

MEMORANDUM

TO: Joint Budget Committee Members
FROM: JBC Staff
SUBJECT: Bill Drafts for Discussion on April 11, 2016
DATE: April 11, 2016

This memo includes the following bill drafts for the Committee's consideration.

- LLS 16-0912: "Concerning a Needs Assessment Tool for Persons Eligible for Long-Term Services and Supports, Including Persons with Intellectual and Developmental Disabilities." (Megan Davisson)
- LLS 16-1196: "Concerning the Annual Appropriation of Money in the Central Fund for Veterans Centers to the State Department of Human Services." (Megan Davisson)
- LLS 16-1182: "Concerning Marijuana Research Funded by the Marijuana Tax Cash Fund, and, in Connection Therewith, Making an Appropriation." (Amanda Bickel)
- LLS 16-1184: "Concerning Revising the Child Welfare Funding Mechanism." (Robin Smart)
- LLS 16-1198: "Concerning Improving the Process for the Administration of Public Assistance Programs, and, in Connection Therewith, Making and Reducing Appropriations." (Kevin Neimond)

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

DRAFT
4.6.16

DRAFT

LLS NO. 16-0912.01 Brita Darling x2241

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Assessment Tool Intellectual & Dev Disab"

A BILL FOR AN ACT

101 CONCERNING A NEEDS ASSESSMENT TOOL FOR PERSONS ELIGIBLE FOR
102 LONG-TERM SERVICES AND SUPPORTS, INCLUDING PERSONS
103 WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES.

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://www.leg.state.co.us/bills summaries>.)

Joint Budget Committee. By a certain date, the bill requires the department of health care policy and financing (state department), pursuant to the state department's ongoing stakeholder process relating to eligibility determination for long-term services and supports, to select a needs assessment tool for persons receiving long-term services and

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Dashes through the words indicate deletions from existing statute.*

supports, including persons with intellectual and developmental disabilities, and, once selected, to begin using the tool as soon as practicable. Once selected, the state department shall report to certain committees of the general assembly the needs assessment tool selected and the level of stakeholder involvement in the process of selecting the tool.

Pursuant to the state department's ongoing stakeholder process relating to eligibility determination for long-term services and supports, the state department shall develop or select the needs assessment tool in collaboration with persons with intellectual and developmental disabilities and stakeholders.

The needs assessment tool must include a reasonable reassessment process that allows a reassessment to be completed within thirty days after a reassessment is requested.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25.5-6-409, **add** (3.5)
3 as follows:

4 **25.5-6-409. Services for persons with intellectual and**
5 **developmental disabilities - repeal.** (3.5) (a) ON OR BEFORE JULY 1,
6 2018, PURSUANT TO THE STATE DEPARTMENT'S ONGOING STAKEHOLDER
7 PROCESS RELATING TO ELIGIBILITY DETERMINATION FOR LONG-TERM
8 SERVICES AND SUPPORTS PURSUANT TO THIS ARTICLE, THE STATE
9 DEPARTMENT SHALL SELECT A NEEDS ASSESSMENT TOOL FOR PERSONS
10 RECEIVING LONG-TERM SERVICES AND SUPPORTS, INCLUDING PERSONS
11 WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES WHO ARE
12 ELIGIBLE FOR SERVICES PURSUANT TO SECTION 25.5-10-211. ONCE
13 SELECTED, THE STATE DEPARTMENT SHALL BEGIN ASSESSING CLIENT
14 NEEDS, USING THE NEEDS ASSESSMENT TOOL, AS SOON AS PRACTICABLE.

15 (b) PURSUANT TO THE STATE DEPARTMENT'S ONGOING
16 STAKEHOLDER PROCESS RELATING TO ELIGIBILITY DETERMINATION FOR
17 LONG-TERM SERVICES AND SUPPORTS PURSUANT TO THIS ARTICLE, THE

1 STATE DEPARTMENT SHALL DEVELOP OR SELECT THE NEEDS ASSESSMENT
2 TOOL IN COLLABORATION WITH PERSONS WITH INTELLECTUAL AND
3 DEVELOPMENTAL DISABILITIES WHO RECEIVE SERVICES, LEGAL
4 GUARDIANS, CASE MANAGERS, AND ANY OTHER STAKEHOLDERS AS
5 DETERMINED BY THE STATE DEPARTMENT.

6 (c) THE NEEDS ASSESSMENT TOOL DEVELOPED OR SELECTED BY
7 THE STATE DEPARTMENT MUST INCLUDE A REASONABLE REASSESSMENT
8 PROCESS, SET FORTH IN STATE BOARD RULES, THAT ALLOWS A
9 REASSESSMENT TO BE COMPLETED WITHIN THIRTY DAYS AFTER RECEIPT OF
10 A REQUEST FOR REASSESSMENT MADE BY A PERSON WITH INTELLECTUAL
11 AND DEVELOPMENTAL DISABILITIES OR HIS OR HER LEGAL GUARDIAN.

