COLORADO

TANF

Bills/Laws
[Senate Bill 06-134]

Senate Bill 06-134, Rerevised

Senate Bill 06-134, Revised

Senate Bill 06-134, Reengrossed

Senate Bill 06-134, Engrossed

Senate Bill 06-134, Introduced

Official Analysis
State and Local Fiscal Impact, SB06-134

Summarized History for Bill Number
SB06-134

Advocacy
SB 134 Issue Brief,
Lutheran Advocacy Ministry,

SB 134 Issue Brief,
AFDC

Witness testimony in support of SB 134,
AFDC

SB 134, talking points
AFDC

Testimony to the Senate Health and
Human Services Committee,
Rich Jones, The Bell Policy Center

Media
The Opportunity News,
The Bell Policy Center

Legislature rates a positive score at close of 2006,
Bell Policy Center press release

Second Regular Session
Sixty-fifth General Assembly
STATE OF COLORADO

REREVISED

This Version Includes All Amendments Adopted in the Second House

LLS NO. 06-0662.01 Michele Hanigsberg **SENATE BILL 06-134**

SENATE SPONSORSHIP

Sandoval,

HOUSE SPONSORSHIP

Boyd,

Senate Committees
Health and Human Services

House Committees
Health and Human Services

A BILL FOR AN ACT

CONCERNING RESOURCE LIMITATIONS AS A CONDITION OF ELIGIBILITY FOR THE COLORADO WORKS PROGRAM.

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Eliminates the resource and asset limitations as a condition of eligibility for the Colorado works program.

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

SECTION 1. 26-2-706 (2) (a) and (2) (b), Colorado Revised

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
Amended 3rd Reading
March 16, 2006

HOUSE
Amended 2nd Reading
March 15, 2006

SENATE
3rd Reading Unamended
February 21, 2006

SENATE
2nd Reading Unamended
February 20, 2006

Statutes, are amended, and the said 26-2-706 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

26-2-706. Target populations. (2) The state board shall promulgate rules to identify with specificity who may be a participant in the works program ~~the resource limits for participation in the works program,~~ and the income requirements for participation in the works program. The rules shall:

(a) Allow an applicant or a participant to own ~~a~~ ONE motor vehicle and AN ADDITIONAL MOTOR VEHICLE FOR EACH EMPLOYED MEMBER OF THE ASSISTANCE UNIT AND ALLOW AN APPLICANT OR A PARTICIPANT TO OWN a homestead property;

(b) Exempt a maximum resource level for an applicant ~~that shall be not less than one thousand dollars per family nor greater than two thousand dollars per family or the resource level for the food stamp program, whichever is greater~~ OF FIFTEEN THOUSAND DOLLARS. CONSISTENT WITH THE PROVISIONS OF SUBSECTION (6) OF THIS SECTION, the state board shall promulgate rules to specify which resources are countable resources, ~~and which~~ TO SPECIFY ADDITIONAL resources THAT are excluded as exempt resources for purposes of determining the maximum resource level for an applicant, AND TO FURTHER DEFINE THE RESOURCES AND ASSETS SPECIFIED IN SUBSECTION (6) OF THIS SECTION.

(6) THE FOLLOWING RESOURCES AND ASSETS DESIGNATED TO PROMOTE SELF-SUFFICIENCY SHALL BE EXEMPT FROM THE FIFTEEN THOUSAND DOLLAR RESOURCE LIMITATION SPECIFIED IN PARAGRAPH (b) OF SUBSECTION (2) OF THIS SECTION:

(a) RETIREMENT SAVINGS ACCOUNTS;

(b) HEALTH CARE SAVINGS ACCOUNTS;

(c) INDIVIDUAL DEVELOPMENT ACCOUNTS;

(d) EDUCATION SAVINGS ACCOUNTS, SCHOLARSHIPS, AND EDUCATIONAL STIPENDS;

(e) EARNED INCOME TAX CREDIT REFUNDS RECEIVED BY THE ASSISTANCE UNIT;

(f) ANY REAL ESTATE ASSET THAT DOES NOT PRODUCE OR PROVIDE INCOME FOR THE PARTICIPANT AND IS NOT A SECONDARY RESIDENCE OF THE PARTICIPANT;

(g) BURIAL PLOTS AND BURIAL INSURANCE PLANS;

(h) LIFE OR DISABILITY INSURANCE POLICIES THAT MAY HAVE A CASH VALUE; AND

(i) ANY ADDITIONAL RESOURCE OR ASSET THAT THE STATE BOARD EXEMPTS BY RULE.

SECTION 2. Repeal. 26-2-709 (1) (b), Colorado Revised Statutes, is repealed as follows:

26-2-709. Benefits - cash assistance - programs. (1) **Basic assistance grant.** (b) ~~The state board shall promulgate rules to increase asset limitations for participants so that participants are encouraged to accumulate personal savings.~~

SECTION 3. Effective date - applicability. This act shall take effect upon passage and shall apply to eligibility determinations made for the Colorado works program, part 7 of article 2 of title 26, Colorado Revised Statutes, on or after October 15, 2006.

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.

Second Regular Session
Sixty-fifth General Assembly
STATE OF COLORADO

REVISED

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

LLS NO. 06-0662.01 Michele Hanigsberg **SENATE BILL 06-134**

SENATE SPONSORSHIP

Sandoval,

HOUSE SPONSORSHIP

Boyd,

Senate Committees
Health and Human Services

House Committees
Health and Human Services

A BILL FOR AN ACT

CONCERNING RESOURCE LIMITATIONS AS A CONDITION OF ELIGIBILITY FOR THE COLORADO WORKS PROGRAM.

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Eliminates the resource and asset limitations as a condition of eligibility for the Colorado works program.

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

SECTION 1. 26-2-706 (2) (a) and (2) (b), Colorado Revised

HOUSE
Amended 2nd Reading
March 15, 2006

SENATE
3rd Reading Unamended
February 21, 2006

SENATE
2nd Reading Unamended
February 20, 2006

Statutes, are amended, and the said 26-2-706 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

26-2-706. Target populations. (2) The state board shall promulgate rules to identify with specificity who may be a participant in the works program ~~the resource limits for participation in the works program,~~ and the income requirements for participation in the works program. The rules shall:

(a) Allow an applicant or a participant to own ~~a~~ ONE motor vehicle and AN ADDITIONAL MOTOR VEHICLE FOR EACH EMPLOYED MEMBER OF THE ASSISTANCE UNIT AND ALLOW AN APPLICANT OR A PARTICIPANT TO OWN a homestead property;

(b) Exempt a maximum resource level for an applicant ~~that shall be not less than one thousand dollars per family nor greater than two thousand dollars per family or the resource level for the food stamp program, whichever is greater~~ OF FIFTEEN THOUSAND DOLLARS. CONSISTENT WITH THE PROVISIONS OF SUBSECTION (6) OF THIS SECTION, the state board shall promulgate rules to specify which resources are countable resources, ~~and which~~ TO SPECIFY ADDITIONAL resources THAT are excluded as exempt resources for purposes of determining the maximum resource level for an applicant, AND TO FURTHER DEFINE THE RESOURCES AND ASSETS SPECIFIED IN SUBSECTION (6) OF THIS SECTION.

(6) THE FOLLOWING RESOURCES AND ASSETS DESIGNATED TO PROMOTE SELF-SUFFICIENCY SHALL BE EXEMPT FROM THE FIFTEEN THOUSAND DOLLAR RESOURCE LIMITATION SPECIFIED IN PARAGRAPH (b) OF SUBSECTION (2) OF THIS SECTION:

(a) RETIREMENT SAVINGS ACCOUNTS;

(b) HEALTH CARE SAVINGS ACCOUNTS;

(c) INDIVIDUAL DEVELOPMENT ACCOUNTS;

(d) EDUCATION SAVINGS ACCOUNTS, SCHOLARSHIPS, AND EDUCATIONAL STIPENDS;

(e) EARNED INCOME TAX CREDIT REFUNDS RECEIVED BY THE ASSISTANCE UNIT;

(f) ANY REAL ESTATE ASSET THAT DOES NOT PRODUCE OR PROVIDE INCOME FOR THE PARTICIPANT AND IS NOT A PRIMARY OR SECONDARY RESIDENCE OF THE PARTICIPANT;

(g) BURIAL PLOTS AND INSURANCE PLANS;

(h) LIFE OR DISABILITY INSURANCE POLICIES THAT MAY HAVE A CASH VALUE; AND

(i) ANY ADDITIONAL RESOURCE OR ASSET THAT THE STATE BOARD EXEMPTS BY RULE.

SECTION 2. Repeal. 26-2-709 (1) (b), Colorado Revised Statutes, is repealed as follows:

26-2-709. Benefits - cash assistance - programs. (1) **Basic assistance grant.** (b) ~~The state board shall promulgate rules to increase asset limitations for participants so that participants are encouraged to accumulate personal savings.~~

SECTION 3. Effective date - applicability. This act shall take effect upon passage and shall apply to eligibility determinations made for the Colorado works program, part 7 of article 2 of title 26, Colorado Revised Statutes, on or after October 15, 2006.

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.

Second Regular Session
Sixty-fifth General Assembly
STATE OF COLORADO

REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction

LLS NO. 06-0662.01 Michele Hanigsberg **SENATE BILL 06-134**

SENATE SPONSORSHIP

Sandoval,

HOUSE SPONSORSHIP

Boyd,

Senate Committees
Health and Human Services

House Committees

A BILL FOR AN ACT

CONCERNING THE ELIMINATION OF RESOURCE LIMITATIONS AS A CONDITION OF ELIGIBILITY FOR THE COLORADO WORKS PROGRAM.

