

## CHAPTER 266

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**HUMAN SERVICES - SOCIAL SERVICES**

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**HOUSE BILL 04-1414**

BY REPRESENTATIVE(S) Witwer, Plant, Young, and Cadman;  
also SENATOR(S) Reeves, Owen, and Teck.

**AN ACT**

**CONCERNING THE DISTRIBUTION OF THE EXCESS OF THE AMOUNT SET ASIDE FROM FEDERAL REVENUES EARNED BY THE STATE PURSUANT TO TITLE IV-E OF THE FEDERAL "SOCIAL SECURITY ACT", AS AMENDED, AND MAKING AN APPROPRIATION THEREFOR.**

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

**SECTION 1.** 26-1-111 (2) (d), Colorado Revised Statutes, is amended to read:

**26-1-111. Activities of the state department under the supervision of the executive director - study - cash fund.** (2) The state department, under the supervision of the executive director, shall:

(d) (I) Provide services to county governments including the organization and supervision of county departments for the effective administration of public assistance and welfare functions as set out in the rules of the executive director and the rules of the state board pursuant to section 26-1-107 as to program scope and content, including assistance payments, food stamps, and social services, and compilation of statistics and necessary information relative to assistance payments, food stamps, social services, child welfare services, including out-of-home placement services, rehabilitation, programs for the aging, and veterans' programs throughout the state, and obtaining federal reimbursement moneys available under the Title IV-E program created under the federal "Social Security Act", as amended, based on out-of-home placements and alternative care treatment by county departments of children eligible for Title IV-E federal assistance, which moneys shall be allocated to counties to help defray the costs of performing its functions; except that nothing in this paragraph (d) shall be construed to allow counties to continue to receive an amount equal to the increased funding in the event the said funding is no longer available from the federal government.

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

(II) (A) For the fiscal year beginning July 1, 1991, the state department shall pay to each county an amount equal to all federal ~~earnings paid to~~ REVENUES EARNED BY the state pursuant to Title IV-E of the federal "Social Security Act", as amended, which exceed the amount necessary to fully fund program, training, and administrative costs that are reimbursed under Title IV-E for eligible services for the fiscal year beginning July 1, 1990, plus an amount necessary to fully fund the state foster care review program for the fiscal year beginning July 1, 1991.

(B) For each fiscal year after the fiscal year beginning July 1, 1991, the amount set aside from federal ~~earnings paid to~~ REVENUES EARNED BY the state in accordance with sub-subparagraph (A) of this subparagraph (II) to fully fund Title IV-E eligible services and the costs of the ~~state foster care review program~~ ADMINISTRATIVE REVIEW UNIT shall be adjusted annually by the general assembly to reflect rate changes, workload, federal financial participation, and any other factor determined as necessary to maintain a comparable level of said services and costs as for the respective fiscal years described in sub-subparagraph (A) of this subparagraph (II).

(C) FOR FISCAL YEAR 2003-04 AND EACH FISCAL YEAR THEREAFTER, after the amounts described in sub-subparagraph (A) or (B) of this subparagraph (II) are set aside, the total amount of moneys ~~available for counties pursuant to this subparagraph (H) shall be distributed to each county in proportion to the~~ Title IV-E eligible caseload in the county. ~~The moneys so distributed shall be expended for child welfare services directed toward early intervention, placement prevention, and family preservation~~ REMAINING SHALL BE TRANSMITTED TO THE STATE TREASURER, WHO SHALL CREDIT THE SAME TO THE EXCESS FEDERAL TITLE IV-E REIMBURSEMENTS CASH FUND, WHICH FUND IS HEREBY CREATED AND REFERRED TO IN THIS SUB-SUBPARAGRAPH (C) AS THE "FUND". THE MONEYS IN THE FUND SHALL BE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY TO THE STATE DEPARTMENT FOR ALLOCATION TO COUNTIES TO HELP DEFRAY THE COSTS OF PERFORMING ADMINISTRATIVE FUNCTIONS RELATED TO OBTAINING FEDERAL REIMBURSEMENT MONEYS AVAILABLE UNDER THE TITLE IV-E PROGRAM. IN ADDITION, THE GENERAL ASSEMBLY MAY ANNUALLY APPROPRIATE MONEYS IN THE FUND TO THE STATE DEPARTMENT FOR ALLOCATION TO THE COUNTIES FOR THE PROVISION OF ASSISTANCE, AS DEFINED IN SECTION 26-2-703 (2), CHILD CARE ASSISTANCE, AS DESCRIBED IN SECTION 26-2-805, SOCIAL SERVICES, AS DEFINED IN SECTION 26-2-103 (11), AND CHILD WELFARE SERVICES, AS DEFINED IN SECTION 26-5-101 (3). FOR FISCAL YEAR 2004-05, AND IN SUBSEQUENT YEARS IF SO SPECIFIED BY THE GENERAL ASSEMBLY IN THE ANNUAL APPROPRIATIONS ACT, THE COUNTIES SHALL EXPEND THE MONEYS ALLOCATED BY THE STATE DEPARTMENT FOR THE PROVISION OF ASSISTANCE, CHILD CARE ASSISTANCE, SOCIAL SERVICES, AND CHILD WELFARE SERVICES PURSUANT TO THIS SUB-SUBPARAGRAPH (C) IN A MANNER THAT WILL BE APPLIED TOWARD THE STATE'S MAINTENANCE OF HISTORIC EFFORT AS SPECIFIED IN SECTION 409 (a) (7) OF THE FEDERAL "SOCIAL SECURITY ACT", AS AMENDED. ANY MONEYS IN THE FUND NOT EXPENDED FOR THE PURPOSES SPECIFIED IN THIS SUB-SUBPARAGRAPH (C) MAY BE INVESTED BY THE STATE TREASURER AS PROVIDED BY LAW. ALL INTEREST AND INCOME DERIVED FROM THE INVESTMENT AND DEPOSIT OF MONEYS IN THE FUND SHALL BE CREDITED TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF A FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED OR REVERT TO THE GENERAL FUND OR ANOTHER FUND.

