73-102, add (2.5) 18 as follows: 19 8-73-102. Weekly benefit amount for total unemployment -20 dependent allowance created - calculated by the division - annual 21 **adjustments - definitions.** (2.5) (a) AS USED IN THIS SUBSECTION (2.5):

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1	(I) "CHILD" MEANS:
2	(A) A BIOLOGICAL, AN ADOPTED, OR A FOSTER CHILD;
3	(B) A STEPCHILD OR A LEGAL WARD;
4	(C) A CHILD OF A DOMESTIC PARTNER;
5	(D) A CHILD TO WHOM AN INDIVIDUAL STANDS IN LOCO PARENTIS;
6	OR
7	(E) A PERSON TO WHOM AN INDIVIDUAL STOOD IN LOCO PARENTIS
8	WHEN THE PERSON WAS A MINOR.
9	(II) "DEPENDENT" MEANS A CHILD OF AN ELIGIBLE INDIVIDUAL
10	WHO RECEIVES AT LEAST HALF OF THE CHILD'S FINANCIAL SUPPORT FROM
11	THE ELIGIBLE INDIVIDUAL AND WHO IS:
12	(A) Under eighteen years of age; or
13	(B) EIGHTEEN YEARS OF AGE OR OLDER AND INCAPABLE OF
14	SELF-CARE BECAUSE OF A PHYSICAL OR MENTAL DISABILITY.
15	(III) "DEPENDENT ALLOWANCE" MEANS THE AMOUNT PAYABLE TO
16	an individual eligible for benefits under articles $70\mathrm{to}82\mathrm{of}$ this
17	TITLE 8 FOR THE INDIVIDUAL'S DEPENDENTS, AS DETERMINED PURSUANT
18	TO SUBSECTION $(2.5)(b)$ OF THIS SECTION.
19	(IV) "HIGHEST-EARNING QUARTER" MEANS THE CALENDAR
20	QUARTER IN THE INDIVIDUAL'S BASE PERIOD WHERE THE INDIVIDUAL
21	EARNED THE HIGHEST WAGES.
22	(V) "INCAPABLE OF SELF-CARE" HAS THE SAME MEANING AS SET
23	FORTH IN THE FEDERAL REGULATIONS IMPLEMENTING THE FEDERAL
24	"Family and Medical Leave Act of 1993", 29 U.S.C. sec. 2601 et
25	SEQ., AS AMENDED.
26	(VI) "PHYSICAL OR MENTAL DISABILITY" HAS THE SAME MEANING
2.7	AS SET FORTH IN THE FEDERAL REGULATIONS IMPLEMENTING THE FEDERAL

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1 "Family and Medical Leave Act of 1993", 29 U.S.C. sec. 2601 et 2 SEQ., AS AMENDED. 3 (b) (I) EFFECTIVE JULY 1, 2026, THE DIVISION SHALL PAY EACH 4 INDIVIDUAL ELIGIBLE FOR BENEFITS FOR EACH WEEK OF UNEMPLOYMENT, 5 IN ADDITION TO THE AMOUNT PAYABLE UNDER SUBSECTION (1)(a) OF THIS 6 SECTION, A DEPENDENT ALLOWANCE IN THE AMOUNT OF THIRTY-FIVE 7 DOLLARS FOR EACH OF THE INDIVIDUAL'S DEPENDENTS, UP TO THE 8 MAXIMUM AMOUNT OF ONE HUNDRED PERCENT OF THE INDIVIDUAL'S 9 AVERAGE WEEKLY WAGE FROM THE INDIVIDUAL'S HIGHEST-EARNING 10 QUARTER. 11 (II) THE DIVISION SHALL ADJUST THE DEPENDENT ALLOWANCE 12 AMOUNT SPECIFIED IN SUBSECTION (2.5)(b)(I) OF THIS SECTION ON 13 JANUARY 1, 2027, AND BY JANUARY 1 OF EACH YEAR THEREAFTER BY THE 14 AMOUNT DETERMINED BY THE DIVISION TO REPRESENT THE PERCENT 15 INCREASE, IF ANY, IN THE UNITED STATES DEPARTMENT OF LABOR, 16 BUREAU OF LABOR STATISTICS, CONSUMER PRICE INDEX FOR 17 DENVER-AURORA-LAKEWOOD FOR URBAN WAGE EARNERS AND CLERICAL 18 WORKERS, OR ITS SUCCESSOR INDEX, FOR DECEMBER OF THE PRECEDING 19 YEAR OVER THE YEAR PRIOR TO THE PRECEDING YEAR, ADJUSTED TO THE 20 NEAREST ONE-TENTH OF ONE PERCENT. 21 (III) By January 15, 2027, and by January 15 of each year 22 THEREAFTER, THE DIVISION SHALL REPORT THE ANNUAL INCREASE IN THE 23 DEPENDENT ALLOWANCE AMOUNT TO THE HOUSE OF REPRESENTATIVES 24 BUSINESS AFFAIRS AND LABOR COMMITTEE AND THE SENATE BUSINESS, 25 LABOR, AND TECHNOLOGY COMMITTEE, OR THEIR SUCCESSOR 26 COMMITTEES, AND PROMINENTLY PUBLISH THE CURRENT DEPENDENT

ALLOWANCE AMOUNT ON THE DIVISION'S PUBLIC WEBSITE.

