

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

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 24-0864.01 Megan McCall x4215

**HOUSE BILL 24-1237**

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**HOUSE SPONSORSHIP**

**Bradfield and Lukens,**

**SENATE SPONSORSHIP**

**Marchman and Rich,**

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**House Committees**

Transportation, Housing & Local Government  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING THE CREATION OF PROGRAMS FOR THE DEVELOPMENT**  
102 **OF CHILD CARE FACILITIES.**

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**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 3 new programs to be implemented and administered by the division of housing in the department of local affairs (division). The division is required to adopt policies, procedures, and guidelines for each program on or before November 1, 2024. Each program will be available for 4 years. For each program, collaboration between the division and the department of early childhood is required for

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.*

the policies the division develops and adopts to implement the programs. Additionally, the division is required to submit an annual report regarding the programs to specified legislative committees and to the department of early childhood.

The child care facility development toolkit and technical assistance program is created to provide technical assistance from consultants and related professionals to enable interested child care providers, developers, employers, and local governments to understand the technical aspects of planning, developing, building, and co-locating child care facilities. The division must prioritize applications for projects that will meet a demonstrable need for child care in the areas of greatest need across the state and that satisfy one or more purposes of the program. The division is required to annually publish a report regarding the assistance provided under this program and the uses of such assistance by program recipients.

The child care facility development planning grant program is created to incentivize and support local governments in identifying and making regulatory updates or improvements to community planning, development, building, zoning, and other regulatory processes to support the development of child care facilities. The division must develop a menu of recommended policy or regulatory tools, and eligible recipients for the grant must intend to implement one or more of such tools off the menu or identify other local policies or programs to implement to streamline the eligible recipient's regulatory environment for the development of child care facilities. The division must publish a report that contains information regarding the amount of grants distributed and a description of recipients' use of the grants.

The child care facility development capital grant program is created to provide eligible entities, which are local governments or public-private partnerships, with money to construct, remodel, renovate, or retrofit a child care facility to meet a demonstrated need for child care in a local government's community. The state housing board within the division will be utilized by the division to review and make recommendations on grant applications. Grant recipients are required to provide a financial match. The financial match for center-based facilities is 50% and the financial match for home-based facilities is 25%. More weight is given to applications that represent geographic diversity, will serve a high percentage of families below the area's median income, commit to providing a well-compensated staff, co-locate with or repurpose facilities with other uses, plan to serve children in regions with low child care capacity, or plan to serve infants and toddlers. The division must publish a report that contains information regarding the amount of grants distributed and a description of recipients' use of the grants.

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

1           **SECTION 1. Legislative declaration.** (1) The general assembly  
2 finds and declares that:

3           (a) According to data compiled by "ReadyNation", the Colorado  
4 economy loses approximately \$2.2 billion annually due to a severe  
5 shortage of child care, and 51% of all Coloradans, and 53% of rural  
6 Coloradans, live in a licensed child care desert;

7           (b) Colorado's economy relies on private child care businesses to  
8 support the ability of parents to participate in the workforce, and these  
9 businesses struggle to cover their costs while maintaining affordability for  
10 parents;

11           (c) Policies and programs that can reduce the cost of facilities for  
12 child care businesses by supporting the technical planning, building,  
13 construction, and development aspects of child care facility creation will  
14 allow the businesses to keep their doors open and to direct funds to other  
15 critical areas such as increased wages for staff;

16           (d) Coloradans who seek to build, remodel, or renovate child care  
17 facilities face many challenges, and reducing or removing these barriers  
18 can help to increase child care capacity in the state;

19           (e) Incentivizing community-level regulatory alignment allows  
20 local governments to lead in considering and meeting the unique needs  
21 of their communities. Technical assistance and an incentive-based  
22 partnership approach with local governments to streamline local  
23 regulations have proven to be successful strategies for supporting  
24 affordable housing with the affordable housing planning grant program  
25 created in House Bill 21-1271;

26           (f) Technical assistance and capital support to increase child care  
27 capacity has proven to be successful through the employer-based child

1 care facility grant and employer-based child care design lab programs  
2 created in Senate Bill 21-236; and

3 (g) The division of housing within the department of local affairs  
4 has experience in administering the programs created in House Bill  
5 21-1271 and administering grant programs that require collaboration with  
6 and among local governments, developers, and housing partners and is by  
7 extension equipped to assist, facilitate, and provide expert assistance in  
8 reviewing proposed projects and applications for grants to support the  
9 development of child care facilities.

10 **SECTION 2.** In Colorado Revised Statutes, 24-32-705, **amend**  
11 (7)(c); and **add** (7)(e), (7)(f), and (7)(g) as follows:

12 **24-32-705. Functions of division.** (7) The division shall  
13 administer:

14 (c) Local investments in the transformational affordable housing  
15 grant program created in section 24-32-729 (2)(a); **and**

16 (e) THE CHILD CARE FACILITY DEVELOPMENT TOOLKIT AND  
17 TECHNICAL ASSISTANCE PROGRAM CREATED IN SECTION 24-32-3702 (2);

18 (f) THE CHILD CARE FACILITY DEVELOPMENT PLANNING GRANT  
19 PROGRAM CREATED IN SECTION 24-32-3703 (2)(a); AND

20 (g) THE CHILD CARE FACILITY DEVELOPMENT CAPITAL GRANT  
21 PROGRAM CREATED IN SECTION 24-32-3704 (2)(a).

