



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number: LLS 21-0859 **Date:** April 05, 2021
Prime Sponsors: Sen. Hansen; Rankin **Bill Status:** Senate Appropriations
 Rep. Herod; McCluskie **Fiscal Analyst:** Will Clark | 303-866-4720
 Will.Clark@state.co.us

Bill Topic: MARKET RATE STUDY FOR CHILD CARE ASSISTANCE PROGRAM

Summary of Fiscal Impact:

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

Budget package bill. This bill reduces the frequency of the market rate study of provider rates for the Colorado Child Care Assistance Program. The bill decreases state expenditures in FY 2021-22 and FY 2022-23.

Appropriation Summary: For FY 2021-22, this bill requires a reduction in appropriations of \$55,000 to the Department of Human Services.

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

Table 1
State Fiscal Impacts Under LLS 21-0859

		Budget Year FY 2021-22	Out Year FY 2022-23
Revenue		-	-
Expenditures	General Fund	(\$55,000)	(\$55,000)
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

Under current law, the Department of Human Services (DHS), in consultation with counties, must annually contract for a market rate study of provider rates for the Colorado Child Care Assistance Program. DHS must also provide copies of the study to the Joint Budget Committee by January of each year. This bill changes the requirement so that DHS will contract for the study and provide copies of it to the Joint Budget Committee every three years, to align with federal requirements.

State Expenditures

By changing the contracting and reporting requirement from annual to every three years, the bill decreases expenditures in the DHS by \$55,000 in FY 2021-22 and FY 2022-23. Costs will next be incurred for the study in FY 2023-24.

Local Government

The bill reduces workload for counties to the extent that they will consult with DHS for the market rate study of provider rates for the Colorado Child Care Assistance Program every three years instead of annually.

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 and includes a reduction of \$55,000 in General Fund to the Department of Human Services.

State and Local Government Contacts

Counties

Human Services

Information Technology