12 (d) (I) ONCE THE STATE DEPARTMENT HAS SELECTED A NEEDS
13 ASSESSMENT TOOL, THE STATE DEPARTMENT SHALL REPORT TO THE PUBLIC
14 HEALTH CARE AND HUMAN SERVICES COMMITTEE OF THE HOUSE OF
15 REPRESENTATIVES, OR ITS SUCCESSOR COMMITTEE; THE HEALTH AND
16 HUMAN SERVICES COMMITTEE OF THE SENATE, OR ITS SUCCESSOR
17 COMMITTEE; AND TO THE JOINT BUDGET COMMITTEE CONCERNING THE
18 NEEDS ASSESSMENT TOOL SELECTED AND THE LEVEL OF STAKEHOLDER
19 INVOLVEMENT IN THE PROCESS OF SELECTING THE TOOL.

20 (II) THIS PARAGRAPH (d) IS REPEALED, EFFECTIVE JULY 1, 2019.

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

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

DRAFT
3.22.16

DRAFT

LLS NO. 16-1196.01 Ed DeCecco x4216

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Veterans Centers Annual Approp From Central Fund"

A BILL FOR AN ACT

101 CONCERNING THE ANNUAL APPROPRIATION OF MONEY IN THE
102 CENTRAL FUND FOR VETERANS CENTERS TO THE STATE
103 DEPARTMENT OF HUMAN SERVICES.

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://www.leg.state.co.us/billsummaries>.)

Joint Budget Committee. The state department of human services may currently expend money in the central fund for veterans centers for expenses related to the veterans centers without further appropriation by the general assembly. For fiscal years beginning on and after July 1, 2017, the money in the central fund is subject to annual appropriation by the

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general assembly for the same purposes.

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

2 **SECTION 1.** In Colorado Revised Statutes, 26-12-108, **amend**
3 (1) (b) (I) as follows:

4 **26-12-108. Payments for care - funds - annual report -**
5 **collections for charges - central fund for veterans centers created -**
6 **repeal.** (1) (b) (I) (A) The state department is authorized to expend
7 moneys out of the central fund for the direct and indirect costs incurred
8 by the state department for the operation and administration of the
9 veterans centers and for capital construction in connection with such
10 veterans centers. Such expenditures shall not require an appropriation by
11 the general assembly but shall be limited to amounts in the central fund.

12 THIS SUB-SUBPARAGRAPH (A) IS REPEALED, EFFECTIVE JULY 1, 2017.

13 (B) FOR THE FISCAL YEAR BEGINNING JULY 1, 2017, AND FOR EACH
14 FISCAL YEAR THEREAFTER, SUBJECT TO ANNUAL APPROPRIATION BY THE
15 GENERAL ASSEMBLY, THE STATE DEPARTMENT MAY EXPEND MONEY FROM
16 THE CENTRAL FUND FOR THE DIRECT AND INDIRECT COSTS OF THE
17 OPERATION AND ADMINISTRATION OF THE VETERANS CENTERS AND FOR
18 CAPITAL CONSTRUCTION IN CONNECTION WITH THE VETERANS CENTERS.

19 **SECTION 2. Act subject to petition - effective date.** This act
20 takes effect at 12:01 a.m. on the day following the expiration of the
21 ninety-day period after final adjournment of the general assembly (August
22 10, 2016, if adjournment sine die is on May 11, 2016); except that, if a
23 referendum petition is filed pursuant to section 1 (3) of article V of the
24 state constitution against this act or an item, section, or part of this act
25 within such period, then the act, item, section, or part will not take effect

1 unless approved by the people at the general election to be held in
2 November 2016 and, in such case, will take effect on the date of the
3 official declaration of the vote thereon by the governor.

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

DRAFT
4.8.16

DRAFT

LLS NO. 16-1182.01 Michael Dohr x4347

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Marijuana Research Marijuana Tax Cash Fund"

A BILL FOR AN ACT

101 **CONCERNING MARIJUANA RESEARCH FUNDED BY THE MARIJUANA TAX**
102 **CASH FUND, AND, IN CONNECTION THEREWITH, MAKING AN**
103 **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://www.leg.state.co.us/bills summaries>.)

Joint Budget Committee. The bill allows the general assembly to appropriate money from the marijuana tax cash fund to CSU-Pueblo for scientific and social science cannabis research. The bill requires the governor's office of marijuana coordination to coordinate data sharing and address any data gaps. The bill appropriates \$900,000 from the marijuana

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tax cash fund to the board of governors of the CSU system for CSU-Pueblo and \$1,109,625 to the governor's office for information technology services. Currently, the division of criminal justice is gathering data for a scientific study of law enforcement's activity and costs related to the implementation of retail marijuana over the 2-year period beginning January 1, 2006, and over the 2-year period beginning January 1, 2014. The bill extends the study with a reporting requirement for each 2-year period thereafter. The bill appropriates \$79,992 to the division of criminal justice in the department of public safety for the continued study of marijuana implementation.