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Eliminates the resource and asset limitations as a condition of eligibility for the Colorado works program.

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

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
3rd Reading Unamended
February 21, 2006

SENATE
2nd Reading Unamended
February 20, 2006

SECTION 1. Legislative declaration. (1) The general assembly hereby finds and declares that the time has come to eliminate the asset test for Colorado works participants for the following reasons:

(a) Colorado has eliminated the asset tests for the Low Income Energy Assistance Program and for families and children in the state's medicaid program.

(b) Colorado Works participants are the least likely people to have assets.

(c) It will reduce administrative time and costs.

(d) It will encourage savings and allow the growth of a personal safety net as a bridge to self-sufficiency.

(e) It allows people to begin to build assets and prevent a return to Colorado Works.

(f) It allows people to build assets toward retirement, lessening their dependence on the government as they age.

SECTION 2. 26-2-706 (2), Colorado Revised Statutes, is amended, and the said 26-2-706 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

26-2-706. Target populations. (2) The state board shall promulgate rules to identify with specificity who may be a participant in the works program ~~the resource limits for participation in the works program,~~ and the income requirements for participation in the works program. The rules shall:

(a) ~~Allow an applicant or a participant to own a motor vehicle and a homestead property;~~

(b) ~~Exempt a maximum resource level for an applicant that shall be not less than one thousand dollars per family nor greater than two~~

~~thousand dollars per family or the resource level for the food stamp program, whichever is greater. The state board shall promulgate rules to specify which resources are countable resources and which resources are excluded as exempt resources for purposes of determining the maximum resource level for an applicant.~~

(c) Provide that a parent who has not yet attained the age of eighteen years, who is not married, and who does not reside with his or her parent or another adult relative in an adult-supervised home, or in any other arrangement approved by the county department, shall not receive services or benefits provided through federal funds under the works program.

(6) RESOURCE AND ASSET LIMITATIONS SHALL NOT BE APPLIED AS A CONDITION OF ELIGIBILITY FOR THE COLORADO WORKS PROGRAM.

SECTION 3. Repeal. 26-2-709 (1) (b), Colorado Revised Statutes, is repealed as follows:

26-2-709. Benefits - cash assistance - programs. (1) **Basic assistance grant.** (b) ~~The state board shall promulgate rules to increase asset limitations for participants so that participants are encouraged to accumulate personal savings.~~

SECTION 4. Effective date - applicability. This act shall take effect upon passage and shall apply to eligibility determinations made for the Colorado works program, part 7 of article 2 of title 26, Colorado Revised Statutes, on or after October 15, 2006.

SECTION 5. 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.

Second Regular Session
Sixty-fifth General Assembly
STATE OF COLORADO

ENGROSSED

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

LLS NO. 06-0662.01 Michele Hanigsberg **SENATE BILL 06-134**

SENATE SPONSORSHIP

Sandoval,

HOUSE SPONSORSHIP

Boyd,

Senate Committees	**House Committees**
Health and Human Services	

A BILL FOR AN ACT

CONCERNING THE ELIMINATION OF RESOURCE LIMITATIONS AS A CONDITION OF ELIGIBILITY FOR THE COLORADO WORKS PROGRAM.

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Eliminates the resource and asset limitations as a condition of eligibility for the Colorado works program.

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

SENATE
2nd Reading Unamended
February 20, 2006

SECTION 1. Legislative declaration. (1) The general assembly hereby finds and declares that the time has come to eliminate the asset test for Colorado works participants for the following reasons:

(a) Colorado has eliminated the asset tests for the Low Income Energy Assistance Program and for families and children in the state's medicaid program.

(b) Colorado Works participants are the least likely people to have assets.

(c) It will reduce administrative time and costs.

(d) It will encourage savings and allow the growth of a personal safety net as a bridge to self-sufficiency.

(e) It allows people to begin to build assets and prevent a return to Colorado Works.

(f) It allows people to build assets toward retirement, lessening their dependence on the government as they age.

SECTION 2. 26-2-706 (2), Colorado Revised Statutes, is amended, and the said 26-2-706 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

26-2-706. Target populations. (2) The state board shall promulgate rules to identify with specificity who may be a participant in the works program ~~the resource limits for participation in the works program,~~ and the income requirements for participation in the works program. The rules shall:

(a) ~~Allow an applicant or a participant to own a motor vehicle and a homestead property;~~

(b) ~~Exempt a maximum resource level for an applicant that shall be not less than one thousand dollars per family nor greater than two~~

~~thousand dollars per family or the resource level for the food stamp program, whichever is greater. The state board shall promulgate rules to specify which resources are countable resources and which resources are excluded as exempt resources for purposes of determining the maximum resource level for an applicant.~~

(c) Provide that a parent who has not yet attained the age of eighteen years, who is not married, and who does not reside with his or her parent or another adult relative in an adult-supervised home, or in any other arrangement approved by the county department, shall not receive services or benefits provided through federal funds under the works program.

(6) RESOURCE AND ASSET LIMITATIONS SHALL NOT BE APPLIED AS A CONDITION OF ELIGIBILITY FOR THE COLORADO WORKS PROGRAM.

SECTION 3. Repeal. 26-2-709 (1) (b), Colorado Revised Statutes, is repealed as follows:

26-2-709. Benefits - cash assistance - programs. (1) **Basic assistance grant.** (b) ~~The state board shall promulgate rules to increase asset limitations for participants so that participants are encouraged to accumulate personal savings.~~

SECTION 4. Effective date - applicability. This act shall take effect upon passage and shall apply to eligibility determinations made for the Colorado works program, part 7 of article 2 of title 26, Colorado Revised Statutes, on or after October 15, 2006.

SECTION 5. 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.

Second Regular Session
Sixty-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 06-0662.01 Michele Hanigsberg **SENATE BILL 06-134**

SENATE SPONSORSHIP

Sandoval,

HOUSE SPONSORSHIP

Boyd,

Senate Committees
Health and Human Services

House Committees

A BILL FOR AN ACT

CONCERNING THE ELIMINATION OF RESOURCE LIMITATIONS AS A CONDITION OF ELIGIBILITY FOR THE COLORADO WORKS PROGRAM.

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Eliminates the resource and asset limitations as a condition of eligibility for the Colorado works program.

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

SECTION 1. Legislative declaration. (1) The general assembly hereby finds and declares that the time has come to eliminate the asset test for Colorado works participants for the following reasons:

(a) Colorado has eliminated the asset tests for the Low Income Energy Assistance Program and for families and children in the state's medicaid program.

(b) Colorado Works participants are the least likely people to have assets.

(c) It will reduce administrative time and costs.

(d) It will encourage savings and allow the growth of a personal safety net as a bridge to self-sufficiency.

(e) It allows people to begin to build assets and prevent a return to Colorado Works.

(f) It allows people to build assets toward retirement, lessening their dependence on the government as they age.

SECTION 2. 26-2-706 (2), Colorado Revised Statutes, is amended, and the said 26-2-706 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

26-2-706. Target populations. (2) The state board shall promulgate rules to identify with specificity who may be a participant in the works program ~~the resource limits for participation in the works program,~~ and the income requirements for participation in the works program. The rules shall:

(a) ~~Allow an applicant or a participant to own a motor vehicle and a homestead property;~~

(b) ~~Exempt a maximum resource level for an applicant that shall be not less than one thousand dollars per family nor greater than two~~

~~thousand dollars per family or the resource level for the food stamp program, whichever is greater. The state board shall promulgate rules to specify which resources are countable resources and which resources are excluded as exempt resources for purposes of determining the maximum resource level for an applicant.~~

(c) Provide that a parent who has not yet attained the age of eighteen years, who is not married, and who does not reside with his or her parent or another adult relative in an adult-supervised home, or in any other arrangement approved by the county department, shall not receive services or benefits provided through federal funds under the works program.

(6) RESOURCE AND ASSET LIMITATIONS SHALL NOT BE APPLIED AS A CONDITION OF ELIGIBILITY FOR THE COLORADO WORKS PROGRAM.

SECTION 3. Repeal. 26-2-709 (1) (b), Colorado Revised Statutes, is repealed as follows:

26-2-709. Benefits - cash assistance - programs. (1) **Basic assistance grant.** (b) ~~The state board shall promulgate rules to increase asset limitations for participants so that participants are encouraged to accumulate personal savings.~~

SECTION 4. Effective date - applicability. This act shall take effect upon passage and shall apply to eligibility determinations made for the Colorado works program, part 7 of article 2 of title 26, Colorado Revised Statutes, on or after October 15, 2006.

SECTION 5. 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.

SB06-134

Colorado Legislative Council Staff

STATE and LOCAL FISCAL IMPACT

Drafting Number:	LLS 06-0662	**Date:**	February 4, 2006
Prime Sponsor(s):	Sen. Sandoval Rep. Boyd	**Bill Status:**	Senate Health and Human Services
		Fiscal Analyst:	Janis Baron (303-866-3523)

TITLE: CONCERNING THE ELIMINATION OF RESOURCE LIMITATIONS AS A CONDITION OF ELIGIBILITY FOR THE COLORADO WORKS PROGRAM.

Fiscal Impact Summary	FY 2006/07	FY 2007/08
State Revenues		
State Expenditures		
General Fund	$1,017	
Cash Funds — Several Sources	246	
Cash Funds Exempt — Transfer	1,042	
Federal Funds — Several Sources	1,739	
FTE Position Change	0.0 FTE	0.0 FTE

Effective Date: Upon signature of the Governor — applies to eligibility determinations made for the Colorado Works Program on or after October 15, 2006.