22 **SECTION 3.** In Colorado Revised Statutes, **add** part 37 to article  
23 32 of title 24 as follows:

24 PART 37

25 PROGRAMS FOR THE DEVELOPMENT OF  
26 CHILD CARE FACILITIES

27 **24-32-3701. Definitions.** AS USED IN THIS PART 37, UNLESS THE

1 CONTEXT OTHERWISE REQUIRES:

2 (1) "CHILD CARE CENTER" HAS THE SAME MEANING SET FORTH IN  
3 SECTION 26.5-5-303 (3).

4 (2) "CHILD CARE FACILITY" MEANS:

5 (a) A COMMERCIAL OR RESIDENTIAL PROPERTY THAT IS EITHER A  
6 NEW OR EXISTING CHILD CARE CENTER OR A NEW OR EXISTING FAMILY  
7 CHILD CARE HOME AND THAT IS LICENSED OR IS SEEKING A LICENSE; OR

8 (b) A NEIGHBORHOOD YOUTH ORGANIZATION AS DEFINED IN  
9 SECTION 26.5-5-303 (17).

10 (3) "DIVISION" MEANS THE DIVISION OF HOUSING CREATED IN  
11 SECTION 24-32-704 (1) WITHIN THE DEPARTMENT OF LOCAL AFFAIRS.

12 (4) "FAMILY CHILD CARE HOME" HAS THE SAME MEANING SET  
13 FORTH IN SECTION 26.5-5-303 (7).

14 (5) "FUND" MEANS THE CHILD CARE FACILITY DEVELOPMENT CASH  
15 FUND CREATED IN SECTION 24-32-3705 (1)(a).

16 (6) "INSTITUTION OF HIGHER EDUCATION" MEANS A PRIVATE  
17 INSTITUTION OF HIGHER EDUCATION, AS DEFINED IN SECTION 23-18-102  
18 (9), OR A STATE INSTITUTION OF HIGHER EDUCATION, AS DEFINED IN  
19 SECTION 23-18-102 (10), THAT OFFERS CHILD CARE OR THE AURARIA  
20 HIGHER EDUCATION CENTER.

21 (7) "LICENSED" HAS THE SAME MEANING AS "LICENSE" SET FORTH  
22 IN SECTION 26.5-5-303 (13).

23 (8) "LOCAL GOVERNMENT" MEANS A COUNTY, A MUNICIPALITY, A  
24 CITY AND COUNTY, A TRIBAL GOVERNMENT, OR AN EARLY CHILDHOOD  
25 DEVELOPMENT SERVICE DISTRICT CREATED PURSUANT TO ARTICLE 21 OF  
26 TITLE 32.

27 (9) "PUBLIC SCHOOL" MEANS A SCHOOL, INCLUDING A DISTRICT

1 CHARTER SCHOOL, OF A SCHOOL DISTRICT; A SCHOOL OPERATED BY A  
2 BOARD OF COOPERATIVE SERVICES; OR AN INSTITUTE CHARTER SCHOOL.

3 **24-32-3702. Child care facility development toolkit and**  
4 **technical assistance program - creation - report - definitions - repeal.**

5 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
6 REQUIRES:

7 (a) "ELIGIBLE RECIPIENT" MEANS A CHILD CARE PROVIDER,  
8 DEVELOPER, EMPLOYER, LOCAL GOVERNMENT, PUBLIC SCHOOL, OR  
9 INSTITUTION OF HIGHER EDUCATION.

10 (b) "PROGRAM" MEANS THE CHILD CARE FACILITY DEVELOPMENT  
11 TOOLKIT AND TECHNICAL ASSISTANCE PROGRAM CREATED IN SUBSECTION  
12 (2) OF THIS SECTION.

13 (c) "PROGRAM RECIPIENT" MEANS AN ELIGIBLE RECIPIENT OF AN  
14 APPROVED APPLICATION TO RECEIVE ASSISTANCE UNDER THE PROGRAM.

15 (2) THERE IS CREATED IN THE DIVISION THE CHILD CARE FACILITY  
16 DEVELOPMENT TOOLKIT AND TECHNICAL ASSISTANCE PROGRAM FOR THE  
17 PURPOSES OF CREATING A TOOLKIT FOR THE DEVELOPMENT OF CHILD CARE  
18 FACILITIES AND PROVIDING TECHNICAL ASSISTANCE FROM CONSULTANTS  
19 AND RELATED PROFESSIONALS TO ENABLE ELIGIBLE RECIPIENTS TO  
20 UNDERSTAND THE TECHNICAL ASPECTS OF PLANNING, DEVELOPING,  
21 BUILDING, AND CO-LOCATING CHILD CARE FACILITIES.