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

2 **SECTION 1.** In Colorado Revised Statutes, 23-1-104, **amend** (1)
3 (b) (II) as follows:

4 **23-1-104. Financing the system of postsecondary education -**
5 **report - repeal.** (1) (b) (II) For the 2010-11 fiscal year and for fiscal
6 years beginning on or after July 1, 2016, the general assembly shall also
7 make annual appropriations of cash funds, other than cash funds received
8 as tuition income or as fees, as a single line item to each governing board
9 for the operation of its campuses. Each governing board shall allocate
10 said cash fund appropriations to the institutions under its control in the
11 manner deemed most appropriate by the governing board; EXCEPT THAT,
12 IF THE GENERAL ASSEMBLY APPROPRIATES MONEY PURSUANT TO SECTION
13 23-31.5-112 TO THE BOARD OF GOVERNORS OF THE COLORADO STATE
14 UNIVERSITY SYSTEM, THAT MONEY IS NOT INCLUDED WITHIN THE SINGLE
15 LINE ITEM APPROPRIATION DESCRIBED IN THIS SUBPARAGRAPH (II).

16 **SECTION 2.** In Colorado Revised Statutes, **add** 23-31.5-112 as
17 follows:

18 **23-31.5-112. Board of governors of the Colorado state**
19 **university system - powers relating to the receipt and use of certain**
20 **tax revenues.** THE GENERAL ASSEMBLY MAY ALLOCATE REVENUES FROM

1 THE MARIJUANA TAX CASH FUND CREATED IN SECTION 39-28.8-501,
2 C.R.S., TO THE BOARD OF GOVERNORS OF THE COLORADO STATE
3 UNIVERSITY SYSTEM. THE BOARD OF GOVERNORS OF THE COLORADO
4 STATE UNIVERSITY SYSTEM MAY USE SUCH REVENUES FOR EDUCATION
5 AND RESEARCH PROGRAMS AT COLORADO STATE UNIVERSITY - PUEBLO,
6 INCLUDING BUT NOT LIMITED TO THE SCIENTIFIC AND SOCIAL SCIENCE
7 RESEARCH OF MARIJUANA AND OTHER MATTERS THAT IMPACT THE STATE
8 AND ITS REGIONS. WHILE CONDUCTING THE MARIJUANA RESEARCH,
9 COLORADO STATE UNIVERSITY - PUEBLO IS ENCOURAGED TO CONSULT
10 WITH THE SCIENTIFIC ADVISORY COUNCIL ESTABLISHED PURSUANT TO
11 SECTION 25-1.5-106.5 (3) (a) (I), C.R.S.

12 **SECTION 3.** In Colorado Revised Statutes, 24-33.5-516, **amend**
13 (1) and (2) introductory portion; and **add** (4) as follows:

14 **24-33.5-516. Study marijuana implementation.** (1) The
15 division shall gather data and undertake or contract for a scientific study
16 of law enforcement's activity and costs related to the implementation of
17 section 16 of article XVIII of the state constitution over the two-year
18 period beginning January 1, 2006, and over the two-year period beginning
19 January 1, 2014 AND EACH TWO-YEAR PERIOD THEREAFTER. THE STUDIES
20 CONDUCTED AFTER JULY 1, 2016, MAY INCLUDE RELEVANT COMPARISONS
21 TO LAW ENFORCEMENT'S ACTIVITY BEFORE THE LEGALIZED SALE OF
22 RETAIL MARIJUANA.

23 (2) To be included in the study, the division or contractor must
24 have data for ~~both~~ EACH of the two-year periods described in subsection
25 (1) of this section. The study must include information concerning:

26 (4) THE DIVISION SHALL ISSUE A REPORT OF EACH SCIENTIFIC
27 STUDY AND PROVIDE IT TO THE JUDICIARY COMMITTEES OF THE SENATE

1 AND HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES, THE
2 JOINT BUDGET COMMITTEE, AND THE DEPARTMENT OF REVENUE AND
3 SHALL POST A COPY ON THE DIVISION'S WEBSITE.

4 **SECTION 4.** In Colorado Revised Statutes, 24-38.3-101, **amend**
5 (2) as follows:

6 **24-38.3-101. Office of marijuana coordination - creation.**

7 (2) The office of marijuana coordination shall coordinate the executive
8 branch response to the legalization of retail marijuana as directed by the
9 governor. The coordination of the executive branch response includes
10 strategic planning, coordination of regulations, educational content
11 planning and implementation, community engagement, budget
12 coordination, data collection, DATA SHARING, and analysis functions, and
13 any other duties deemed necessary and appropriate by the director of the
14 office or the governor.

