

**First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

ENGROSSED

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

LLS NO. 25-0605.01 Alana Rosen x2606

SENATE BILL 25-004

SENATE SPONSORSHIP

Winter F. and Marchman,

HOUSE SPONSORSHIP

Willford and Garcia,

Senate Committees

Business, Labor, & Technology

House Committees

A BILL FOR AN ACT

101 **CONCERNING REGULATING FEES LICENSED CHILD CARE PROGRAMS**
102 **MAY CHARGE FAMILIES.**

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 limits the amount a licensed child care center, family child care home, or substitute placement agency (child care center) may charge for a wait list fee or an application fee to \$25.

A child care center shall use a wait list fee or an application fee to cover only the administrative burdens of managing a wait list or processing an application.

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.

SENATE
Amended 2nd Reading
February 19, 2025

A child care center shall credit a deposit fee toward the family's first month of child care if the family secures a position with the child care center.

For transparency and accountability to families, a child care center shall create and publish a policy for establishing fees. Each child care center shall make the information available to families in a clear and understandable format before families apply to and enroll in the child care center. Each child care center shall display the information in a prominent and conspicuous location:

- On the child care center's website, if applicable;
- In the child care center's facility at all times during operational hours; and
- On the child care center's application.

During the department of early childhood's (department) periodic inspections, or if a complaint is filed regarding fees, the department shall review the information in the child care center's policy for establishing fees to confirm the child care center is complying with the law. If the department finds the child care center is not compliant, the child care center has 30 days after the date of inspection to comply. If the child care center does not comply within 30 days after the date of inspection, the department may take further disciplinary action.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 26.5-5-332 as
3 follows:

4 **26.5-5-332. Regulation of child care program fees - complaints**
5 **- enforcement - definitions.** (1) AS USED IN THIS SECTION, UNLESS THE
6 CONTEXT OTHERWISE REQUIRES:

7 (a) "CHILDCARE PROGRAM" MEANS A CHILDCARE CENTER, FAMILY
8 CHILD CARE HOME, OR NEIGHBORHOOD YOUTH ORGANIZATION.

9 (b) "CHILD CARE PROGRAM APPLICATION FEE" OR "APPLICATION
10 FEE" MEANS A SUM OF MONEY, HOWEVER DENOMINATED, THAT IS
11 CHARGED OR ACCEPTED BY A CHILD CARE PROGRAM FROM A PROSPECTIVE
12 FAMILY IN CONNECTION WITH THE PROSPECTIVE FAMILY'S SUBMISSION OF
13 A CHILD CARE PROGRAM APPLICATION.

1 (c) "CHILD CARE PROGRAM DEPOSIT FEE" OR "DEPOSIT FEE" MEANS
2 A SUM OF MONEY, HOWEVER DENOMINATED, THAT IS CHARGED OR
3 ACCEPTED BY A CHILD CARE PROGRAM FROM A FAMILY IN CONNECTION
4 WITH THE FAMILY SECURING A GUARANTEED CHILD CARE POSITION.

5 (d) "CHILD CARE PROGRAM WAIT LIST FEE" OR "WAIT LIST FEE"
6 MEANS A ONE-TIME FEE CHARGED OR ACCEPTED BY A CHILD CARE
7 PROGRAM FROM A PROSPECTIVE FAMILY IN CONNECTION WITH THE
8 PROSPECTIVE FAMILY JOINING A WAIT LIST FOR A POTENTIAL CHILD CARE
9 POSITION THAT IS NOT YET AVAILABLE.

10 (2) (a) IF A PROSPECTIVE FAMILY PAYS A CHILD CARE PROGRAM A
11 CHILD CARE PROGRAM APPLICATION FEE, DEPOSIT FEE, OR WAIT LIST FEE
12 AND IS NOT ENROLLED IN THE CHILD CARE PROGRAM AFTER SIX MONTHS
13 OF PAYING THE FEE, THE FEE IS REFUNDABLE. A CHILD CARE PROGRAM
14 MAY RETAIN A REASONABLE ADMINISTRATIVE FEE, AS DETERMINED BY
15 THE DEPARTMENT, FROM A REFUNDABLE FEE BEFORE ISSUING A REFUND TO
16 THE PROSPECTIVE FAMILY. REFUNDS MAY BE ISSUED ONLY AFTER THE
17 DEDUCTION OF THE REASONABLE ADMINISTRATIVE FEE. THE PROSPECTIVE
18 FAMILY MUST SUBMIT A WRITTEN REQUEST TO THE CHILD CARE PROGRAM
19 TO RECEIVE A REFUND.

20 (b) UPON RECEIVING THE WRITTEN REQUEST FROM THE
21 PROSPECTIVE FAMILY AS DESCRIBED IN SUBSECTION (2)(a) OF THIS
22 SECTION, THE CHILD CARE PROGRAM SHALL REFUND THE FEES TO THE
23 PROSPECTIVE FAMILY AS DESCRIBED IN SUBSECTION (2)(a) OF THIS
24 SECTION AND MAY REMOVE THE PROSPECTIVE FAMILY FROM THE WAIT
25 LIST.