22 (3) (a) ON OR BEFORE NOVEMBER 1, 2024, THE DIVISION SHALL  
23 ADOPT POLICIES AND PROCEDURES FOR THE PROGRAM THAT, AT A  
24 MINIMUM, INCLUDE:

25 (I) CRITERIA ESTABLISHING QUALIFICATIONS FOR AN ELIGIBLE  
26 RECIPIENT;

27 (II) PROCEDURES AND TIMELINES FOR AN ELIGIBLE RECIPIENT TO

1 APPLY FOR ASSISTANCE UNDER THE PROGRAM;

2 (III) CRITERIA FOR DETERMINING THE AMOUNT OR NATURE OF THE  
3 ASSISTANCE THAT A PROGRAM RECIPIENT RECEIVES;

4 (IV) PERFORMANCE CRITERIA FOR PROGRAM RECIPIENTS'  
5 PROJECTS; AND

6 (V) REPORTING REQUIREMENTS FOR PROGRAM RECIPIENTS.

7 (b) IN EVALUATING APPLICATIONS FOR ASSISTANCE UNDER THE  
8 PROGRAM, THE DIVISION SHALL PRIORITIZE PROJECTS THAT WILL, IN THE  
9 DISCRETION OF THE DIVISION, MEET A DEMONSTRABLE NEED FOR CHILD  
10 CARE IN THE AREAS OF GREATEST NEED ACROSS THE STATE AND WILL  
11 SATISFY ONE OR MORE OF THE PURPOSES OF THE PROGRAM SET FORTH IN  
12 SUBSECTION (2) OF THIS SECTION.

13 (c) THE DIVISION SHALL CONSULT WITH THE DEPARTMENT OF  
14 EARLY CHILDHOOD, CREATED IN SECTION 26.5-1-104 (1), IN DEVELOPING  
15 THE POLICIES AND PROCEDURES REQUIRED TO BE ADOPTED PURSUANT TO  
16 SUBSECTION (3)(a) OF THIS SECTION.

17 (4) ON OR BEFORE JANUARY 1, 2026, JANUARY 1, 2027, AND  
18 JANUARY 1, 2028, THE DIVISION SHALL PUBLISH A REPORT SUMMARIZING  
19 THE ASSISTANCE THAT WAS APPROVED UNDER THE PROGRAM IN THE  
20 PRECEDING FISCAL YEAR AND THE USES OF ASSISTANCE BY PROGRAM  
21 RECIPIENTS. THE REPORT MAY CONTAIN RECOMMENDATIONS BY THE  
22 DIVISION CONCERNING THE FUTURE ADMINISTRATION OF THE PROGRAM.  
23 THE REPORT MUST BE SHARED WITH THE HOUSE OF REPRESENTATIVES  
24 EDUCATION COMMITTEE, THE HOUSE OF REPRESENTATIVES  
25 TRANSPORTATION, HOUSING, AND LOCAL GOVERNMENT COMMITTEE, THE  
26 SENATE EDUCATION COMMITTEE, AND THE SENATE LOCAL GOVERNMENT  
27 AND HOUSING COMMITTEE, OR THEIR SUCCESSOR COMMITTEES, AND WITH

1 THE DEPARTMENT OF EARLY CHILDHOOD, AND MUST BE POSTED ON THE  
2 DIVISION'S WEBSITE.

3 (5) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2028.

4 **24-32-3703. Child care facility development planning grant**  
5 **program - created - report - definitions - repeal.** (1) AS USED IN THIS  
6 SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7 (a) "CHILD CARE DEVELOPMENT" MEANS:

8 (I) THE DEVELOPMENT OR CREATION OF A NEW CHILD CARE  
9 FACILITY; OR

10 (II) REMODELING OR RETROFITTING AN EXISTING BUILDING OR  
11 SPACE TO BE A CHILD CARE FACILITY.

12 (b) "ELIGIBLE RECIPIENT" MEANS A LOCAL GOVERNMENT THAT IS  
13 ELIGIBLE TO RECEIVE A GRANT THROUGH THE PROGRAM.

14 (c) "PROGRAM" MEANS THE CHILD CARE FACILITY DEVELOPMENT  
15 PLANNING GRANT PROGRAM THAT IS CREATED IN SUBSECTION (2)(a) OF  
16 THIS SECTION.

17 (2) (a) THERE IS CREATED IN THE DIVISION THE CHILD CARE  
18 FACILITY DEVELOPMENT PLANNING GRANT PROGRAM TO INCENTIVIZE AND  
19 SUPPORT LOCAL GOVERNMENTS IN IDENTIFYING AND MAKING  
20 REGULATORY UPDATES OR IMPROVEMENTS TO COMMUNITY PLANNING,  
21 DEVELOPMENT, BUILDING, ZONING, AND OTHER REGULATORY PROCESSES  
22 TO SUPPORT THE DEVELOPMENT OF CHILD CARE FACILITIES. ELIGIBLE  
23 RECIPIENTS THAT INTEND TO IMPLEMENT ONE OR MORE OF THE  
24 RECOMMENDED POLICY OR REGULATORY TOOLS SET FORTH IN SUBSECTION  
25 (3)(c) OF THIS SECTION OR IDENTIFY OTHER LOCAL POLICIES OR PROGRAMS  
26 TO IMPLEMENT TO STREAMLINE THE ELIGIBLE RECIPIENT'S REGULATORY  
27 ENVIRONMENT FOR DEVELOPMENT OF CHILD CARE FACILITIES AS SET