15 **SECTION 5.** In Colorado Revised Statutes, 24-38.3-102, **amend**
16 (2) (d) as follows:

17 **24-38.3-102. Coordination among agencies - marijuana**
18 **messaging.** (2) In furtherance of coordinating the oversight of retail and
19 medical marijuana across state agencies, the office of marijuana
20 coordination shall:

21 (d) Identify AND ADDRESS data gaps in the impact of marijuana
22 legalization on public health, safety, or economics across the state;

23 **SECTION 6. Appropriation.** (1) For the 2016-17 state fiscal
24 year, \$1,109,625 is appropriated to the office of the governor. This
25 appropriation is from the marijuana tax cash fund created in section
26 39-28.8-501 (1), C.R.S. To implement this act, the office of the governor
27 may use this appropriation for the office of marijuana coordination.

1 (2) For the 2016-17 state fiscal year, \$1,109,625 is appropriated
2 to the office of the governor for use by the office of information
3 technology. This appropriation is from reappropriated funds received
4 from the office of marijuana coordination under subsection (1) of this
5 section. To implement this act, the office of information technology may
6 use this appropriation to provide information technology services for the
7 office of marijuana coordination for statewide marijuana data
8 coordination.

9 **SECTION 7. Appropriation.** For the 2016-17 state fiscal year,
10 \$900,000 is appropriated to the department of higher education for use by
11 the board of governors of the Colorado state university system. This
12 appropriation is from the marijuana tax cash fund created in section
13 39-28.8-501 (1), C.R.S. To implement this act, the board of governors
14 may use this appropriation for cannabis-related research and education
15 programs at Colorado state university - Pueblo.

16 **SECTION 8. Appropriation.** For the 2016-17 state fiscal year,
17 \$79,992 is appropriated to the department of public safety for use by the
18 division of criminal justice. This appropriation is from the general fund
19 and is based on an assumption that the department will require an
20 additional 1.0 FTE. To implement this act, the department may use this
21 appropriation for the study of marijuana implementation.

22 **SECTION 9. Effective date.** This act takes effect July 1, 2016.

23 **SECTION 10. Safety clause.** The general assembly hereby finds,
24 determines, and declares that this act is necessary for the immediate
25 preservation of the public peace, health, and safety.

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

DRAFT
4.6.16

DRAFT

LLS NO. 16-1184.01 Jane Ritter x4342

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Restructure Child Welfare Funding"

A BILL FOR AN ACT

101 **CONCERNING REVISING THE CHILD WELFARE FUNDING MECHANISM.**

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://www.leg.state.co.us/billsummaries>.)

Joint Budget Committee. The bill directs a working group consisting of representatives from the state department of human services, county commissioners, county departments of human or social services, child welfare service providers, and the joint budget committee (working group) to convene on or before August 1, 2016, for the purpose of reviewing current child welfare funding. The working group shall complete the process on or before December 15, 2016, and provide the joint budget committee and the child welfare allocations committee with

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its findings and any recommendations for restructuring child welfare funding. The working group may also develop an evaluation process for child welfare funding.

The bill also directs the child welfare allocations committee to consider developing a revised allocations model on or before June 15, 2017, based on the working group's recommendations.

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

2 **SECTION 1.** In Colorado Revised Statutes, 26-5-103.5, **add** (6)
3 as follows:

4 **26-5-103.5. Child welfare allocations committee - organization**
5 **- advisory duties - allocations model.** (6) ON OR BEFORE JUNE 15, 2017,
6 THE CHILD WELFARE ALLOCATIONS COMMITTEE SHALL CONSIDER
7 DEVELOPING AN ALLOCATIONS MODEL BASED ON THE RECOMMENDATIONS
8 DEVELOPED PURSUANT TO SECTION 26-5-104 (9). NONE OF THE
9 PROVISIONS OF HOUSE BILL 16-___ SUPERSEDE OR INFRINGE ON THE
10 STATUTORY AUTHORITY OF THE CHILD WELFARE ALLOCATIONS
11 COMMITTEE.

12 **SECTION 2.** In Colorado Revised Statutes, 26-5-104, **add** (9) as
13 follows:

14 **26-5-104. Funding of child welfare services - rules - funding**
15 **mechanism review.** (9) **Child welfare funding review and**
16 **restructure.** (a) ON OR BEFORE AUGUST 1, 2016, THE STATE
17 DEPARTMENT SHALL CONVENE A WORKING GROUP FOR THE PURPOSE OF
18 REVIEWING CURRENT CHILD WELFARE FUNDING POLICY. THE WORKING
19 GROUP SHALL CONSIDER WHETHER A RESTRUCTURING OF CHILD WELFARE
20 FUNDING POLICY WOULD BE ADVISABLE. ANY SUCH POLICY CHANGES
21 MUST REFLECT FEDERAL AND STATE LAW, AS WELL AS CURRENT CHILD
22 WELFARE PRACTICE. THE WORKING GROUP MUST INCLUDE

1 REPRESENTATIVES FROM THE STATE DEPARTMENT, COUNTY
2 COMMISSIONERS, COUNTY DEPARTMENTS OF HUMAN OR SOCIAL SERVICES,
3 CHILD WELFARE SERVICE PROVIDERS, AND THE JOINT BUDGET COMMITTEE.