(D) ON OR BEFORE OCTOBER 1, 2004, AND ON OR BEFORE EACH OCTOBER 1 THEREAFTER, THE STATE DEPARTMENT SHALL REPORT THE FOLLOWING TO THE JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY: THE AMOUNT OF FEDERAL REVENUES EARNED BY THE STATE FOR THE PREVIOUS STATE FISCAL YEAR, PURSUANT TO TITLE IV-E OF THE FEDERAL "SOCIAL SECURITY ACT", AS AMENDED; THE AMOUNT OF THIS MONEY THAT WAS EXPENDED FOR THE PREVIOUS STATE FISCAL YEAR, INCLUDING INFORMATION CONCERNING THE PURPOSES OF THE EXPENDITURES; AND THE AMOUNT OF THIS MONEY THAT WAS CREDITED TO THE FUND.

~~(III) (A) Permit any county, at its own expense, to review its child welfare caseload and seek retroactive reimbursement for claims pursuant to federal law. All such claims shall be submitted to the state department by June 30, 2002. Such claims shall be limited to foster care maintenance payments, as that term is defined in 42 U.S.C. sec. 675 (4), as amended. Any such claims made under this section shall be subject to the rules authorized under this paragraph (d).~~

~~(B) Any federal moneys received by the state as a result of a claim described in sub-subparagraph (A) of this subparagraph (II) shall be allocated equally between the county making the retroactive claim and the state department. The amount allocated to the state department shall be distributed in the same manner as that described in sub-subparagraph (C) of subparagraph (II) of this paragraph (d).~~

**SECTION 2. Appropriation - adjustments to the 2004 long bill.** (1) In addition to any other appropriation, there is hereby appropriated, to the department of human services, division of child welfare, to help defray counties' costs of performing administrative functions related to obtaining federal reimbursement moneys available under the Title IV-E program, for the fiscal year beginning July 1, 2004, the sum of one million six hundred thousand dollars (\$1,600,000). Said sum shall be cash funds exempt from the excess federal Title IV-E reimbursements cash fund created in section 26-1-111 (2) (d) (II) (C), Colorado Revised Statutes.

(2) In addition to any other appropriation, there is hereby appropriated, to the department of human services, for allocation to the counties for the provision of assistance, child care assistance, social services, and child welfare services, for the fiscal year beginning July 1, 2004, the sum of two million five hundred thousand dollars (\$2,500,000). Said sum shall be cash funds exempt from the excess federal Title IV-E reimbursements cash fund created in section 26-1-111 (2) (d) (II) (C), Colorado Revised Statutes.

(3) For the implementation of this act, appropriations made in the annual general appropriation act for the fiscal year beginning July 1, 2004, shall be adjusted as follows:

(a) The appropriation to the department of human services, division of child welfare, for distributions to counties pursuant to section 26-1-111 (2) (d), Colorado Revised Statutes, is decreased by four million one hundred thousand dollars (\$4,100,000). Said sum shall be from federal Title IV-E funds.

**SECTION 3. Repeal.** Footnote number 62, as enacted by part VII of section 2 of House Bill 04-1422, enacted at the Second Regular Session of the Sixty-fourth General Assembly, is repealed as follows:

~~62 Department of Human Services, Division of Child Welfare, Distributions to Counties Pursuant to Section 26-1-111 (2) (d), C.R.S. -- In accordance with Section 26-1-111 (2) (d), C.R.S., the Department shall distribute federal Title IV-E funds earned in state fiscal year 2003-04 in excess of those amounts appropriated for FY 2003-04. This appropriation is intended to represent an estimate of the amount of excess federal Title IV-E funds that will be distributed to counties in state fiscal year 2004-05. If the amount of excess federal Title IV-E funds is greater than the amount reflected in this appropriation, the Department is authorized to disburse an amount in excess of this appropriation to comply with section 26-1-111 (2) (d), C.R.S.~~

**SECTION 4. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 21, 2004