1 FORTH IN SUBSECTION (3)(b) OF THIS SECTION AND THAT CAN BENEFIT  
2 FROM ADDITIONAL FUNDING FOR IMPLEMENTATION MAY RECEIVE GRANTS  
3 PURSUANT TO THE PROGRAM. GRANT MONEY MAY BE USED BY AN  
4 ELIGIBLE RECIPIENT TO RETAIN CONSULTANTS OR RELATED PROFESSIONAL  
5 SERVICES TO ASSESS THE CHILD CARE NEEDS OF ITS COMMUNITY,  
6 INCLUDING CONSIDERATIONS OF EQUITY, OR TO MAKE CHANGES TO ITS  
7 POLICIES, PROGRAMS, DEVELOPMENT REVIEW PROCESSES, LAND USE  
8 CODES, AND RELATED RULES AND REGULATIONS TO PROMOTE  
9 DEVELOPMENT OF CHILD CARE FACILITIES.

10 (b) IN ADMINISTERING THE PROGRAM, THE DIVISION SHALL  
11 PROVIDE ASSISTANCE TO ELIGIBLE RECIPIENTS ON BEST PRACTICES AND  
12 TOOLS FOR INCENTIVIZING THE DEVELOPMENT OF CHILD CARE FACILITIES.

13 (c) THE DIVISION SHALL CONSULT WITH THE DEPARTMENT OF  
14 EARLY CHILDHOOD, CREATED IN SECTION 26.5-1-104 (1), IN DEVELOPING  
15 THE MENU OF RECOMMENDED POLICY OR REGULATORY TOOLS PURSUANT  
16 TO SUBSECTION (3) OF THIS SECTION AND THE POLICIES AND PROCEDURES  
17 REQUIRED TO BE ADOPTED PURSUANT TO SUBSECTION (4)(a) OF THIS  
18 SECTION.

19 (3) (a) IN CONNECTION WITH THE POLICIES, PROCEDURES, AND  
20 GUIDELINES THAT THE DIVISION IS REQUIRED TO ADOPT FOR THE PROGRAM  
21 PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION, THE DIVISION SHALL  
22 DEVELOP A MENU OF RECOMMENDED POLICY OR REGULATORY TOOLS THAT  
23 ELIGIBLE RECIPIENTS CAN ADOPT TO PROMOTE DEVELOPMENT OF CHILD  
24 CARE FACILITIES WITHIN THEIR TERRITORIAL BOUNDARIES OR ACROSS  
25 THEIR REGION.

26 (b) THE MENU OF RECOMMENDED POLICY OR REGULATORY TOOLS  
27 THAT THE DIVISION IS REQUIRED TO DEVELOP PURSUANT TO SUBSECTION

1 (3)(a) OF THIS SECTION MUST INCLUDE KNOWN OR PROMISING BEST  
2 PRACTICES. IMPLEMENTATION OF ANY RECOMMENDED POLICY OR  
3 REGULATORY TOOLS IS AT THE DISCRETION OF THE ELIGIBLE RECIPIENT  
4 BASED ON COMPATIBILITY WITH COMMUNITY NEEDS AND DESIRES.  
5 ELIGIBLE RECIPIENTS MAY SELECT FROM THE MENU OF RECOMMENDED  
6 POLICY OR REGULATORY TOOLS OR IDENTIFY OTHER LOCAL POLICIES OR  
7 PROGRAMS TO STREAMLINE THE ELIGIBLE RECIPIENT'S REGULATORY  
8 ENVIRONMENT FOR DEVELOPMENT OF CHILD CARE FACILITIES.

9 (c) (I) THE MENU OF RECOMMENDED POLICY OR REGULATORY  
10 TOOLS DEVELOPED BY THE DIVISION PURSUANT TO THIS SUBSECTION (3)  
11 MUST SET FORTH STRATEGIES TO PROMOTE DEVELOPMENT OF CHILD CARE  
12 FACILITIES INCLUDING:

13 (A) THE USE OF VACANT PUBLICLY OWNED REAL PROPERTY FOR  
14 CHILD CARE FACILITY DEVELOPMENT;

15 (B) EXAMINING OR REVISING LOCAL LAND USE POLICIES AND  
16 REGULATIONS TO INCENTIVIZE THE DEVELOPMENT OR CREATION OF CHILD  
17 CARE FACILITIES;

18 (C) CREATING A LOCAL PUBLIC FUNDING SOURCE DEDICATED TO  
19 CHILD CARE FACILITIES;

20 (D) ALIGNING LOCAL RULES AND REGULATIONS, SUCH AS BUILDING  
21 CODES OR ZONING CODES, WITH STATE LICENSING REQUIREMENTS; AND

22 (E) ANY OTHER STRATEGIES DETERMINED BY THE DIVISION THAT  
23 MEET THE INTENT OF THE PROGRAM FOR ALIGNING AND STREAMLINING  
24 THE REGULATORY ENVIRONMENT FOR CHILD CARE TO INCENTIVIZE THE  
25 DEVELOPMENT OF CHILD CARE FACILITIES.