4 (b) ON OR BEFORE DECEMBER 15, 2016, THE WORKING GROUP
5 SHALL PROVIDE THE JOINT BUDGET COMMITTEE AND THE CHILD WELFARE
6 ALLOCATIONS COMMITTEE WITH ITS FINDINGS AND ANY
7 RECOMMENDATIONS FOR RESTRUCTURING CHILD WELFARE FUNDING. THE
8 RECOMMENDATIONS MAY INCLUDE STANDARDS FOR A NEW ALLOCATIONS
9 MODEL FOR CHILD WELFARE FUNDING AND AN EVALUATION PROCESS. THE
10 WORKING GROUP IS NOT REQUIRED TO RECOMMEND CHANGES TO THE
11 CURRENT CHILD WELFARE FUNDING STRUCTURE IF IT DETERMINES THAT
12 THE CURRENT STRUCTURE IS THE PREFERABLE OPTION.

13 (c) THE WORKING GROUP SHALL CONSIDER, AT A MINIMUM:

14 (I) FUNDING FOR COUNTY LEVEL STAFF, SERVICES, CHILD
15 WELFARE-RELATED OPERATIONAL EXPENSES, AND ADMINISTRATIVE AND
16 SUPPORT FUNCTIONS;

17 (II) STRATEGIES THAT ENHANCE THE FLEXIBILITY FOR COUNTIES
18 TO USE CHILD WELFARE FUNDING IN ACCORDANCE WITH STATE AND
19 FEDERAL LAWS;

20 (III) STRATEGIES TO IMPROVE JOB ENRICHMENT AND EMPLOYEE
21 RETENTION;

22 (IV) A RATE-SETTING PROCESS FOR PROVIDER COMPENSATION;

23 (V) THE IMPACT OF ANY RECOMMENDATION ON LOCAL SPENDING
24 REQUIREMENTS;

25 (VI) ANY STATUTORY CHANGES NECESSARY TO IMPLEMENT THE
26 RECOMMENDATIONS;

27 (VII) ALLOCATIONS AND RATES THAT SUPPORT CURRENT CHILD

1 WELFARE PRACTICES; AND

2 (VIII) METHODS FOR THE EVALUATION AND REPORTING ON THE
3 ALLOCATION, USE, SUFFICIENCY, AND EFFECTIVENESS OF FUNDING AND
4 SERVICES FUNDED THROUGH LINE ITEMS FROM WHICH ALLOCATIONS ARE
5 MADE TO COUNTIES, INCLUDING AN ANNUAL REPORT, MADE ON OR BEFORE
6 JANUARY 1, 2018, AND EACH JANUARY 1 THEREAFTER, TO THE JOINT
7 BUDGET COMMITTEE, THE PUBLIC HEALTH CARE AND HUMAN SERVICES
8 COMMITTEE OF THE HOUSE OF REPRESENTATIVES, AND THE SENATE
9 HEALTH AND HUMAN SERVICES COMMITTEE, OR ANY SUCCESSOR
10 COMMITTEES.

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

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

DRAFT
4.8.16

DRAFT

LLS NO. 16-1198.01 Brita Darling x2241

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Improve Administration Public Assistance Programs"

A BILL FOR AN ACT

101 CONCERNING IMPROVING THE PROCESS FOR THE ADMINISTRATION OF
102 PUBLIC ASSISTANCE PROGRAMS, AND, IN CONNECTION
103 THEREWITH, MAKING AND REDUCING APPROPRIATIONS.

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://www.leg.state.co.us/billsummaries>.)

Joint Budget Committee. The bill requires the department of human services (department) and county departments of human or social services (county departments) to endeavor to exceed federal performance

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measures for administering the supplemental nutrition assistance program. If the department receives federal performance bonus money as a result of meeting those measures, the department shall pass the bonus money through to the county departments. The department may also award state-funded administration performance bonuses to county departments. If the department receives federal monetary sanctions for failing to meet the federal performance measures, the department shall pass the monetary sanction through to the county departments.

The state department, county departments, and additional parties as identified by the state department and the county departments, shall mutually agree upon a method and formula for distributing state and federal monetary bonuses and federal monetary sanctions to the county departments.

The bill also requires the department to contract with an external vendor to collect and analyze data relating to county departments' costs and performance associated with administering public assistance programs listed in the bill that are administered by the department or the department of health care policy and financing. The bill outlines the areas for data collection and analysis.

Prior to awarding the contract, the department shall consult with an external vendor to work with administrators, fiscal agents, and program shareholders to identify the scope of the data collection and analysis contract.

