First Regular Session Seventy-fifth General Assembly STATE OF COLORADO

PREAMENDED

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

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 <u>PROGRAMS</u>

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 <u>http://leg.colorado.gov.</u>)

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. 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 <u>program</u> fees - complaints
5	- enforcement - definitions. (1) As used in this section, unless the
6	CONTEXT OTHERWISE REQUIRES:
7	(a) "CHILD CARE PROGRAM" MEANS A CHILD CARE CENTER, FAMILY
8	CHILD CARE HOME, OR NEIGHBORHOOD YOUTH ORGANIZATION.
9	(b) "CHILD CARE <u>PROGRAM</u> APPLICATION FEE" OR "APPLICATION
10	FEE" MEANS A SUM OF MONEY, HOWEVER DENOMINATED, THAT IS
11	CHARGED OR ACCEPTED BY A CHILD CARE <u>PROGRAM</u> FROM A PROSPECTIVE
12	FAMILY IN CONNECTION WITH THE PROSPECTIVE FAMILY'S SUBMISSION OF
13	A CHILD CARE <u>PROGRAM</u> APPLICATION.

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

5 (d) "CHILD CARE <u>PROGRAM</u> WAIT LIST FEE" OR "WAIT LIST FEE"
6 MEANS A ONE-TIME FEE CHARGED OR ACCEPTED BY A CHILD CARE
7 <u>PROGRAM</u> 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 CHILD CARE PROGRAM ESTABLISHES AN APPLICATION
 11 FEE, DEPOSIT FEE, OR WAIT LIST FEE, THE FEE MUST REFLECT THE
 12 ADMINISTRATIVE COSTS OF MAINTAINING CHILD CARE ADMISSIONS;

13 (b) IF A PROSPECTIVE FAMILY PAYS A CHILD CARE PROGRAM A 14 CHILD CARE PROGRAM APPLICATION FEE, DEPOSIT FEE, OR WAIT LIST FEE 15 AND IS NOT ADMITTED TO THE CHILD CARE PROGRAM WITHIN SIX MONTHS 16 AFTER PAYING THE FEE, THE FEE IS REFUNDABLE. THE PROSPECTIVE 17 FAMILY MUST SUBMIT A WRITTEN REQUEST TO THE CHILD CARE PROGRAM 18 TO RECEIVE A REFUND. 19 UPON RECEIVING THE WRITTEN REQUEST FROM THE (c) 20 PROSPECTIVE FAMILY AS DESCRIBED IN SUBSECTION (2)(a) OF THIS

21 <u>SECTION, THE CHILD CARE PROGRAM SHALL REFUND THE FEES TO THE</u>
 22 <u>PROSPECTIVE FAMILY AND MAY REMOVE THE PROSPECTIVE FAMILY FROM</u>

- 23 <u>THE WAIT LIST.</u>
- 24

25 (3) A CHILD CARE <u>PROGRAM</u> MAY CHARGE A CHILD CARE <u>PROGRAM</u>
26 DEPOSIT FEE TO A FAMILY TO SECURE A GUARANTEED CHILD CARE
27 POSITION. THE CHILD CARE <u>PROGRAM</u> SHALL CREDIT THE DEPOSIT FEE

TOWARD THE FAMILY'S <u>TUITION</u> OF CHILD CARE FOLLOWING THE
 ACCEPTANCE OF CHILD CARE SERVICES.
 (4) (a) FOR TRANSPARENCY AND ACCOUNTABILITY TO

<u>PROSPECTIVE</u> FAMILIES, <u>A CHILD CARE PROGRAM SHALL PROVIDE A FEE</u>
 <u>SCHEDULE AND THE PROCESS ON FEE REFUNDS DESCRIBED IN SUBSECTION</u>

- 6 (2) OF THIS SECTION TO A PROSPECTIVE FAMILY UPON:
- 7 (I) JOINING A WAIT LIST;
- 8 (II) REGISTRATION; AND
- 9 (III) REQUEST OF THE FAMILY.

10 (b) FOR TRANSPARENCY AND ACCOUNTABILITY TO AN ENROLLED
 11 FAMILY, A CHILD CARE PROGRAM SHALL PROVIDE A FEE SCHEDULE AND
 12 THE PROCESS ON FEE REFUNDS DESCRIBED IN SUBSECTION (2) OF THIS
 13 SECTION TO AN ENROLLED FAMILY UPON REQUEST OF THE ENROLLED
 14 FAMILY.

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16 (5) (a) DURING AN INSPECTION CONDUCTED PURSUANT TO SECTION 17 26.5-5-316 (1), OR IF A COMPLAINT REGARDING FEES IS FILED WITH THE 18 DEPARTMENT THROUGH THE COMPLAINT PROCEDURES DESCRIBED IN 19 SECTION 26.5-5-316 (1)(b)(II) OR THE CHILD CARE RESOURCE AND 20 REFERRAL SYSTEM CREATED IN SECTION 26.5-5-324, THE DEPARTMENT 21 SHALL REVIEW THE INFORMATION DESCRIBED IN SUBSECTION (5)(a) OF 22 THIS SECTION TO DETERMINE WHETHER THE CHILD CARE PROGRAM IS 23 COMPLYING WITH THE REQUIREMENTS OF THIS SECTION.

(b) IF THE DEPARTMENT FINDS THE CHILD CARE <u>PROGRAM</u> IS NOT
COMPLIANT WITH THIS SECTION FOLLOWING THE INSPECTION DESCRIBED
IN SUBSECTION (6)(a) OF THIS SECTION, THE CHILD CARE <u>PROGRAM</u> HAS
THIRTY DAYS AFTER THE DATE OF INSPECTION TO COMPLY WITH THE

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1 REQUIREMENTS OF THIS SECTION.

(c) IF THE CHILD CARE <u>PROGRAM</u> DOES NOT COMPLY WITH THE
REQUIREMENTS OF THIS SECTION WITHIN THIRTY DAYS AFTER THE DATE OF
INSPECTION DESCRIBED IN SUBSECTION (6)(a) OF THIS SECTION, THE
DEPARTMENT MAY TAKE FURTHER DISCIPLINARY ACTION PURSUANT TO
SECTION 26.5-5-317 (2).

7 (6) (a) THIS SECTION DOES NOT APPLY TO THE UNIVERSAL
8 PRESCHOOL PROGRAM ESTABLISHED IN PART 2 OF ARTICLE 4 OF THIS TITLE
9 26.5; THE COLORADO CHILD CARE ASSISTANCE PROGRAM CREATED IN
10 PART 1 OF ARTICLE 4 OF THIS TITLE 26.5; OR A HEAD START PROGRAM, AS
11 DEFINED IN SECTION 26.5-4-103.

12 (b) A CHILD CARE <u>PROGRAM</u> SHALL REIMBURSE A FAMILY FOR A 13 WAIT LIST FEE OR AN APPLICATION FEE IF IT IS LATER DETERMINED THAT 14 THE FAMILY QUALIFIED FOR THE COLORADO CHILD CARE ASSISTANCE 15 PROGRAM WHEN THE FAMILY PAID THE WAIT LIST FEE OR APPLICATION FEE. 16 **SECTION 2.** Act subject to petition - effective date. This act 17 takes effect January 1, 2026; except that, if a referendum petition is filed 18 pursuant to section 1 (3) of article V of the state constitution against this 19 act or an item, section, or part of this act within such period, then the act, 20 item, section, or part will not take effect unless approved by the people 21 at the general election to be held in November 2026 and, in such case, 22 will take effect on the date of the official declaration of the vote thereon 23 by the governor.

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