26 (II) IN ADDITION TO THE ITEMS THAT THE MENU OF RECOMMENDED  
27 POLICY OR REGULATORY TOOLS MAY INCLUDE SET FORTH IN SUBSECTION

1 (3)(c)(I) OF THIS SECTION, DEVELOPMENT OF THE MENU BY THE DIVISION  
2 MUST ALSO ALLOW FOR THE ADOPTION BY AN ELIGIBLE RECIPIENT OF  
3 ADDITIONAL POLICY OR REGULATORY TOOLS THAT PROVIDE NOVEL,  
4 CREATIVE, OR INNOVATIVE INCENTIVES FOR THE DEVELOPMENT OF CHILD  
5 CARE FACILITIES.

6 (4) (a) ON OR BEFORE SEPTEMBER 1, 2024, THE DIVISION SHALL  
7 ADOPT POLICIES, PROCEDURES, AND GUIDELINES FOR THE PROGRAM,  
8 INCLUDING:

9 (I) PROCEDURES AND TIMELINES FOR LOCAL GOVERNMENTS TO  
10 APPLY FOR GRANTS;

11 (II) CRITERIA FOR EVALUATING APPLICATIONS FOR APPROVAL AND  
12 THE AMOUNT OF GRANTS;

13 (III) PERFORMANCE CRITERIA FOR ELIGIBLE RECIPIENTS; AND

14 (IV) REPORTING REQUIREMENTS FOR ELIGIBLE RECIPIENTS.

15 (b) EVALUATION CRITERIA ESTABLISHED PURSUANT TO THIS  
16 SUBSECTION (4) MUST INCLUDE FAVORABLE CONSIDERATION FOR  
17 APPLICATIONS IN WHICH THE LOCAL GOVERNMENT DEMONSTRATES  
18 COMMITMENT TO EVALUATING AND IMPLEMENTING ONE OR MORE OF THE  
19 RECOMMENDED POLICY OR REGULATORY TOOLS SET FORTH IN SUBSECTION  
20 (3)(c)(I) OF THIS SECTION AND, THE MORE RECOMMENDED POLICY OR  
21 REGULATORY TOOLS THE APPLICANT DEMONSTRATES A COMMITMENT TO  
22 EVALUATING AND IMPLEMENTING, THE MORE WEIGHT THE APPLICATION IS  
23 GIVEN.

24 (c) THE DIVISION HAS SOLE DISCRETION IN DETERMINING THE  
25 AMOUNT OF GRANTS AND ANY RESTRICTIONS OR CONDITIONS ON THE USE  
26 OF GRANTS BY ELIGIBLE RECIPIENTS IN ACCORDANCE WITH THE  
27 PROVISIONS OF THIS SECTION.

1 (5) ON OR BEFORE JANUARY 1, 2026, JANUARY 1, 2027, AND  
2 JANUARY 1, 2028, THE DIVISION SHALL PUBLISH A REPORT THAT  
3 SUMMARIZES THE USE OF ALL GRANTS FROM THE PROGRAM IN THE  
4 PRECEDING FISCAL YEAR. THE REPORT MUST INCLUDE THE AMOUNT OF  
5 GRANTS DISTRIBUTED TO ELIGIBLE RECIPIENTS AND A DESCRIPTION OF  
6 EACH ELIGIBLE RECIPIENT'S USE OF THE GRANT. THE REPORT MAY CONTAIN  
7 RECOMMENDATIONS OF THE DIVISION FOR FUTURE ADMINISTRATION OF  
8 THE PROGRAM. THE REPORT MUST BE SHARED WITH THE HOUSE OF  
9 REPRESENTATIVES EDUCATION COMMITTEE, THE HOUSE OF  
10 REPRESENTATIVES TRANSPORTATION, HOUSING, AND LOCAL GOVERNMENT  
11 COMMITTEE, THE SENATE EDUCATION COMMITTEE, AND THE SENATE  
12 LOCAL GOVERNMENT AND HOUSING COMMITTEE, OR THEIR SUCCESSOR  
13 COMMITTEES, AND WITH THE DEPARTMENT OF EARLY CHILDHOOD, AND  
14 MUST BE POSTED ON THE DIVISION'S WEBSITE.

15 (6) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2028.

16 **24-32-3704. Child care facility development capital grant**  
17 **program - creation - report - definitions - repeal.** (1) AS USED IN THIS  
18 SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

19 (a) "ELIGIBLE ENTITY" MEANS A LOCAL GOVERNMENT, A PUBLIC  
20 SCHOOL, AN INSTITUTE OF HIGHER EDUCATION, OR OR PUBLIC-PRIVATE  
21 PARTNERSHIP THAT IS ELIGIBLE TO RECEIVE A GRANT THROUGH THE  
22 PROGRAM.