Appropriation Summary for FY 2006/07:

Department of Human Services	$ 3,001 Total
Department of Health Care Policy and Financing	$ 1,042 "

See State Appropriations section of fiscal note for funding splits to cover costs for the Colorado Benefits Management System (CBMS).

Local Government Impact: See Local Government Impact section of fiscal note.

Summary of Legislation

The bill eliminates the asset test as a condition for eligibility for the Colorado Works Program.

State Expenditures

CBMS. The bill's expenditure impact is estimated at $3,001 in FY 2006-07 only. Costs will be incurred to modify the state's CBMS. In total, 60 hours of state time is required to both modify decision tables in the system and to modify testing procedures associated with the decision tables (60 hrs. * $50/hr. = $3,000). Costs to finance the CBMS occur in both the Department of Human Services and the Department of Health Care Policy and Financing with multiple funding sources. These funding sources are identified in the State Appropriations section of the fiscal note.

Colorado Works Program. With the elimination of the asset test, it is estimated that the Colorado Works caseload will increase by 15 new cases monthly. Colorado Works recipients remain in the program for about 8 months with an average basic cash assistance payment of $300 per month. Based on the bill's effective date for eligibility changes of October 15, 2006, the cost of the caseload increase is estimated at $198,000 in FY 2006-07. For FY 2007-08 and subsequent fiscal years, the cost is estimated at $432,000 annually. (See Local Government Impact section of fiscal note.)

Food Stamp Program. The Food Stamp Program will experience an increase of 12 new cases monthly with elimination of the asset test to determine eligibility for Colorado Works. Approximately 80% of Colorado Works recipients receive food stamps for about 8 months with an average food stamp benefit payment of $257 per month (100% federally funded benefit). The cost to the Food Stamp Program is estimated at $135,696 in FY 2006-07 and $296,064 in FY 2007-08 and subsequent fiscal years.

Local Government Impact

Federal TANF funds are distributed as a block grant to and administered by the counties, which would be required to absorb the SB 06-134 increased caseload. Although no additional federal funds would be available for this caseload, the impact of $198,000 to County Block Grants funding represents 0.12% of anticipated funding for FY 2006-07: $158,763,682. Similarly, the impact of $432,000 to County Block Grants funding represents 0.27% of anticipated funding for FY 2007-08: $158,763,682.

County workers would be spending about 10-15 additional minutes entering resource data for food stamps on 12 new cases monthly (180 minutes statewide per month).

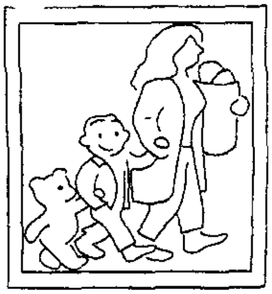
State Appropriations

The fiscal note indicates the following appropriations for FY 2006-07:

Department of Human Services	$ 3,001	Total
General Fund	471	
Cash Funds - Old Age Pension Fund	241	
Cash Funds Exempt - Transfer	1,042	
Federal Funds	1,247	
Department of Health Care Policy and Financing	$ 1,042	Total
General Fund	546	
Cash Funds - Fees	5	
Federal Funds	491	

Departments Contacted

Human Services



All Families Deserve A AFDC Chance Coalition

SB 134- ELIMINATE THE TANF ASSET TEST
Sponsored by Sen. Paula Sandoval & Rep. Betty Boyd

The purpose of an asset test is to target public dollars to those most in need. The unintended consequence of asset tests are increased administrative costs, discouragement of savings, and the depletion of all resources for future needs.

History

The passage of the federal Welfare reform bill in 1996 gave states the power to set their own asset test for TANF. Colorado implemented Colorado Works the following year, set the asset limit at $2000, and exempted the value of one car. Home equity has always been exempted.

In 2001, Colorado eliminated the asset test for Low Income Energy Assistance Program, to achieve administrative savings and to avoid penalizing seniors with modest assets like burial plots and savings.

In 2005, Colorado dropped the asset test for families on Medicaid, utilizing funding from cigarette tax revenue to cover those previously ineligible. This will be implemented on July 1, 2006.

Why now?

1. Defined benefit pension plan equity has always been excluded as an asset. But 401Ks and IRAs are not excluded and must be completely depleted, with a great tax penalty, before qualifying from TANF. More and more employers are changing to such retirement savings plans.
2. More and more employers are turning to high deductible health insurance with Health Savings Accounts, including the State of Colorado. Currently 20% of U.S. employers offer Health Savings Accounts.
3. This year the IRS will promote "refund splitting", encouraging low-income people to send half their refund into a savings account. Doing this could inadvertently make some ineligible for TANF.
4. Many non-profit organizations are encouraging savings by low-income families through a variety of savings vehicles.
5. Two states (Ohio and Virginia) have already dropped the asset test for TANF, with positive results.

Benefits of Elimination

1. Eliminating the TANF asset test can reduce administrative costs. It can also reduce administrative time in an era in which Human Services Departments are understaffed.
2. Eliminating the asset test allows those who can to build and maintain a personal safety net to bridge their way to self-sufficiency, prevent job loss, and a return to TANF or Medicaid. The lifetime maximum for TANF is 5 years.
3. It encourages saving.
4. It allows people to build assets toward retirement, lessening their dependence on government in old age.

Those applying for TANF are the least likely people to have assets—very low income, generally single, parents. The TANF program is unlikely to be abused as it requires 32 hours work per week to receive modest benefits – e.g. $356 per month for a family of three. To maintain an asset test for those least likely to have assets is a waste of resources, and prevents those most in need from using new savings vehicles without great penalty.

Contact Person: Jennifer Miles, 303-839-1613 or jennifermiles@viawest
Prepared for the AFDC Coalition by Chaer Robert

Witness testimony

LM from 9to5, NAWW, one of the member organizations of the AFDC Coalition. I'd like to share with you the stories of three Colorado women who've been negatively affected by the TANF asset test.

A Jefferson County participant in the STRIDE self-sufficiency program who got half of her husband's 401k of $5,000 in the divorce final settlement. That $2,500 was enough to get her kicked off of TANF.

A Denver woman who left an abusive spouse and applied for TANF to be able to care for her 2 kids and make a new start. When her divorce was finalized, she received a portion of her former husband's 401k (<$4,000), which she was going to use to get her car running so she could get and keep a job. Instead, she was kicked off TANF and had to pay a penalty to use the 401k money to pay bills.

Stephanie needed help from TANF but had to spend all of her small savings account to be eligible for assistance. While on TANF, she has been discouraged from saving her income tax refund because it could make her ineligible for TANF. She says, "I have still been able to put away $5 each month toward savings, even though I usually end up using it for gas every few months. Even though I am not fortunate enough to have held onto my savings, it is important to know that the option is available to save and work towards self-sufficiency and creating a small safety net of my own."

We ask you to please pass SB 134.

SB06-134, ELIMINATE THE TANF ASSET TEST
Sponsored by Sen. Paula Sandoval, Rep. Betty Boyd

If your Representative is a member of the House Health and Human Services Committee, call TODAY and urge her/him to support SB 134!

Background:
The All Families Deserve a Chance (AFDC) Coalition and 32 other organizations are supporting SB 134, Elimination of the TANF Asset Test, sponsored by Senator Paula Sandoval (NW Denver) and Representative Betty Boyd (Lakewood).

Currently, Coloradans cannot have assets worth $2,000 or more to be eligible for TANF. Very few assets are excluded from this calculation.

At the same time, more and more employers are utilizing 401(k)s, IRAs, Health Savings Accounts and similar plans instead of defined benefit plans. These accounts count against a family's asset limits. So do small assets that might be the result of a divorce settlement or inheritance.

Eliminating the TANF asset test could: allow those low-income families who can to build and maintain a personal safety net to bridge their way to self-sufficiency; allow families to have a small emergency fund to prevent a return to TANF or Medicaid; encourage savings among low-income families; treat different retirement and health care savings plans equally under TANF.

SB 134 passed the Senate. **SB 134 is scheduled for the House Health and Human Services Committee on**

Take Action:
If your Representative is a member of the House Health and Human Services Committee, call TODAY and urge her/him to support SB 134! To find out if your Representative is on the Committee, reply to this email with your complete home mailing address (no post office boxes).

House Health and Human Services Committee:
Rep. Betty Boyd (Chair, SB 134 sponsor) 303-866-2923 (Cap), 303-986-4194 (h) betty.boyd.house@state.co.us
Frangas, K. Jerry (Vice) capitol: 303-866-2954 home: 303-455-1711 kjerry.frangas.house@state.co.us
Berens, Bill capitol: 303-866-4667 home: 303-469-0915 bill.berens.house@state.co.us
Clapp, Lauri capitol: 303-866-5510 lauri.clapp.house@state.co.us
Cloer, Mark capitol: 303-866-3069 home: 719-393-9371 mark.cloer.house@state.co.us
Green, Gwyn capitol: 303-866-2951 home: 303-489-8907 gwyn.green.house@state.co.us
Lundberg, Kevin capitol: 303-866-2907 home: 970-532-3070 kevin.lundberg.house@state.co.us
McGihon, Anne capitol: 303-866-2921 home: 303-733-2812 anne.mcgihon.house@state.co.us
Riesberg, Jim capitol: 303-866-2929 home: 970-351-6619 jim.riesberg.house@state.co.us

Soper, John capitol: 303-866-2939 home: 303-428-8281 john.soper.house@state.co.us
Stafford, Debbie capitol: 303-866-2944 home: 303-680-1680
debbie.Stafford.house@state.co.us
Sullivan, James capitol: 303-866-2948 home: 303-681-2827 jim.Sullivan.house@state.co.us
Weissman, Paul capitol: 303-866-2920 home: 303-673-0191
paul.weissman.house@state.co.us

***If you're calling from outside metro Denver, you can call the House toll-free # to reach your Senator** – 1-.

When you call, be sure to indicate that you are a constituent. Use the talking points below that you are most comfortable with. You don't need to use them all. If you have a personal story of your own or a client's that illustrates the need for SB 134, please share it with your committee member (and email us a summary!). If you're not sure about your story or want some help framing it, please reply to this email.

