

Second Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0822.01 Veronica Parish x2606

HOUSE BILL 26-1260

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HOUSE SPONSORSHIP

Garcia and Willford,

SENATE SPONSORSHIP

Cutter and Bright,

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House Committees  
Health & Human Services

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING PROGRAMS FOR CHILD CARE ASSISTANCE.

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>.)*

Under existing law, the implementation dates for capping family copayments for child care at 7% of family income, for paying child care providers in advance of the provision of services, and for utilizing grants and contracts to improve access to child care for underserved populations is August 1, 2026. The bill extends the implementation dates to August 1, 2028.

The bill clarifies that no more than 5% of money allocated to counties for child care assistance may be used for administrative costs.

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.*

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

2           **SECTION 1.** In Colorado Revised Statutes, 26.5-4-111, **amend**  
3 (4)(b) and (12)(a) as follows:

4           **26.5-4-111. Services - eligibility - assistance provided - waiting**  
5 **lists - rules - exceptions from cooperating with child support**  
6 **establishment.**

7           (4) (b) The executive director by rule shall establish, and at least  
8 every five years review and revise, as appropriate, a copayment schedule  
9 so that the copayment gradually increases as the family income  
10 approaches self-sufficiency income levels, but must be no greater than  
11 seven percent of the family's gross monthly income on or before ~~August~~  
12 ~~1, 2026~~ AUGUST 1, 2028, regardless of the number of children in care, as  
13 determined based on one month of income, unless one month of income  
14 does not provide an accurate indication of anticipated income, in which  
15 case the county may use evidence of up to the most recent twelve months  
16 of income; however, if a federal rule limits copayments to less than seven  
17 percent of the family's gross monthly income, the department shall  
18 immediately comply with the federal limit. This revised copayment  
19 schedule should allow families to retain a portion of their increases in  
20 income.

21           (12) Each county:

22           (a) Upon notification to counties by the department that the  
23 relevant case management systems, including the Colorado child care  
24 automated tracking system, are capable of accommodating this subsection  
25 (12)(a), and pursuant to department rules, on or before ~~August 1, 2026~~  
26 AUGUST 1, 2028, and subject to available federal appropriations, in

1 addition to regular provider reimbursement rates, the county departments  
2 shall pay providers for care in alignment with common practices in the  
3 private market for child care, including paying providers weekly for each  
4 child based on child enrollment in advance of the provision of services.  
5 The department rules governing payment policies must allow daily  
6 reimbursement rates only for drop-in child care, back-up child care, and  
7 care that is commonly paid on a daily reimbursement basis in the private  
8 child care market and must incentivize providers to promote regular  
9 program attendance. On or before ~~August 1, 2026~~ AUGUST 1, 2028, and  
10 subject to available federal appropriations, the department and county  
11 departments shall utilize grants and contracts for underserved  
12 populations, including children in underserved geographic areas, infants  
13 and toddlers, children with disabilities, and families needing  
14 nontraditional-hour care, to improve equitable access for these  
15 populations. The department shall annually evaluate data regarding the  
16 numbers and percentages of underserved populations being served by  
17 CCCAP to determine if equitable access is improved or achieved. The  
18 executive director shall ~~promulgate~~ ADOPT rules for the implementation  
19 of this subsection (12).

20 **SECTION 2.** In Colorado Revised Statutes, 26.5-4-110, **amend**  
21 (4) as follows:

22 **26.5-4-110. Funding - allocation - maintenance of effort -**  
23 **allocation committee - rules.**

24 (4) The money in a county block grant allocated to a county  
25 pursuant to this section must only be used for the provision of child care  
26 services pursuant to department rules promulgated pursuant to this part

27 1. A COUNTY SHALL NOT EXPEND MORE THAN FIVE PERCENT OF THE

1 MONEY IN A COUNTY BLOCK GRANT ALLOCATED TO A COUNTY PURSUANT  
2 TO THIS SECTION FOR ADMINISTRATIVE EXPENSES.

3 **SECTION 3. Effective date.** This act takes effect August 1,  
4 2026.

5 **SECTION 4. Safety clause.** The general assembly finds,  
6 determines, and declares that this act is necessary for the immediate  
7 preservation of the public peace, health, or safety or for appropriations for  
8 the support and maintenance of the departments of the state and state  
9 institutions.