26 (c) PROSPECTIVE FAMILIES WHO ARE OFFERED A CHILD CARE SLOT
27 WITH A CHILD CARE PROGRAM AND WHO REFUSE THE CHILD CARE SLOT

1 SHALL NOT RECEIVE A REFUND AS DESCRIBED IN SUBSECTIONS (2)(a) AND
2 (2)(b) OF THIS SECTION.

3 (3) (a) IF A FAMILY ENROLLS IN A CHILD CARE PROGRAM AND SIGNS
4 A CONTRACT WITH THE CHILD CARE PROGRAM PROVIDER, THE TERMS OF
5 THE CONTRACT, INCLUDING FEES OUTLINED IN THE CONTRACT, ARE NOT
6 SUBJECT TO THIS SECTION.

7 (b) A FEE TO HOLD A CHILD CARE SLOT THAT HAS BEEN OFFERED
8 TO A FAMILY IS NOT SUBJECT TO THIS SECTION.

9 ==
10 (4) A CHILD CARE PROGRAM MAY CHARGE A CHILD CARE PROGRAM
11 DEPOSIT FEE TO A FAMILY TO SECURE A GUARANTEED CHILD CARE
12 POSITION. THE CHILD CARE PROGRAM SHALL CREDIT THE DEPOSIT FEE
13 TOWARD THE FAMILY'S TUITION OF CHILD CARE FOLLOWING THE
14 ACCEPTANCE OF CHILD CARE SERVICES.

15 (5) (a) FOR TRANSPARENCY AND ACCOUNTABILITY TO
16 PROSPECTIVE FAMILIES, A CHILD CARE PROGRAM SHALL PROVIDE A FEE
17 SCHEDULE AND THE PROCESS ON FEE REFUNDS DESCRIBED IN SUBSECTION
18 (2) OF THIS SECTION TO A PROSPECTIVE FAMILY UPON:

- 19 (I) JOINING A WAIT LIST;
- 20 (II) REGISTRATION; AND
- 21 (III) REQUEST OF THE FAMILY.

22 (b) FOR TRANSPARENCY AND ACCOUNTABILITY TO AN ENROLLED
23 FAMILY, A CHILD CARE PROGRAM SHALL PROVIDE A FEE SCHEDULE AND
24 THE PROCESS ON FEE REFUNDS DESCRIBED IN SUBSECTION (2) OF THIS
25 SECTION TO AN ENROLLED FAMILY UPON:

- 26 (I) ENROLLMENT;
- 27 (II) AMENDMENTS TO THE FEE SCHEDULE; AND

1 (III) AMENDMENTS TO THE PROCESS ON FEE REFUNDS.

2 (c) A CHILD CARE PROGRAM MAY PUBLISH THE FEE SCHEDULE
3 DESCRIBED IN SUBSECTIONS (5)(a) AND (5)(b) OF THIS SECTION DIGITALLY
4 ON THE CHILD CARE PROGRAM'S WEBSITE.

5 ==

6 (6) (a) DURING AN INSPECTION CONDUCTED PURSUANT TO SECTION
7 26.5-5-316 (1), OR IF A COMPLAINT REGARDING FEES IS FILED WITH THE
8 DEPARTMENT THROUGH THE COMPLAINT PROCEDURES DESCRIBED IN
9 SECTION 26.5-5-316 (1)(b)(II), THE DEPARTMENT SHALL DETERMINE
10 WHETHER THE CHILD CARE PROGRAM IS COMPLYING WITH THE
11 REQUIREMENTS OF THIS SECTION.

12 (b) IF THE DEPARTMENT FINDS THE CHILD CARE PROGRAM IS NOT
13 COMPLIANT WITH THIS SECTION FOLLOWING THE INSPECTION DESCRIBED
14 IN SUBSECTION (6)(a) OF THIS SECTION, THE CHILD CARE PROGRAM HAS
15 THIRTY DAYS AFTER THE DATE OF INSPECTION TO COMPLY WITH THE
16 REQUIREMENTS OF THIS SECTION.

17 (c) IF THE CHILD CARE PROGRAM DOES NOT COMPLY WITH THE
18 REQUIREMENTS OF THIS SECTION WITHIN THIRTY DAYS AFTER THE DATE OF
19 INSPECTION DESCRIBED IN SUBSECTION (6)(a) OF THIS SECTION, THE
20 DEPARTMENT MAY TAKE FURTHER DISCIPLINARY ACTION PURSUANT TO
21 SECTION 26.5-5-317 (2). THE DEPARTMENT SHALL NOT TAKE DISCIPLINARY
22 ACTION AGAINST A CHILD CARE PROGRAM THAT MAKES A GOOD-FAITH
23 ADMINISTRATIVE ERROR OR IS NOT IN COMPLIANCE FOR THE FIRST TIME.
24 THE DEPARTMENT'S ENFORCEMENT SHALL FOCUS ON DELIBERATE
25 VIOLATIONS OF THIS SECTION.

26 (7) THIS SECTION DOES NOT RESTRICT OR AFFECT THE POWERS,
27 DUTIES, OR FUNCTIONS OF THE DEPARTMENT AS AUTHORIZED PURSUANT

1 TO THIS TITLE 26.5.

2 ==

3 **SECTION 2. Act subject to petition - effective date.** This act
4 takes effect January 1, 2026; except that, if a referendum petition is filed
5 pursuant to section 1 (3) of article V of the state constitution against this
6 act or an item, section, or part of this act within such period, then the act,
7 item, section, or part will not take effect unless approved by the people
8 at the general election to be held in November 2026 and, in such case,
9 will take effect on the date of the official declaration of the vote thereon
10 by the governor.