Talking Points:

1.) SB 134 will modernize Colorado WORKS by treating Health Savings Accounts, 401ks and IRAs the same way that defined benefit retirement and health plans are already treated under the law.
2.) Asset development is a proven key to long-term economic self-sufficiency. SB 134 will encourage savings and asset development among low-income families.
3.) Eliminating the asset test allows those who can to build and maintain a personal safety net to bridge their way to self-sufficiency, and prevent job loss and a return to TANF.
4.) Low-income families shouldn't forfeit prospects for long-term economic security because they need short-term, temporary assistance.
5.) Colorado has already moved in this direction by eliminating the asset test for low-income energy assistance and Medicaid.
6.) Very few TANF families have any assets. It is estimated that at its peak, SB 134 will increase the state TANF caseload by less than 2 cases per county on average.
7.) The financial impact of SB 134 on the counties' TANF block grant funds will be less than one-sixth of 1% in the first year, and less that one-third of 1% in the second year.
8.) Eliminating the TANF asset test has had positive results in other states that have already taken this step.

For More Information:
Contact the All Families Deserve a Chance (AFDC) Coalition by replying to this email or by calling 9to5, National Association of Working Women – Colorado Chapter at (303) 628-0925, 1-800-522-0925 outside metro Denver.

Thanks for your support!

02-27-06

The Bell Policy Center
Research • Advocacy • Opportunity

1801 Broadway, Suite 280
Denver, Colo. 80202
(303) 297-0456 metro Denver
(866) 283-8051 statewide
(303) 297-0460 fax

www.thebell.org

Eliminate Asset Test in Colorado Works Program

Rich Jones, Directory of Policy and Research, The Bell Policy Center

Testimony to the

Senate Health and Human Services Committee

February 10, 2006

My name is Rich Jones and I am the Director of Policy and Research for the Bell Policy Center. The Bell is a non-partisan, public policy organization committed to making Colorado a state of opportunity for all regardless of race or economic background. The Bell seeks to reinvigorate the debate on issues affecting the well-being of families and working adults.

The Bell Policy Center supports Senate Bill 06-134 to eliminate the asset test for the Colorado Works program.

1. Attached is an Opportunity Note the Bell Policy Center prepared on this bill. Modeled after the fiscal notes prepared by the Legislative Council Staff, these notes briefly describe the legislation, summarize research findings on the issues addressed and the Bell's assessment of whether the bill promotes or impedes opportunity.

The Bell finds that Senate Bill 06-134 promotes opportunity by allowing TANF recipients to accumulate more assets thus helping them move toward economic self sufficiency.

2. A bi-partisan consensus is developing among researchers, policy makers and practitioners that helping low-income families save and build assets is a critical strategy in moving them from dependence on government benefits toward economic self-sufficiency.

3. Economic studies show that asset tests for programs such as TANF, food stamps, Supplemental Security Income and Medicaid discourage savings when the limits are lowered and increase savings when they are raised. Households likely to be eligible for means-tested programs and subject to asset limits tend to adjust their savings in response to changes in these limits.

4. Two states, Ohio and Virginia have eliminated the asset test to qualify for TANF in their states. Neither has seen a large increase in caseloads. Ohio dropped asset tests as part of its 1997 welfare reform legislation. The number of TANF recipients declined 50 percent between 1998 and 2004.

Virginia ended asset tests by administrative rule in December 2003. The state counted a 4 percent increase in families receiving TANF, from 34,123 in 2003 to 35,545 in 2005. This increase was attributed to changing economic conditions not waiving the asset limits.

The Bell
Policy Center

In comparison, the number of families receiving TANF in Colorado declined 32 percent, from 21,912 families in 1998 to 13,321 families in 2003.

5. Many low-income households may rely on means tested programs such as TANF during their working lives to deal with periods of unemployment.

Asset tests were imposed so that those with means would not receive benefits entitled for the poor. However, requiring low-income persons to deplete savings, some of them earmarked for retirement and at a penalty to the person in order to qualify for temporary assistance, seems short sighted.

The state would be better off in the long run encouraging these families to save and allowing them to build adequate reserves to help them move toward economic self sufficiency. Allowing retirement savings to grow over time would help low-income persons accumulate funds that could be used to supplement their Social Security payments thus averting the need for assistance later in their lives.

Thank you for the opportunity to share this information with you today.

If you have any questions or if I can provide further information, please call me at 303.297.0456 or e-mail me at jones@thebell.org

The Bell Policy Center

SB 06-134

STATE and LOCAL OPPORTUNITY NOTE

POSITIVE

Drafting Number: LLS 06-0662.01
Prime Sponsors: Sen.Sandoval
Rep. Boyd

Date: Feb. 10, 2006
Bill Status: Senate Health & Human Services
Policy Analyst: Robin Baker, (303) 297-0456

Title: Concerning the Elimination of Resource Limitations as a Condition of Eligibility for the Colorado Works Program

This bill represents a net opportunity gain for Colorado.

A goal of the Colorado Works program is to reduce dependence on government benefits. Reducing dependence requires building a savings safety net for unexpected expenses such as car repairs or an illness or injury.

It is also important for low-income families to save for retirement. Under current statute (CRS 26-2-709), traditional defined benefits pensions are exempt from the Colorado Works asset limit. However, 401(k), Individual Retirement Account and health savings accounts assets are not exempt.

The end result is that **current policies penalize families that try to use these new savings vehicles to build a bridge from government dependency to self-sufficiency.**

Summary of Legislation

This bill eliminates the asset limit as a condition of eligibility for Colorado Works or Temporary Assistance for Needy Families (TANF).

Eliminating the asset test is consistent with previous state actions. In 2001, the Colorado Board of Human Services eliminated asset tests for the Low Income Energy Assistance Program. In 2005, Colorado dropped the asset test for families and children participating in Medicaid.

Participants in Colorado Works program have few if any assets. The asset test unfairly prevents low-income residents from achieving self-sufficiency. Eliminating the asset test will:

- Encourage personal savings as a bridge to self-sufficiency.
- Allow people to build assets toward retirement, reducing their need for government assistance as they age.

Background

In 1996, Congress passed the Personal Responsibility and Work Opportunity Reconciliation Act, known as welfare reform, which created the Temporary Assistance to Needy Families (TANF) program. It gives states power to design their programs, including asset limits.

Colorado set its eligibility requirements for TANF, including the asset limit, in 1996. Currently, only very-low-income individuals qualify for benefits. The most a family of three can receive is $356 per month, which is reduced by any income the family receives.

To receive a monthly cash benefits of $356 for a family of three, applicants may own the home they occupy and a car worth no more than $4,500, and hold no more than $2,000 in checking, savings or certain other retirement and health savings accounts.

The importance of personal savings is becoming more apparent as traditional saving vehicles, such as defined pensions and health benefits, are being replaced with 401(k)s, IRAs or health savings accounts. None of these savings plans are exempt under Colorado's TANF asset limits.

Public and private organizations are encouraging low-income people to save by matching the money people deposit into Individual Development Accounts (IDA). These IDA's may only be used to pay for education, start a business or as a down payment on a home.

The only situation where these accounts are exempt from the limit is where TANF or Assets for Independence Act (AFIA) funds are used to help low-income people build IDA's.[1]

The federal government is also encouraging savings. In 2006, the IRS will promote refund splitting to encourage low-income people to place half of their refund into a savings account. Under current asset limits, the Colorado Works program would not exempt these savings.

Research and Evidence of Effectiveness

Economic studies show that asset tests for programs such as TANF, food stamps, Supplemental Security Income and Medicaid discourage savings when the limits are lowered and increase savings when they are raised.

Households likely to be eligible for means-tested programs and subject to asset limits tend to adjust their savings in response to changes in these limits.[2]

Ohio and Virginia have eliminated the asset test to qualify for TANF in their states. Neither has seen a large increase in caseloads.

Ohio dropped asset tests as part of its 1997 welfare reform legislation. The number of TANF recipients declined 50 percent between 1998 and 2004.

Virginia ended asset tests by administrative rule in December 2003. The state counted a 4 percent increase in families receiving TANF, from 34,123 in 2003 to 35,545 in 2005.

In comparison, the number of families receiving TANF in Colorado declined 32 percent, from 21,912 families in 1998 to 13,321 families in 2003.

Estimate of Impact and Benefits

Eliminating the asset test will have a minimal impact on state and county departments of human services. The total cost to the state for updating web sites and forms is estimated at $4,043, according the Legislative Council Staff Fiscal Note of Feb. 7, 2006.

The same fiscal note estimates removing the asset limit will add about 15 new TANF cases monthly statewide.

It also estimates an increase in costs to counties of less than 0.12 percent in FY 2006-07, or $198,000 statewide, and less than 0.27 percent in FY 2007-08 and in subsequent years, or $432,000 statewide.