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1	(c) The dependent allowance is in addition to the
2	UNEMPLOYMENT BENEFITS OTHERWISE PAYABLE TO THE INDIVIDUAL AND
3	IS NOT CALCULATED AS PART OF AN INDIVIDUAL'S TOTAL MAXIMUM
4	WEEKLY BENEFIT AMOUNT.
5	(d) FOR EACH DEPENDENT, THE DIVISION SHALL PROVIDE ONLY
6	ONE INDIVIDUAL WITH A DEPENDENT ALLOWANCE FOR THAT DEPENDENT
7	EACH WEEK.
8	(e) THE DIVISION SHALL REQUEST INFORMATION RELATING TO
9	WHETHER AN INDIVIDUAL HAS ANY DEPENDENTS AS PART OF THE INITIAL
10	APPLICATION FOR BENEFITS.
11	(f) THE DIVISION SHALL ESTABLISH THE NUMBER OF DEPENDENTS
12	AN INDIVIDUAL HAS AT THE BEGINNING OF THE INDIVIDUAL'S BENEFIT
13	YEAR. IF THE INDIVIDUAL GAINS OR LOSES DEPENDENTS DURING THE
14	BENEFIT YEAR, THE DIVISION SHALL ADJUST THE DEPENDENT ALLOWANCE
15	ACCORDINGLY DURING THE NEXT FULL CALENDAR WEEK FOLLOWING THE
16	CHANGE IN THE INDIVIDUAL'S DEPENDENTS.
17	$(g) \ \ The \ division \ shall \ provide in \ the \ individual's \ monetary$
18	DETERMINATION:
19	(I) NOTICE OF THE DEPENDENT ALLOWANCE AMOUNT;
20	(II) THE NAMES OF THE DEPENDENTS THAT ARE ESTABLISHED FOR
21	THE INDIVIDUAL; AND
22	(III) THE CALCULATION USED TO DETERMINE THE DEPENDENT
23	ALLOWANCE AMOUNT.
24	(h) A DEPENDENT ALLOWANCE PROVIDED PURSUANT TO THIS
25	Subsection (2.5) is part of an individual's benefit amount and
26	SUBJECT TO THE SAME DUE PROCESS AND APPEAL RIGHTS.
27	(i) THE DIVISION SHALL NOT CHARGE EMPLOYERS FOR THE

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1	DEPENDENT ALLOWANCE PORTION OF THE BENEFIT AMOUNT. AN
2	EMPLOYER IS NOT AN INTERESTED PARTY WITH RESPECT TO THE
3	DEPENDENT ALLOWANCE AND DOES NOT HAVE ANY RIGHT TO CONTEST
4	THE DEPENDENT ALLOWANCE.
5	SECTION 4. In Colorado Revised Statutes, 8-72-101, amend
6	(3)(b) introductory portion, (3)(b)(VI), and (3)(b)(VII); and add
7	(3)(b)(VIII) as follows:
8	8-72-101. Duties and powers of division.
9	(3) (b) Notwithstanding section 24-1-136 (11)(a)(I), the department of
10	labor and employment shall update the general assembly annually on the
11	status of the fund during the hearing conducted pursuant to section
12	2-7-203. By August 31, 2012, and by each August 31 OF EACH YEAR
13	thereafter, the division shall report to the joint budget committee, the
14	economic and business development BUSINESS AFFAIRS AND LABOR
15	committee of the house of representatives, and the business, labor, and
16	technology committee of the senate, or their successor committees,
17	regarding the status of the fund. The report shall include at least the
18	following from the prior calendar year:
19	(VI) The total amount of overpayments paid to claimants and the
20	total amount of overpayments recovered; and
21	(VII) An analysis of measures taken by the division to reduce the
22	total number and amount of overpayments and fraudulent payments; AND
23	(VIII) THE FOLLOWING INFORMATION REGARDING THE DEPENDENT
24	ALLOWANCE CREATED IN SECTION 8-73-102 (2.5), BY AUGUST 31, 2026,
25	AND BY AUGUST 31 OF EACH YEAR THEREAFTER:
26	(A) THE TOTAL NUMBER OF INDIVIDUALS CLAIMING A DEPENDENT
27	ALLOWANCE AND THE TOTAL AMOUNT OF DEDENDENT ALLOWANCES DAID

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1	BY THE DIVISION;
2	(B) THE AVERAGE WEEKLY DEPENDENT ALLOWANCE AMOUNT;
3	(C) THE AVERAGE NUMBER OF DEPENDENTS EACH INDIVIDUAL
4	CLAIMS;
5	(D) THE AVERAGE DURATION THAT CLAIMANTS RECEIVE THE
6	DEPENDENT ALLOWANCE; AND
7	(E) THE NUMBER OF DEPENDENT ALLOWANCE APPEALS FILED AND
8	THE OUTCOMES OF THOSE APPEALS.
9	SECTION 5. Appropriation. For the 2023-24 state fiscal year,
10	\$655,530 is appropriated to the department of labor and employment for
11	use by the division of unemployment insurance. This appropriation is
12	from the employment support fund created in section 8-77-109 (1)(b),
13	C.R.S., and is based on an assumption that the division will require an
14	additional 1.2 FTE. To implement this act, the division may use this
15	appropriation for program costs.
16	SECTION 6. Act subject to petition - effective date. This act
17	takes effect at 12:01 a.m. on the day following the expiration of the
18	ninety-day period after final adjournment of the general assembly; except
19	that, if a referendum petition is filed pursuant to section 1 (3) of article V
20	of the state constitution against this act or an item, section, or part of this
21	act within such period, then the act, item, section, or part will not take
22	effect unless approved by the people at the general election to be held in
23	November 2024 and, in such case, will take effect on the date of the
24	official declaration of the vote thereon by the governor.

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