23 (b) "PRIVATE PARTNER" HAS THE SAME MEANING AS SET FORTH IN  
24 SECTION 24-94-102 (6).

25 (c) "PROGRAM" MEANS THE CHILD CARE FACILITY DEVELOPMENT  
26 CAPITAL GRANT PROGRAM CREATED IN SUBSECTION (2) OF THIS SECTION.

27 (d) "PUBLIC-PRIVATE PARTNERSHIP" MEANS AN AGREEMENT

1 BETWEEN A LOCAL GOVERNMENT AND ONE OR MORE PRIVATE PARTNERS  
2 IN WHICH A LOCAL GOVERNMENT AND A PRIVATE PARTNER HAVE ENTERED  
3 INTO AN AGREEMENT TO PARTNER ON A PROJECT. THE PARTNERSHIP MAY  
4 BE FINANCIAL, OPERATIONAL, OR OTHERWISE DEFINED IN THE AGREEMENT  
5 BETWEEN THE PUBLIC AND PRIVATE PARTNERS.

6 (2) (a) THERE IS CREATED IN THE DIVISION A CHILD CARE FACILITY  
7 DEVELOPMENT CAPITAL GRANT PROGRAM TO PROVIDE ELIGIBLE ENTITIES  
8 MONEY TO CONSTRUCT, REMODEL, RENOVATE, OR RETROFIT A CHILD CARE  
9 FACILITY TO MEET A DEMONSTRABLE NEED FOR CHILD CARE IN THE  
10 ELIGIBLE ENTITY'S COMMUNITY.

11 (b) THE DIVISION SHALL UTILIZE THE STATE HOUSING BOARD  
12 CREATED IN SECTION 24-32-706 (1) TO REVIEW AND MAKE  
13 RECOMMENDATIONS ON GRANT APPLICATIONS.

14 (3) (a) ON OR BEFORE SEPTEMBER 1, 2024, THE DIVISION SHALL  
15 ADOPT POLICIES, PROCEDURES, AND GUIDELINES IN ACCORDANCE WITH  
16 THE PROVISIONS OF THIS SECTION FOR THE PROGRAM INCLUDING:

17 (I) PROCEDURES AND TIMELINES FOR AN ELIGIBLE ENTITY TO  
18 APPLY FOR A GRANT;

19 (II) CRITERIA FOR EVALUATING APPLICATIONS FOR APPROVAL AND  
20 THE AMOUNT OF GRANTS;

21 (III) PERFORMANCE CRITERIA FOR GRANT RECIPIENTS' PROJECTS;

22 AND

23 (IV) REPORTING REQUIREMENTS FOR GRANT RECIPIENTS.

24 (b) GRANT APPLICATIONS MUST INCLUDE AT LEAST:

25 (I) A BUSINESS PLAN THAT INCLUDES:

26 (A) A DESCRIPTION OF THE CONSTRUCTION, RENOVATION,  
27 REMODELING, OR RETROFITTING OF A CHILD CARE FACILITY;

1 (B) A COMMITMENT TO PROVIDE A FINANCIAL MATCH AS SET  
2 FORTH IN SUBSECTION (4) OF THIS SECTION AND A DESCRIPTION OF HOW  
3 EACH PUBLIC AND PRIVATE PARTNER WILL CONTRIBUTE TO THE REQUIRED  
4 MATCH;

5 (C) A DESCRIPTION OF HOW THE ELIGIBLE ENTITY WILL ADDRESS  
6 THE PARTICULAR CHILD CARE NEEDS OF THE COMMUNITY, SUCH AS  
7 NONTRADITIONAL-HOUR CARE OR INFANT AND TODDLER CARE FOR  
8 HOUSEHOLDS WITH LOW TO MODERATE INCOME;

9 (D) A DESCRIPTION OF HOW THE ELIGIBLE ENTITY WILL SUPPORT  
10 SMALL CHILD CARE BUSINESS OWNERS AND OPERATORS, INCLUDING  
11 WOMEN AND POPULATIONS WITH LIMITED ACCESS TO OPPORTUNITY AND  
12 RESOURCES;

13 (E) A DESCRIPTION OF HOW THE ELIGIBLE ENTITY WILL  
14 FINANCIALLY SUSTAIN THE CHILD CARE FACILITY APART FROM ANY  
15 ANTICIPATED GRANTS FROM THE PROGRAM;

16 (F) THE ESTIMATED TOTAL COST AND BUDGET FOR THE  
17 CONSTRUCTION, RENOVATION, REMODELING, OR RETROFITTING OF THE  
18 CHILD CARE FACILITY;

19 (G) A DESCRIPTION OF HOW OTHER FUNDING SOURCES ARE BEING  
20 UTILIZED AND LEVERAGED TO SUPPORT THE INCLUSION OF CHILD CARE;