End Notes

[1] This federal legislation established IDA's for non-TANF recipients.

[2] Gordan McDonald, Peter Orszag and Gina Russell (2005). The Effect of Asset Tests on Savings. The Retirement Security Project, Georgetown University's Public Policy Institute and the Brookings Institution. Online:www.retirementsecurityproject.org/pubs/File/ResearchonAssetTestsandSavings.final.pdf

The Opportunity News

Tracking the state of opportunity in Colorado and around the country

May 16, 2006 Vol. 4, No. 5

The Bell Policy Center

1801 Broadway, No. 280
Denver, Colo. 80202

www.thebell.org

(303) 297-0456
metro Denver
(866) 283-8051
toll-free statewide
(303) 297-0460 fax

The Opportunity News is compiled by the policy and research staff at the Bell Policy Center. If you have feedback on the items in the newsletter, suggestions for links to other research or just want to comment on the issues presented, please e-mail Rich Jones, director of policy and research: jones@thebell.org

To unsubscribe, e-mail Rick Sullivan at sullivan@thebell.org or call (303) 297-0456 in metro Denver or (866) 283-8051 toll-free in Colorado.

Please consider supporting the Bell with a financial contribution today. Your gift will help us in our efforts to ensure that Colorado is a state of opportunity for all.

This issue of The Opportunity News is a special report entirely on results of the 2006 session of the Colorado General Assembly. Use the hotlinks below to jump straight to your areas of interest.

Legislature rates a positive score at close of 2006 session

State legislators did a good job of budgeting Referendum C tax dollars and passed bills that expand opportunity for some Colorado residents, but missed some chances to make a more profound impact.

"Our legislators did well, although they could have done better," said Wade Buchanan, president of the Bell Policy Center. "Their most important challenge was keeping faith with the voters on spending Referendum C money — and they did that."

This special report prepared by

Rich Jones, director of policy and research
Robin Baker, senior policy analyst
Frank Waterous, senior policy analyst
Daniel Spivey, public policy fellow
Heather McGregor, editor

Legislators directed the estimated $815 million in Referendum C funding for fiscal year 2005-06 and $801 million for FY 20 07 to K-12 education, colleges and universities, health care and road improvements. In official documents, Ref C revenues are referred to as “general fund exempt” funds.

For example, legislators expanded the Colorado Preschool Program so 2,000 more kids can enroll this fall. But funding for the remaining 4,000 eligible kids won’t be phased in until 2007 and 2008.

“We would rather have seen them fund all 6,000 slots this year, so every eligible kid could attend preschool now,” Buchanan said.

Legislators also appropriated $10 million for school repairs required under the Giardino lawsuit settlement.

For higher education, legislators boosted the College Opportunity Fund stipend up from the current $2,400 a year to $2,580 and added $7.2 million more for student need-based financial aid, for a new total of $52 million.

And for health care, legislators boosted reimbursement rates for the doctors, clinics and hospitals that treat Medicaid patients, earmarked $15 million to increase eligibility for more uninsured people, and directed funding back into public health services so Colorado can be better prepared for health threats such as West Nile virus or hantavirus.

Legislators also restored some cuts in mental health services for low-income Coloradans and programs for developmentally disabled adults.

In many cases, allocating the Ref C funds to large line items freed up general fund money that can be shifted to other lines of spending, restoring some recession-driven cuts.

Bell informs the debate at the state Capitol

The Bell Policy Center tracked more than 100 bills in the 2006 session related to state finance, immigration, the health of democracy, and opportunity for Coloradoans. Bell staff prepared 16 Opportunity Notes on key bills and testified before House or Senate committees on five bills.

Adrian Miller, the Bell’s director of outreach and general counsel, spent much of the session at the Capitol

Summary of Ref C spending, in millions of dollars

Department	Line item	FY 05-06	FY 06-07
K-12 Education	State share of school spending	$261.4	$256.1
Higher Education	College Opportunity Fund stipends	$253.4	$235.4
Health Care & Policy Financing	Increases in premiums for medical services	$261.3	$256.1
Local Affairs	Volunteer firefighters’ pensions	$3.7	$3.8
State Treasury	Fire and police pensions, old hire plans	$25.3	$34.8
Transportation	Highway projects	$10	$15
Total		$815.1	$801.2

Source: Colorado General Assembly Long Bill, HB 1385, and the Long Bill narrative.

Gateways to Opportunity

The Bell Policy Center is focused on making Colorado a state of opportunity for all. Opportunity does not arise from a single action.

To succeed in life, people must pass through a series of gateways.

They are:

1. A healthy birth
2. A safe and stimulating childhood
3. Building a solid base for literacy
4. Establishing a healthy lifestyle
5. Graduating from high school with a diploma and the skills to succeed
6. Access to education and training for adults
7. Living a healthy adult life
8. Earning a decent living and building wealth
9. A financially secure and healthy retirement

These gateways are like steps on a long staircase. Missing one doesn’t mean you

Gateways: *See page 3*

Gateways: *From page 2*

cannot succeed, but it makes getting to the next step harder. Miss too many steps and the climb may become impossible.

Together, these gateways constitute the Cycle of Opportunity, the mix of experiences and events that make it possible to realize our economic, social and personal potential.

Each month in *Opportunity News*, Bell Policy Center reports on the latest research, public policies, legislation and events that promote or undermine opportunity for Colorado residents, gateway by gateway.

building following legislation and promoting bills that boost opportunity for Colorado residents.

As the session moved along, the Bell's web site reported bill action on the Legislative Status Report page.

"Legislators did well in passing the statewide smoking ban, in finding a fix for the PERA pension system, in funding the homestead exemption for seniors, and in helping low-income residents pay heating bills," Buchanan said.

Legislators also launched a pilot program that will get low-income kids signed up for state health care plans when they enroll for school.

"We are also very heartened that legislators agreed to waive the asset test for welfare recipients, which means people can get help to recover from hard times without draining their retirement savings," Buchanan said.

"We give the Legislature positive marks for killing a series of harmful immigration bills, and for passing worthwhile measures that prohibit state and local governments from contracting with companies that knowingly employ undocumented workers, and that make human trafficking a felony crime in Colorado," Buchanan said.

"Our big disappointments were the failure of bills that would have given workers time off to attend their children's school activities, allow dual enrollment so high school students could enroll in college classes, and would have helped low-wage workers who lose their job to qualify sooner for unemployment benefits," he said.

"This session was productive, but some unmet needs will face the 66th General Assembly when it convenes next January," Buchanan said.

"Bell will continue to push legislators to fully fund the Colorado Preschool Program without further delay, and to create a Rainy Day Fund to protect the state's fiscal health during the next economic recession," Buchanan said.

The remainder of this report summarizes legislative action on bills related to opportunity in Colorado. Gov. Bill Owens has not yet signed or vetoed the bills passed by the Legislature. Watch the Bell's Legislative Status Report for a final outcome. The governor's final deadline is June 7.

State finance and Ref C

Passed measures

HB 1033: Delays transfer of money to the Highway Users Tax Fund from July 1 to Sept. 20.

HB 1385: The Long Bill appropriates funds to operate the state government.

Failed measures

SB 7: Directed interest earnings and proceeds from natural resource leases on school lands into the Public School Fund as principal; allowed the fund to grow to $2.35 billion; allowed $31 million in spending per year following years of slow economic growth.

SB 104: Declared the General Assembly's intent to repay money borrowed in 2002 and 2003 from 13 cash funds; actual repayment would require further legislation.

HB 1050: Known as the Rainy Day Fund bill, created a fund to be capitalized annually from three sources: a set appropriation of $5 million from the general fund, 10 percent of any excess TABOR revenue (with some adjustments) and a $10 million appropriation from the tobacco litigation settlement cash fund.

HB 1114: Created a revenue shortfall fund; allowed money to be moved from this fund to the general fund in years when general fund revenues fall short of allowing spending at the maximum amount allowed; required a 2/3 majority approval from the House and Senate for the fund transfer.

HB 1163: Securitized tobacco settlement payments; directed funds to a new budget stabilization fund, capital construction and highway projects.

HB 1164: Redirected tobacco settlement money that now goes to the general fund or tobacco litigation settlement trust fund to a new budget stabilization fund.

HB 1167: Moved $40 million in Ref C revenues to the unclaimed property trust fund on July 1, 2006; transfered $10 million a year over four years to fund CoverColorado health insurance premium subsidy program.

HB 1365: Implemented a performance-based budget in which all appropriations are linked to goals and measured by success at reaching goals and savings; diverted saved money to a Rainy Day Fund.

HB 1402: Authorized the sale of bonds for any tobacco settlement income topping $80 million a year; used bond proceeds to complete payments for school repair court judgment and police and fire pensions; directed remainder into a Rainy Day Fund.

Immigration

The flash point issue of the 2006 legislative session, immigration drew lots of attention and stirred considerable emotions among lawmakers and the public. A bevy of bills were introduced that included restricting businesses from hiring undocumented workers, allowing local police to enforce immigration laws, limiting the state from contracting with companies that knowingly hire undocumented workers and imposing criminal penalties for human smuggling.

Immigration is primarily the responsibility of the federal government, and the state has limited authority to act on most aspects of the issue. The Legislature did a good job of killing the most egregious proposals and passing those that most directly affect the reason undocumented immigrants come to Colorado – to work.

Passed measures

SB 90: Prohibits local government from passing an ordinance or policy to bar police officers, other staff and officials from cooperating with federal officials regarding legal status of immigrants. Also requires police officers and other officials to report those under arrest for other crimes who are suspected of being illegal immigrants to the federal Immigration and Customs Enforcement office.