In collaboration with county departments, the department shall design a continuous quality improvement program and shall provide a description of the program to the joint budget committee.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 26-2-301.5 as
3 follows:

4 **26-2-301.5. Performance standards - incentives - sanctions.**

5 (1) (a) IN IMPLEMENTING THE SUPPLEMENTAL NUTRITION ASSISTANCE
6 PROGRAM, THE STATE DEPARTMENT AND COUNTY DEPARTMENTS SHALL
7 ENDEAVOR TO EXCEED FEDERAL PERFORMANCE MEASURES IN THE
8 FOLLOWING AREAS:

9 (I) APPLICATION PROCESSING TIMELINESS;

10 (II) PAYMENT ERROR RATE; AND

1 (III) CASE AND PROCEDURAL ERROR RATE.

2 (b) IF THE STATE DEPARTMENT RECEIVES FEDERAL PERFORMANCE
3 BONUS MONEY AS A RESULT OF MEETING THE FEDERAL PERFORMANCE
4 MEASURES SET FORTH IN PARAGRAPH (a) OF THIS SUBSECTION (1), THE
5 STATE DEPARTMENT SHALL PASS THE FEDERAL PERFORMANCE BONUS
6 MONEY THROUGH TO THE COUNTY DEPARTMENTS; EXCEPT THAT A COUNTY
7 DEPARTMENT SHALL ONLY RECEIVE THAT PORTION OF FEDERAL
8 PERFORMANCE BONUS MONEY ATTRIBUTABLE TO THE COUNTY
9 DEPARTMENT'S PERFORMANCE.

10 (c) IN ADDITION TO FEDERAL PERFORMANCE BONUS MONEY,
11 SUBJECT TO AVAILABLE APPROPRIATIONS FOR PURPOSES OF THIS
12 PARAGRAPH (c), THE STATE MAY AWARD STATE-FUNDED ADMINISTRATION
13 PERFORMANCE BONUSES TO COUNTY DEPARTMENTS.

14 (d) THE STATE DEPARTMENT, COUNTY DEPARTMENTS, AND ANY
15 ADDITIONAL PARTIES IDENTIFIED BY THE STATE DEPARTMENT AND
16 COUNTY DEPARTMENTS, SHALL MUTUALLY AGREE UPON A METHOD AND
17 FORMULA FOR DISTRIBUTING TO COUNTY DEPARTMENTS ANY FEDERAL
18 PERFORMANCE BONUS MONEY PURSUANT TO PARAGRAPH (b) OF THIS
19 SUBSECTION (1) AND ANY STATE-FUNDED ADMINISTRATION PERFORMANCE
20 BONUSES PURSUANT TO PARAGRAPH (c) OF THIS SUBSECTION (1).
21 PERFORMANCE BONUSES MAY BE USED BY COUNTY DEPARTMENTS FOR THE
22 ADMINISTRATION OF THE SUPPLEMENTAL NUTRITION ASSISTANCE
23 PROGRAM UPON RECEIPT OF FEDERAL APPROVAL OF THE COUNTY
24 DEPARTMENTS' PLANS.

25 (2) (a) THE STATE DEPARTMENT SHALL PASS THROUGH TO THE
26 COUNTY DEPARTMENTS ANY MONETARY SANCTIONS IMPOSED BY THE
27 FEDERAL GOVERNMENT FOR FAILING TO MEET FEDERAL PERFORMANCE

1 MEASURES IN ANY OF THE FOLLOWING AREAS:

2 (I) APPLICATION PROCESSING TIMELINESS;

3 (II) PAYMENT ERROR RATE; AND

4 (III) UNRESOLVED COMPLIANCE ISSUES OVER WHICH THE COUNTY
5 DEPARTMENT HAS CONTROL, AS MUTUALLY DETERMINED BY THE STATE
6 DEPARTMENT AND COUNTY DEPARTMENTS BASED UPON ANALYSIS OF
7 VALIDATED DATA, SPECIFIC TO A COUNTY DEPARTMENT'S
8 RESPONSIBILITIES IN ADMINISTERING THE SUPPLEMENTAL NUTRITION
9 ASSISTANCE PROGRAM, INCLUDING CLAIM DISCREPANCIES.

10 (b) THE STATE DEPARTMENT, COUNTY DEPARTMENTS, AND ANY
11 ADDITIONAL PARTIES IDENTIFIED BY THE STATE DEPARTMENT AND
12 COUNTY DEPARTMENTS, SHALL MUTUALLY AGREE UPON A METHOD AND
13 FORMULA FOR CHARGING TO COUNTY DEPARTMENTS ANY FEDERAL
14 MONETARY SANCTION FOR FAILING TO MEET PERFORMANCE MEASURES
15 PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (2); EXCEPT THAT A
16 COUNTY DEPARTMENT SHALL ONLY BE RESPONSIBLE FOR THAT PORTION
17 OF A FEDERAL MONETARY SANCTION ATTRIBUTABLE TO THE COUNTY
18 DEPARTMENT'S PERFORMANCE RELATING TO ACTIVITIES WITHIN THE
19 COUNTY DEPARTMENT'S CONTROL, AS MUTUALLY DETERMINED BY THE
20 STATE DEPARTMENT AND COUNTY DEPARTMENTS BASED UPON ANALYSIS
21 OF VALIDATED DATA.