21 (H) IF THE ELIGIBLE ENTITY LEASES OR WILL LEASE THE SPACE TO  
22 BE RENOVATED, REMODELED, RETROFITTED, OR CONSTRUCTED TO PROVIDE  
23 CHILD CARE, A COPY OF THE CURRENT VALID LEASE THAT CONTAINS  
24 SPECIFIC AUTHORIZATIONS FROM THE LANDLORD FOR THE PROJECT OR A  
25 WRITTEN STATEMENT FROM THE LANDLORD EXPRESSLY CONSENTING TO  
26 THE PROJECT;

27 (I) HOW THE PROJECT ALIGNS WITH OTHER COMMUNITY PLANNING,

1 DEVELOPMENT, OR HOUSING EFFORTS UNDERWAY IN THE COMMUNITY;  
2 (J) COMMITMENT FROM THE ELIGIBLE ENTITY THAT IT WILL ACCEPT  
3 THE GRANT; AND  
4 (K) ANY OTHER COMPONENT THE DIVISION REQUIRES TO  
5 ADEQUATELY ASSESS A GRANT APPLICATION, INCLUDING REQUIRING A  
6 COMMITMENT BY THE ELIGIBLE ENTITY REGARDING THE DURATION FOR  
7 WHICH THE ELIGIBLE ENTITY INTENDS TO OCCUPY THE PHYSICAL LOCATION  
8 OF THE PROJECT; AND  
9 (II) AN AFFIDAVIT THAT THE ELIGIBLE ENTITY HAS OBTAINED A  
10 CHILD CARE LICENSE OR WILL OBTAIN A CHILD CARE LICENSE WITH  
11 INFORMATION REGARDING THE TIMING AND STATUS OF OBTAINING THE  
12 CHILD CARE LICENSE.  
13 (c) THE DIVISION SHALL GIVE MORE WEIGHT TO APPLICATIONS  
14 THAT:  
15 (I) REPRESENT GEOGRAPHIC DIVERSITY;  
16 (II) WILL SERVE A HIGH PERCENTAGE OF FAMILIES BELOW THE  
17 AREA'S MEDIAN INCOME;  
18 (III) INCLUDE A STATED COMMITMENT TO AND A BUSINESS PLAN  
19 FOR A WELL-COMPENSATED CHILD CARE STAFF;  
20 (IV) CO-LOCATE WITH OR REPURPOSE FACILITIES WITH OTHER  
21 USES, SUCH AS AFFORDABLE HOUSING DEVELOPMENTS, MIXED-USE OR  
22 MIXED-COMMERCIAL BUILDINGS, OR CHURCHES;  
23 (V) INCLUDE A PLAN TO SERVE CHILDREN IN CHILD CARE DESERTS  
24 OR REGIONS WITH LOW CHILD CARE CAPACITY; OR  
25 (VI) PLAN TO SERVE INFANTS AND TODDLERS.  
26 (d) THE DIVISION SHALL COLLABORATE WITH THE STATE HOUSING  
27 BOARD AND CONSULT WITH THE DEPARTMENT OF EARLY CHILDHOOD,

1 CREATED IN SECTION 26.5-1-104 (1), IN DEVELOPING THE POLICIES AND  
2 PROCEDURES REQUIRED TO BE ADOPTED PURSUANT TO SUBSECTION (3)(a)  
3 OF THIS SECTION.

4 (4) TO RECEIVE A GRANT, ELIGIBLE ENTITIES SHALL PROVIDE A  
5 FINANCIAL MATCH WHICH MAY BE FUNDED BY THE ELIGIBLE ENTITY OR  
6 FROM CONTRIBUTIONS FROM OTHER PUBLIC OR PRIVATE ENTITIES AS  
7 FOLLOWS:

8 (a) A DEVELOPMENT PROJECT FOR A CENTER-BASED FACILITY  
9 SHALL PROVIDE A FIFTY PERCENT MATCH; AND

10 (b) A DEVELOPMENT PROJECT FOR A HOME-BASED FACILITY SHALL  
11 PROVIDE A TWENTY-FIVE PERCENT MATCH.

12 (5) ON OR BEFORE JANUARY 1, 2026, JANUARY 1, 2027, AND  
13 JANUARY 1, 2028, THE DIVISION SHALL PUBLISH A REPORT SUMMARIZING  
14 THE USE OF GRANTS IN THE PRECEDING YEAR. THE REPORT MUST SPECIFY  
15 THE AMOUNT OF GRANTS DISTRIBUTED TO RECIPIENTS AND PROVIDE A  
16 DESCRIPTION OF EACH RECIPIENT'S USE OF THE GRANT. THE REPORT MAY  
17 INCLUDE RECOMMENDATIONS FOR THE FUTURE ADMINISTRATION OF THE  
18 PROGRAM. THE REPORT MUST BE SHARED WITH THE HOUSE OF  
19 REPRESENTATIVES EDUCATION COMMITTEE, THE HOUSE OF  
20 REPRESENTATIVES TRANSPORTATION, HOUSING, AND LOCAL GOVERNMENT  
21 COMMITTEE, THE SENATE EDUCATION COMMITTEE, AND THE SENATE  
22 LOCAL GOVERNMENT AND HOUSING COMMITTEE, OR THEIR SUCCESSOR  
23 COMMITTEES, AND WITH THE DEPARTMENT OF EARLY CHILDHOOD, AND  
24 MUST BE POSTED ON THE DIVISION'S WEBSITE.