SB 110: Prohibits manufacture of phony employment verification documents; sets civil and criminal penalties; transfers money from the general fund to the capital construction fund to implement provisions.

SB 206: Makes human smuggling a Class III felony.

SB 207: Makes trafficking in adult humans a Class III felony.

SB 225: Creates a new division in the Colorado State Patrol to address human smuggling and trafficking on state highways.

HB 1306: Requires the state auditor to study implementation of the 2003 Secure and Verifiable Identity Document Act (HB 03-1224). The act required public agencies to accept only "secure and viable" ID documents, and rules out Mexico's matrícula consular IDs.

HB 1343: Prohibits state and local governments from contracting or subcontracting with any business that knowingly employs undocumented workers.

HJR 1023: Endorses the Western Governors' Association resolution on immigration reform, including a temporary guest worker program, adding 90,000 more employment-based immigrant visas annually, opposing blanket amnesty and imposing sanctions against employers that hire undocumented immigrants.

Failed measures

SB 98: Barred undocumented workers from collecting workers' compensation benefits.

SB 146: Required anyone who applies to register to vote to provide proof of U.S. citizenship.

HB 1062: Required public schools to collect citizenship status of all students and report totals to the state; barred referrals for legal action. (Negative Bell Opportunity Note)

HB 1082: Subjected companies to lawsuits for wrongful acts of illegal immigrant employees, on or off the job.

HB 1101: Barred state government from awarding contracts to companies that knowingly employ illegal immigrants or hire subcontractors that do so; required state business licensing boards to set rules for license revocation if businesses employ illegal workers; set a process for possible employer sanctions triggered when a suspected illegal immigrant is arrested; required annual Judiciary Dept. report on citizen and immigrant status among defendants prosecuted in state criminal courts.

HB 1131: Required law enforcement to determine probable citizen or immigrant status of arrested suspects and defendants, and notify bail bonding agents; prohibited bail bonding agents from posting bail for illegal immigrants.

HB 1133: Barred state and local governments from contracting for services with a company that knowingly employs illegal immigrants, or hires subcontractors that do so; required all public contracts for service to require contractors to have a policy preventing employment of or contract work by illegal immigrants; set penalties for breach of these contract provisions; barred undocumented immigrants from qualifying for in-state tuition at state colleges or universities.

HB 1134: Required state director of public safety, county sheriffs, city councils and town boards to seek a memorandum of agreement with U.S. Bureau of Immigration and Customs Enforcement to train deputies and officers to identify, process and, when appropriate, detain persons suspected of immigration offense; applied immigration enforcement during routine law enforcement.

HB 1286: Required applicants for retail food license to participate in pilot employee immigration status verification program; denied licenses to illegal immigrants and those who didn't participate.

HB 1290: Required all employers in Colorado to participate in federal employment verification system to determine eligibility to work; imposed a fine for non-participating employers.

HCR 1008: Placed a question on the November ballot requiring state and local governments to produce documents only in English; barred state and local governments from requiring some workers to be multi-lingual.

HCR 1009: Placed a question on the November ballot requiring anyone registering to vote or voting for the first time in Colorado to present proof of U.S. citizenship.

Gateway 1: A Healthy Birth

A healthy pregnancy leading to a healthy birth is the first gateway to a life of opportunity.

Passed measures

SB 135: Authorizes the use of tobacco settlement money to pay 100 percent of the prenatal costs for pregnant women who were enrolled in the state's Children's Basic Health Plan from July 1, 2005, through Jan. 31, 2006. (Positive Bell Opportunity Note)

HB 1154: Directs the Office of State Registrar of Vital Statistics to issue heirloom birth and marriage certificates for historic births and marriages for a $45 fee; establishes an heirloom certificate fund; directs proceeds above costs of printing to the Infant Immunization Fund.

HB 1249: Grants authority to a pregnant minor to approve her own prenatal, delivery, and post-delivery medical care as related to the intended live birth of her child.

Gateway 2: A Safe and Stimulating Childhood

A safe and stimulating early childhood helps to set the stage for success during the first years of school when a child begins accumulating the tools needed to succeed emotionally, socially and academically. Of particular importance is ensuring that families have access to safe, quality and affordable child care.

The legislature helped counties address local child care needs by creating a new integrated statewide system of early childhood councils and establishing the Early Childhood Cash Fund to offset the costs of implementing the councils.

Passed measures

SB 45: Requires child care providers contracting with counties under the Child Care Assistance Program to undergo an FBI and Colorado Bureau of Investigation background check before seeking or renewing a child care license.

HB 1397: Replaces the pilot program for community consolidated child care with a statewide system of early childhood councils, convened by counties to address local child care needs and conditions; creates the Early Childhood Cash Fund to implement the councils.

Failed measures

HB 1037: Authorized the Early Childhood and School Readiness Commission to keep a count of kids expelled from preschool due to behavior problems.

HB 1126: Prohibited sales of all unsafe products for children after July 1, 2006; required manufacturers to warn customers about products recalled for safety with a three-year posting on the company web site and written notice to retailers.

Gateway 3: Building a Solid Base for Literacy

A child who masters literacy skills at an early age is far more likely to succeed in school and at work. Preschool and kindergarten programs lay the foundation for literacy and help close the achievement gap for low-income and minority children.

Helping low-income students address health-related needs that affect learning is also an important step in closing the achievement gap (see several bills under Gateway 4).

In this session, the Legislature achieved mixed results in early childhood education efforts. Rather than fully funding the 6,000 additional slots needed for preschool and kindergarten students in the Colorado Preschool Program, they funded 2,000 additional slots for FY 2006-07, with the intent of funding the total 6,000 over the next three budget years.

Lawmakers raised the state's compulsory school attendance age to include 16-year-olds, but did not include 6-year-olds as originally proposed.

A bill that would have originally required employers to provide up to 30 hours a year of leave time for parents to attend school activities was killed by its own sponsor because it had been so substantially watered down through amendments.

Finally, in an important step forward in closing the achievement gap, the Legislature passed a bill that allows schools to work more effectively with public medical benefits agencies to improve eligible students' access to Medicaid and the Children's Basic Health Plan.

Passed measures

SB 73: Changes the ages for compulsory school attendance to children ages 7 to 17. That is, students must now attend school through age 16, but may drop out at age 17.

HB 1005: Allows school district voters to impose a mill levy to fund added costs for full-day kindergarten. *Vetoed by the governor.*

HB 1375: The School Finance Act funds 2,000 more children for the Colorado Preschool Program for FY 2006-07 and states the Legislature's intent to fully fund the total 6,000 additional slots needed over the next three budget years.

Failed measures

SB 66: Required employers of more than 25 people to develop a policy for workers to take leave to attend school activities.

Gateway 4: Establishing a Healthy Lifestyle in Childhood and Adolescence

Developing healthy habits early help a child move along the cycle of opportunity. Research shows that prevention and early intervention increases the likelihood that adolescents' will grow into healthy and productive adults.

The Legislature expanded opportunity by supporting programs that help teens with substance abuse problems and making permanent a pilot program to prevent teen pregnancy. Legislators also agreed to require schools to stock vending machines with at least 50 percent healthy foods. Unfortunately, Gov. Owens vetoed that bill.

The Legislature also creates a demonstration project to help determine eligibility or enroll students in Medicaid at the same time they sign up for free or reduced cost lunch.

On the negative side, the Legislature killed a bill that would have created six demonstration programs to establish advocates to help families better deal with the juvenile mental health system. Legislators couldn't find the money for the program.

Passed measures

SB 59: Creates a pilot program of dental screening for students at designated schools.

SB 127: Moves $150,000 a year from school breakfast program to provide free fruits and vegetables to public schools students.

SB 122: Creates a fund for substance abuse prevention and treatment programs for youth; imposes an additional fine on crimes related to underage drinking to finance the effort. (Positive Bell Opportunity Report)

HB 1056: Requires all vending machines in public schools to have at least half of their contents meet nutritional standards by 2008-09. *Vetoed by governor.*

HB 1098: Grants professional development credit for teachers attending in-service presentations on mental health, including suicide awareness and prevention.

HB 1270: Creates a demonstration project in three school districts for qualified personnel to determine eligibility and enroll students in Medicaid or Children's Basic Health Plan at the same time that eligibility for free or reduced-cost lunch is determined; creates an advisory committee; requires an evaluation report by Jan. 15, 2010. (Positive Bell Opportunity Note)

HB 1346: Expands the definition of a dependent for private health care coverage to include grandchildren under age 25 who live with or are financially dependent on their grandparents.

HB 1351: Eliminates the pilot status of the teen pregnancy and dropout prevention program and extends it to a statewide community-based program serving Medicaid eligible boys and girls who are at risk for early parenting. (Positive Bell Opportunity Note)

HB 1396: Creates a grant program to supplement existing funding to create, expand and support school-based health centers, run by school districts in cooperation with health service providers.

Failed measures

HB 1070: Created six demonstration programs for juvenile mental health family advocates; established an oversight committee to examine treatment of mentally ill Colorado residents involved in the criminal and juvenile justice systems. (Positive Bell Opportunity Note)

Gateway 5: Leaving High School with a Diploma and the Skills to Succeed

A person who graduates from high school with the skills to succeed is more likely to go to college, obtain a postsecondary degree and be able to earn a self-sufficiency income.

Although some important gains were made, the Legislature failed to make the substantive progress that it could have under this gateway. The most notable actions were on measures related to the creation of a preschool through college, or P-16, education system. A key bill establishing a statewide P-16 council and legislative oversight committee was approved by the Legislature, but is likely to be vetoed by the governor.