22 **SECTION 2.** In Colorado Revised Statutes, **add** 26-1-122.3 as
23 follows:

24 **26-1-122.3. Public assistance programs - county**
25 **administration - data collection and analysis - vendor contract.**

26 (1) (a) THE STATE DEPARTMENT SHALL CONTRACT WITH AN EXTERNAL
27 VENDOR TO COLLECT AND ANALYZE DATA RELATING TO COUNTY

1 DEPARTMENT COSTS AND PERFORMANCE ASSOCIATED WITH
2 ADMINISTERING PUBLIC ASSISTANCE PROGRAMS, INCLUDING:

3 (I) THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM,
4 ESTABLISHED IN PART 3 OF ARTICLE 2 OF THIS TITLE;

5 (II) THE MEDICAL ASSISTANCE PROGRAM, ESTABLISHED IN
6 ARTICLES 4, 5, AND 6 OF TITLE 25.5, C.R.S.;

7 (III) THE CHILDREN'S BASIC HEALTH PLAN, ESTABLISHED IN
8 ARTICLE 8 OF TITLE 25.5, C.R.S.;

9 (IV) THE COLORADO WORKS PROGRAM, ESTABLISHED IN PART 7 OF
10 ARTICLE 2 OF THIS TITLE;

11 (V) THE PROGRAM FOR AID TO THE NEEDY DISABLED, PURSUANT
12 TO ARTICLE 2 OF THIS TITLE;

13 (VI) THE OLD AGE PENSION PROGRAM, PURSUANT TO PART 1 OF
14 ARTICLE 2 OF THIS TITLE; AND

15 (VII) LONG-TERM CARE SERVICES, PURSUANT TO ARTICLE 6 OF
16 TITLE 25.5, C.R.S.

17 (b) THE CONTRACTED VENDOR'S DATA COLLECTION AND DATA
18 ANALYSIS SHALL PROVIDE THE GENERAL ASSEMBLY, EXECUTIVE AGENCIES,
19 COUNTY DEPARTMENTS, AND PUBLIC ASSISTANCE PROGRAM
20 STAKEHOLDERS WITH THE FOLLOWING INFORMATION THAT MAY BE USED
21 TO MAKE TARGETED PROGRAM IMPROVEMENTS:

22 (I) THE STATUS OF EACH COUNTY DEPARTMENT IN MEETING
23 PERFORMANCE MEASURES FOR ADMINISTERING PUBLIC ASSISTANCE
24 PROGRAMS;

25 (II) AN INVENTORY OF RELEVANT COUNTY DEPARTMENT
26 ACTIVITIES, INCLUDING, AMONG OTHERS, APPLICATION INITIATION,
27 INTERACTIVE INTERVIEWS, AND CASE REVIEWS, AND THE PURPOSE OF THE

1 ACTIVITIES, WHICH MAY INCLUDE COMPLIANCE WITH FEDERAL OR STATE
2 LAW;

3 (III) AN ASSESSMENT OF ADMINISTRATIVE WORK NOT YET
4 COMPLETED BY EACH COUNTY DEPARTMENT AND THE CAUSE OF ANY
5 DELAY IN COMPLETING THE WORK;

6 (IV) THE AMOUNT OF TIME SPENT BY EACH COUNTY DEPARTMENT
7 ON EACH ACTIVITY;

8 (V) THE COST INCURRED BY EACH COUNTY, INCLUDING STAFF AND
9 OPERATING COSTS, RELATING TO EACH ACTIVITY AND EACH CLIENT;

10 (VI) ANY VARIANCES AMONG COUNTY DEPARTMENTS WITH
11 RESPECT TO THE COST INCURRED, TIME ASSOCIATED WITH EACH ACTIVITY,
12 AND RETURN ON INVESTMENT, AND THE SOURCE OF THOSE VARIANCES;

13 (VII) THE RELATIONSHIP, IF ANY, BETWEEN THE TIME AND COST
14 ASSOCIATED WITH EACH ACTIVITY AND THE COUNTY DEPARTMENT'S
15 PERFORMANCE WITH RESPECT TO THE PERFORMANCE STANDARDS FOR THE
16 PUBLIC ASSISTANCE PROGRAM;

17 (VIII) THE LEVEL OF TOTAL COUNTY DEPARTMENT FUNDING
18 NEEDED TO MEET THE COUNTY DEPARTMENT'S REQUIRED WORKLOAD
19 RELATING TO THE ADMINISTRATION OF PUBLIC ASSISTANCE PROGRAMS FOR
20 WHICH DATA IS COLLECTED AND ANALYZED PURSUANT TO THIS SECTION.