25 (6) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2028.

26 **24-32-3705. Child care facility development cash fund -**  
27 **definition - repeal.** (1) (a) THE CHILD CARE FACILITY DEVELOPMENT



1 CASH FUND IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF  
2 MONEY CREDITED TO THE FUND PURSUANT TO SUBSECTION (3) OF THIS  
3 SECTION AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY  
4 APPROPRIATE OR TRANSFER TO THE FUND.

5 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND  
6 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE  
7 FUND TO THE FUND.

8 (c) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE  
9 DIVISION FOR THE PURPOSES SET FORTH IN SUBSECTION (2) OF THIS  
10 SECTION.

11 (2) (a) SUBJECT TO THE PROVISIONS SET FORTH IN SUBSECTION  
12 (2)(b) OF THIS SECTION, THE DIVISION SHALL USE MONEY IN THE FUND TO  
13 MAKE GRANTS PURSUANT TO THE CHILD CARE FACILITY DEVELOPMENT  
14 PLANNING GRANT PROGRAM CREATED IN SECTION 24-32-3703 (2)(a) AND  
15 THE CHILD CARE FACILITY DEVELOPMENT CAPITAL GRANT PROGRAM  
16 CREATED IN SECTION 24-32-3704 (2) AND TO IMPLEMENT AND ADMINISTER  
17 BOTH OF THE GRANT PROGRAMS AND THE CHILD CARE FACILITY  
18 DEVELOPMENT TOOLKIT AND TECHNICAL ASSISTANCE PROGRAM CREATED  
19 IN SECTION 24-3-3702 (2).

20 (b) (I) THE DIVISION MAY EXPEND UP TO SEVEN PERCENT OF THE  
21 MONEY APPROPRIATED OR TRANSFERRED TO THE FUND TO PAY FOR THE  
22 DIRECT AND INDIRECT COSTS IN ADMINISTERING THE PROGRAMS. ALL  
23 ADMINISTRATIVE COSTS MUST BE PAID OUT OF THE MONEY TRANSFERRED  
24 TO THE FUND PURSUANT TO SUBSECTION (3) OF THIS SECTION.

25 (II) THE DIVISION SHALL EXPEND MONEY APPROPRIATED OR  
26 TRANSFERRED TO THE FUND THAT IT DOES NOT EXPEND FOR DIRECT AND  
27 INDIRECT COSTS IN ADMINISTERING THE PROGRAMS BASED ON NEED OR

1 DEMAND FOR EACH PROGRAM.

2 (c) AS USED IN THIS SUBSECTION (2), "PROGRAMS" MEANS THE  
3 CHILD CARE FACILITY DEVELOPMENT PLANNING GRANT PROGRAM  
4 CREATED IN SECTION 24-32-3703 (2)(a), THE CHILD CARE FACILITY  
5 DEVELOPMENT CAPITAL GRANT PROGRAM CREATED IN SECTION  
6 24-32-3704 (2), AND THE CHILD CARE FACILITY DEVELOPMENT TOOLKIT  
7 AND TECHNICAL ASSISTANCE PROGRAM CREATED IN SECTION 24-3-3702  
8 (2).

9 (3) ON AUGUST 15, 2024, THE STATE TREASURER SHALL TRANSFER  
10 THREE MILLION THREE HUNDRED THOUSAND DOLLARS FROM THE GENERAL  
11 FUND TO THE FUND.

12 (4) THE STATE TREASURER SHALL TRANSFER ALL UNEXPENDED  
13 AND UNENCUMBERED MONEY IN THE FUND ON JULY 1, 2028, TO THE  
14 GENERAL FUND.

15 (5) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2028.

16 **SECTION 4.** In Colorado Revised Statutes, 24-32-707, **add** (4)  
17 as follows:

18 **24-32-707. Powers of board.** (4) THE BOARD SHALL ALSO  
19 REVIEW AND MAKE RECOMMENDATIONS ON GRANT APPLICATIONS  
20 SUBMITTED FOR THE CHILD CARE FACILITY DEVELOPMENT CAPITAL GRANT  
21 PROGRAM CREATED IN SECTION 24-32-3704 (2)(a) IN ACCORDANCE WITH  
22 THE PROVISIONS SET FORTH IN SECTION 24-32-3704.

23 **SECTION 5. Act subject to petition - effective date.** This act  
24 takes effect at 12:01 a.m. on the day following the expiration of the  
25 ninety-day period after final adjournment of the general assembly; except  
26 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
27 of the state constitution against this act or an item, section, or part of this

1 act within such period, then the act, item, section, or part will not take  
2 effect unless approved by the people at the general election to be held in  
3 November 2024 and, in such case, will take effect on the date of the  
4 official declaration of the vote thereon by the governor.