The governor has signed a bill requiring schools to issue students a unique identifying number that will follow them through college and provide valuable information for education officials, policymakers, and researchers.

Two other measures related to P-16 failed. One bill would have created a P-16 demonstration project in up to five school districts; the other would have authorized dual enrollment programs through which high school students at risk of dropping out or not enrolling in college could concurrently earn a high school diploma and an associate's degree or technical certificate.

Finally, the Legislature referred a measure for the November ballot that would require all school districts in the state to spend at least 65 percent of their operating budgets on services that “directly affect student achievement.” These services would include instruction, instructional support, and student support expenditures. The referred measure is being offered as an alternative to a more narrowly defined 65 percent school spending initiative also on the ballot, which would amend the state constitution. The referred measure would amend state statutes.

Passed measures

SB 24: Requires public schools to assign each student (including those enrolled in the Colorado Preschool Program) a unique identification number that will carry through college; requires data sharing between the State Board of Education, Colorado Commission on Higher Education and qualified researchers.

SB 46: Creates a legislative oversight committee and P-16 council to study creation and implementation of an integrated system of education from preschool through graduation from college. (Positive Bell Opportunity Note)

SB 55: Adds certain disorderly conduct incidents and third degree assault to the crimes school districts must report to the Dept. of Education.

HB 1240: Schools receiving an "unsatisfactory" performance rating could operate under a school improvement plan for two full school years. If performance does not improve, the school could convert to a charter school or continue under the plan.

HB 1283: Refers a measure for the November ballot to require school districts to spend at least 65 percent of their operating budgets on services that directly help student achievement; allows school district voters to opt out from the requirement.

HB 1363: Creates Colorado Student Delinquency Prevention Program within Tony Grampsas Youth Services Program; levies surcharge against those convicted of certain crimes; surcharges fund after-school programs for students in grades K-8.

Failed measures

SB 26: Barred the state from requiring certain high school classes to qualify for admission to state colleges and universities.

SB 30: Created a School Leadership Academy to train and support school principals and develop best practices for school leadership.

HB 1064: Required school districts with 12,000 or more students to prepare annual pass-fail report for each school and send the report to parents.

HB 1065: Instructed the Department of Education to implement a pilot statewide data-sharing system. School districts could participate on a voluntary basis.

HB 1160: Made community colleges that offer alternative high school diploma programs eligible for the Second Chance program for problem students.

HB 1236: Approved state funding for school districts or charter schools for online education programs.

HB 1289: Excluded the zero scores of students who do not finish CSAP tests, due to absence or parental choice, from overall school and district scores; prohibited school districts from imposing penalties on students who do not take CSAP tests due to absence or parental choice.

HB 1358: Authorized school districts to contract with postsecondary institutions to create dual enrollment programs, through which high school students could concurrently earn a high school diploma and an associate's degree or technical education certificate; limited funding to 500 students statewide in their fifth or subsequent years of the program. (Positive Bell Opportunity Note)

HB 1403: Awarded three-year grants to up to five school districts for comprehensive preschool through postsecondary P-16 education programs; districts would review and restructure existing programs and could reallocate resources.

Gateway 6: Access to Education and Training for Adults

Postsecondary education is a key to increased earnings. A degree or certificate beyond the high school diploma is becoming a prerequisite for jobs that pay enough for workers and their families to be self-sufficient. Access, affordability, and student support are all factors affecting whether individuals attend and complete college.

The Legislature addressed each of these factors this year, but because some key bills were substantially amended from their original versions, their effectiveness was reduced. For example, one passed bill initially would have held colleges more accountable for the success of underserved students by adding specific requirements to the institutions' performance contracts. As amended, the bill simply requires the institutions to report on their current or proposed efforts.

Lawmakers extended in-state tuition status and College Opportunity Fund (COF) eligibility to qualified military personnel and their dependents, raised the COF stipend and increased state need-based financial aid. Although these efforts are laudable, the state still falls short in offering financial aid compared to total student need.

Legislators established a task force to study higher education costs and funding policies, approved a pilot program to forgive student loans for qualified nursing teachers, and authorized a study on providing health and dental benefits to certain faculty.

And the Legislature passed a bill establishing a pilot program for institutions to, on a voluntary basis, offer consent forms and follow new notification procedures in helping students at risk of suicide.

Passed measures

SB 31: Gives military service people and dependents in-state tuition and COF stipends for taking college classes on a military base; benefits about 237 student FTE (full-time equivalents) a year.

SB 32: Gives children of military members stationed in Colorado in-state tuition even if the parent is transferred; applies only while the child is attending college; benefits about 35 students per year.

SB 67: Creates a pilot program for colleges to offer a consent form to all new students to authorize the institution to notify a designated person if it believes the student may be suicidal; authorizes release of confidential information to the designated person. (Positive Bell Opportunity Note)

SB 111: Encourages college and university health education programs to include courses on cultural competency; directs the Colorado Dept. of Public Health and Environment to lead a task force on cultural competence.

SB 136: Creates a nursing teacher loan forgiveness pilot program so student loans incurred while earning a masters' or doctoral degree in nursing may be partially repaid in exchange for five years of teaching at a qualified college or university. (Positive Bell Opportunity Note)

SB 144: Requires a study on the impacts of providing health and dental benefits to certain higher education instructors.

SB 209: Creates a task force to study higher education funding; requires a national education finance organization selected by the task force to assess the cost of educating students at public colleges; compares results with current higher education financing.

HB 1024: Requires state colleges and universities to report to the Colorado Commission on Higher Education (CCHE) and the House and Senate Education committees on current and proposed support services intended to increase the retention and success of underserved (primarily low-income and minority) students. (Positive Bell Opportunity Note)

HB 1046: Gives the private occupational school board power to prescribe uniform academic reporting policies.

HB 1269: Helps nursing schools fill faculty vacancies by providing $10,000 a year for up to three years for a qualified position, funded by donations and gifts.

HB 1385: Long Bill: Increases state need-based financial aid by $7.2 million (less than the $8.2 million requested by CCHE) and raises the College Opportunity Fund stipend from $2,400 to $2,580 a year for a full-time student at a state institution (meets the CCHE request).

Failed measures

SB 117: Required state colleges and universities to certify every graduate is prepared for work in the field for which the student received training.

SB 181: Shifted $1.5 million in state funding for 20 employees in the Colorado Commission on Higher Education office to fund merit-based student financial aid, essentially closing down CCHE.

Gateway 7: A Healthy Adult Life

Adults who enjoy sound physical and mental health are likely to be more productive, earn higher incomes and enjoy a better quality of life.

The Legislature passed several measures to expand health care coverage for low-income Coloradans and reduce the costs of health care. Proposals to subsidize health insurance costs for small businesses and to require large employers to pay a certain amount on health care were defeated.

Passed measures

SB 1: Requires the state to enter into a multi-state purchasing pool for medications (federal approval will be needed); and creates the Colorado Cares Rx program to provide low cost pharmaceuticals to individuals without health insurance who are not eligible for Medicaid or the Children's Basic Health Plan.

SB 11: Directs the Division of Insurance to study why coverage costs are higher in Pueblo.

SB 35: Requires the Health Care Task Force to consider ways to make health insurance more affordable for low-income residents during the 2006 interim. Work is expected to continue through July 1, 2010.

SB 36: Extends the requirement that small group sickness and accident insurance carriers offer a basic health benefit plan and directs the Insurance Commissioner to appoint an advisory committee to provide recommendations on the development of standard and basic health benefit plans.

SB 44: Expands eligibility for the Colorado Indigent Care Program to people with incomes up to 250 percent of the federal poverty level and who do not have health insurance and are not eligible for Medicaid or the Children's Basic Health Plan. (Positive Bell Opportunity Note)

SB 47: Allows voters to create sales-tax-funded health assurance districts; allows counties to impose a sales tax in addition to property taxes to fund health care services, with voter approval; and exempts the new tax from the existing 6.91 percent limit on county sales taxes.

SB 165: Endorses the use of telemedicine and provides that medical services and other health care services rendered via telemedicine are reimbursable under the Colorado Medical Assistance Act and under health care coverage or health insurance policies, to the same extent as the services were rendered in person.

SB 180: Specifies average premium rates through CoverColorado must be at least the average rate for health benefit plans charged by the five largest carriers in the state for a comparable plan, unless an individual is participating in the premium discount program. CoverColorado premiums cannot be greater than 150 percent of the premiums charged by private carriers.

SB 208: Establishes the Blue Ribbon Commission for Health Care Reform for the purpose of studying and establishing health care reform models to expand health care coverage and to decrease health care costs. (Positive Bell Opportunity Note)

HB 1045: Requires hospitals to count cases of hospital-acquired infections and report to a national health care safety network.

HB 1076: Exempts hospitals and nonprofits from liability arising from actions by a volunteer, who is already exempt from liability for negligence.

HB 1145: Creates a state Methamphetamine Task Force to study the best practices for the prevention, intervention and treatment of methamphetamine abuse; examines production and distribution of methamphetamine and strengthens state laws.

HB 1175: Makes smoking illegal in most public indoor areas in the state; exempts homes, vehicles, some hotel rooms and bars, airport smoking areas.

HB 1212: Allows pharmacists to prescribe certain emergency contraception. *Vetoed by the governor.*

HB 1278: Creates a system to compile statistics from 52 hospitals for an annual Colorado Hospital Report Card; assesses a higher fee from hospitals to cover administrative costs.