21 THIS INFORMATION MUST INCLUDE THE TOTAL COUNTY DEPARTMENT
22 FUNDING NEEDED FOR CURRENT BUSINESS PROCESSES AND THE TOTAL
23 COUNTY DEPARTMENT FUNDING NEEDED IF ALL COUNTY DEPARTMENTS
24 IMPLEMENT BEST PRACTICES AND BUSINESS REENGINEERING CONCEPTS
25 ADOPTED BY PEER COUNTIES FOUND TO OPERATE IN THE MOST
26 COST-EFFECTIVE MANNER WHILE MEETING PERFORMANCE MEASURES.

27 (IX) BUSINESS PROCESS IMPROVEMENTS THAT CONTRIBUTE TO A

1 COUNTY DEPARTMENT'S DECREASED TIME OR COSTS ASSOCIATED WITH
2 EACH ACTIVITY AND TO A COUNTY DEPARTMENT'S ABILITY TO MEET OR
3 EXCEED THE PERFORMANCE STANDARDS FOR THE PUBLIC ASSISTANCE
4 PROGRAM, INCLUDING IMPROVEMENTS ASSOCIATED WITH PREVIOUS
5 STATE-FUNDED BUSINESS PROCESS REENGINEERING INITIATIVES; AND

6 (X) OPTIONS FOR A COST ALLOCATION MODEL FOR THE
7 DISTRIBUTION OF STATE FUNDING TO COUNTY DEPARTMENTS FOR
8 ADMINISTERING PUBLIC ASSISTANCE PROGRAMS IDENTIFIED IN PARAGRAPH
9 (a) OF SUBSECTION (1) OF THIS SECTION.

10 (2) IN ORDER TO ENSURE THAT THE DATA COLLECTION AND
11 ANALYSIS CONTRACTED FOR PURSUANT TO SUBSECTION (1) OF THIS
12 SECTION YIELDS INFORMATION THAT IS BENEFICIAL FOR ITS INTENDED
13 USES, PRIOR TO CONTRACTING WITH AN EXTERNAL VENDOR FOR DATA
14 COLLECTION AND ANALYSIS, THE STATE DEPARTMENT SHALL CONTRACT
15 WITH AN EXTERNAL CONSULTANT TO WORK WITH PROGRAM
16 ADMINISTRATORS, FISCAL AGENTS, AND PROGRAM STAKEHOLDERS TO
17 IDENTIFY THE SCOPE OF THE DATA COLLECTION AND ANALYSIS TO BE
18 PERFORMED PURSUANT TO THIS SECTION.

19 (3) IN COLLABORATION WITH THE COUNTY DEPARTMENTS, THE
20 STATE DEPARTMENT SHALL DESIGN A CONTINUOUS QUALITY
21 IMPROVEMENT PROGRAM THAT, AT A MINIMUM, SOLICITS FEEDBACK FROM
22 THE EMPLOYEES OF THE COUNTY DEPARTMENTS TO IDENTIFY
23 INCREMENTAL AND BREAKTHROUGH CONTINUOUS IMPROVEMENTS THAT
24 SHOULD BE IMPLEMENTED TO IMPROVE THE PRODUCTS, SERVICES, AND
25 PROCESSES ASSOCIATED WITH THE ADMINISTRATION OF PUBLIC
26 ASSISTANCE PROGRAMS. THE STATE DEPARTMENT SHALL PROVIDE A
27 DESCRIPTION OF THE PROGRAM TO THE JOINT BUDGET COMMITTEE BY

1 FEBRUARY 1, 2017.

2 **SECTION 3. Appropriation - adjustments to 2016 long bill.**

3 (1) To implement this act, the general fund appropriation made in the
4 annual general appropriation act for the 2016-17 state fiscal year to the
5 department of human services for use by the division of child welfare for
6 child welfare services is decreased by \$550,000.

7 (2) For the 2016-17 state fiscal year, \$1,100,000 is appropriated
8 to the department of human services. This appropriation consists of
9 \$550,000 from the general fund and \$550,000 federal funds from the
10 temporary assistance for needy families block grant. To implement this
11 act, the department may use this appropriation as follows:

12 (a) \$450,000 from the general fund for the collection and analysis
13 of data on county costs and county performance associated with the
14 administration of public assistance programs;

15 (b) \$50,000 from the general fund for the development of the
16 scope of the data collection and analysis project funded under paragraph
17 (a) of this subsection (2) prior to commencing the project; and

18 (c) \$50,000 from the general fund for the initial phase of a quality
19 improvement project associated with the county administration of public
20 assistance programs; and

21 (d) \$550,000 from the federal temporary assistance for needy
22 families block grant for use by the division of child welfare for child
23 welfare services.

24 (3) If the state department receives additional federal funds for the
25 implementation of this act, the state department shall expend those federal
26 funds in lieu of general fund money appropriated pursuant to paragraphs
27 (a), (b), and (c) of subsection (2) of this section, and any unspent general

1 fund money shall be transferred to the Colorado long-term works reserve
2 created in section 26-2-721 (1), C.R.S.

3 <*Does committee want a safety clause or a petition clause?*>