Failed measures

SB 17: Created a state re-insurance health care program to help small businesses provide coverage for workers; included premium subsidy for low-income residents.

SB 19: Required auto insurance policies issued in Colorado to include emergency coverage

SB 43: Required the Department of Health Care Policy and Financing to seek authorization for federal reimbursements for home health agencies providing telemedicine services.

SB 141: Created Health Care Transparency Act; set annual reporting requirement for hospitals and ambulatory surgical centers that receive federal reimbursements or payment.

HB 1100: Created a negotiated prescription drug purchasing program to provide eligible uninsured people with access to discounts on prescription drugs through a state-sponsored discount card program.

HB 1186: Required the Dept. of Health Care Policy and Financing to decide eligibility within 20 days after receiving a request.

HB 1252: Established the Colorado Cares Rx program; allowed Dept. of Public Health and Environment to purchase prescription drugs at a discount as negotiated by contractors; directed the department to determine eligibility and assist people in navigating the new program.

HB 1298: Increased the income limit for taxpayers to get state income tax credit for purchasing long-term care insurance; increased tax credit amount.

HB 1316: Required companies with more than 3,500 workers to report annually on the number of part-time and full-time employees, the number eligible for and receiving health benefits, and the dollar amount and payroll percentage spent by employer on health benefits; required same companies to spend at least 11 percent of total payroll on health care for employees or to pay penalties.

Gateway 8: Earning and Decent Living and Building Wealth

Earning a good income and having assets are essential for families to enter the cycle of opportunity and stay there. Policies to help families achieve financial security include the unemployment system, assistance programs, and incentives for businesses to create good jobs in Colorado.

The Legislature expanded opportunity by increasing funding for heating assistance for low-income families. Lawmakers also removed most asset limits for recipients of Temporary Assistance to Need Families, called Colorado Works, ensuring that low-income families are not penalized for their efforts to save for long term economic security.

The Legislature also passed protections for people whose property is being foreclosed and provided incentives for businesses to create new jobs that pay higher than the median wage in the county.

The session fell short by not passing a bill to allow low wage workers to use their most recent earnings to qualify for unemployment benefits.

Passed measures

SB 71: Prohibits deceptive business practices by foreclosure consultants and investors and requires them to provide greater disclosure to homeowners about the potential or actual foreclosure of their residences. (Positive Bell Opportunity Note)

SB 134: Eliminates all limits on many types of assets and raises the overall asset limit as a condition of eligibility for the Colorado Works program. (Positive Bell Opportunity Note)

HB 1017: Allows the Economic Development Commission to give financial awards to employers who create jobs that increase their workforce and pay wages on those jobs that are at least 110 percent of the counties' average wage.

HB 1200: Appropriates up to $60 million for this year and the next three years from the Severance Tax Fund to help low-income households pay utility bills and make home energy efficiency improvements.

Failed measures

SB 139: Prohibited employers from requiring union membership; prohibited employers from discriminating against non-union members.

HB 1038: Created minimum standards for businesses seeking grants from the Colorado Economic Development Commission; made these businesses pay at least $1 over minimum wage, offer health insurance that covers at least half the cost, and certify no violations of employee health safety laws in the previous five years.

HB 1043: Created an 11-member board (appointed by the governor) representing business and consumers to guide policy and priorities for state Division of Insurance.

HB 1129: Allowed state residents in active U.S. military duty to subtract their federal military income from their total taxable income in determining taxable income for Colorado.

HB 1327: Established a five-year pilot program allowing unemployed workers to count their more recent earnings (an alternative base period) in determining eligibility for unemployment benefits. (Positive Bell Opportunity Note)

HB 1333: Set a three-day grace period for a landlord charging a late fee for rent, set a maximum late fee; required landlord to give a copy of a lease to tenant.

HB 1342: Allowed aggrieved workers to file a complaint with the state Division of Labor alleging a violation of Colorado wage laws; required mediation between employee and employer; if mediation fails, required DOL director to investigate.

Gateway 9 – A Financially Secure and Healthy Retirement

Ensuring the future solvency of the Public Employees Retirement Association was a major issue in the 2006 legislative session. Gov. Owens cited fixing PERA as a major goal and threatened to call legislators back for a special session if they could not get it done.

PERA has about 71 cents in assets on hand to cover each $1 in estimated long-term liabilities. Unless changed, some estimates showed that the plan would be insolvent by 2035. Ensuring PERA's long-term solvency is important, because it replaces Social Security for 370,000 public employees.

In an end-of-session compromise, employees will be required to put up to 3 percent of their future raises into PERA over the next six years to help fund a projected $11.3 billion shortfall. In addition, the retirement age at which employees hired on or after Jan. 1, 2007 is raised to 55, and the age plus years of service combination used for calculating when employees can retire with full benefits is increased to 85 from 80.

Passed measures

SB 39: Allows employees hired after Fire and Police Pension Association (FPPA) coverage becomes effective to participate in the FPPA pension system.

SB 57: Creates an Amber Alert-type program to broadcast reports of missing seniors.

SB 97: Requires certain agencies that report incidents at licensed long-term care facilities to the state Dept. of Public Health and Environment; makes reports available for public review; compels long-term care facilities to report abuse incidents to law enforcement.

SB 235: Adjusts the Public Employees Retirement Association (PERA) system, including increasing contributions from employees, raising the retirement age for new hires and adding five members to the PERA board.

Failed measures

SB 162: Terminated the PERA board on Jan. 1, 2007 and created a new board of trustees; monitored PERA, and if deemed to be actuarially unsound for three consecutive years, would have again terminated the board and set a new election; modified employee contributions and benefits.

HB 1029: Allowed a Medicaid-eligible person aged 55 or older to accept half of medical assistance benefits; in return the state would waive all estate recovery requirements.

HB 1083: Would have cut new public employees hired after Jan. 1, 2008, from PERA's defined benefit plan and current defined contribution plan, enrolled new employees in a new defined contribution plan, changed PERA's board of trustees.

HB 1184 – Would have raised the property tax exemption for seniors from 50 percent of first $200,000 to 50 percent of first $350,000 of value.

The Health of Democracy

A fair and healthy democracy is strengthened when many people participate and government is held accountable. Greater transparency in governmental actions helps restore faith between public institutions and citizens.

In a session marked by two ethics investigations, the legislature took action to prohibit statewide elected officials, including legislators, from receiving gifts over $50 in connection with the official's duties. The legislation bans gifts to lawmakers' office accounts.

Passed measures

SB 51: Prohibits a statewide elected official, including state legislators, from receiving or accepting any gift in connection with the officeholder's duties in excess of $50.

SB 62: Allows military personnel overseas to vote by e-mail as well as by fax.

SB 79: Requires legislative agencies to review how bills passeds after Jan. 1, 2006 have been implemented.

HB 1191: Requires a recount if a candidate wins by 0.5 percent or less.

Failed measures

HB 1262: Prohibited legislators from accepting gifts for public service, including money to defray expenses related to official duties.

HB 1307: Created a task force to identify primary goals of state government, established success measures to gauge how well those goals are being met, and created the State Government Accountability Task Force Cash Fund.

The Bell Policy Center
Research • Advocacy • Opportunity

1801 Broadway, Suite 280
Denver, Colo. 80202
(303) 297-0456 metro Denver
(866) 283-8051 statewide
(303) 297-0460 fax

www.thebell.org

FOR IMMEDIATE RELEASE

May 9, 2006

Contact: Heather McGregor
Bell Policy Center
(303) 297-0456 in metro Denver
(866) 283-8051 toll-free in Colo.

Legislature rates a positive score at close of 2006 session

State legislators did a good job of budgeting Referendum C tax dollars and passed bills that expand opportunity for some Colorado residents, but missed some chances to make a more profound impact.

"Our legislators did well, although they could have done better," said Wade Buchanan, president of Bell Policy Center, a progressive state public policy think tank.

"The General Assembly earned generally positive marks from the Bell for the 2006 session," he said. "Their most important challenge was keeping faith with the voters on spending Referendum C money — and they did that."

Legislators directed the estimated $801 million in Referendum C funding for fiscal year 2006-07 to K-12 education, colleges and universities, health care and road improvements.

For example, legislators expanded the Colorado Preschool Program so 2,000 more kids can enroll this fall. But funding for the remaining 4,000 eligible kids won't be phased in until 2007 and 2008.

"We would rather have seen them fund the remaining 6,000 slots this year, so every eligible kid could attend preschool now," Buchanan said.

For higher education, legislators boosted the College Opportunity Fund stipend up from the current $2,400 a year to $2,580 and added $7.2 million more for student need-based financial aid.

And for health care, legislators boosted reimbursement rates for the doctors, clinics and hospitals that treat Medicaid patients, earmarked $15 million to make more uninsured people eligible for health care coverage, and directed funding back into public health services so Colorado can be better prepared for health threats such as West Nile virus or the bird flu.

The Bell Policy Center tracked more than 100 bills in the 2006 session related to state finance, opportunity for Coloradoans and immigration.

• MORE •

The Bell
Policy Center

"Legislators did well in passing the statewide smoking ban, in finding a fix for the PERA pension system, in funding the homestead exemption for seniors, and in helping low-income residents pay heating bills," Buchanan said.

Legislators also launched a pilot program that will get low-income kids signed up for state health care plans when they enroll for school.

"We are also very heartened that legislators agreed to waive the asset test for welfare recipients, which means people can get help to recover from hard times without draining their retirement savings," Buchanan said.

"We give the Legislature positive marks for killing a series of egregious immigration bills, and for passing worthwhile measures that prohibit state and local governments from contracting with companies that knowingly employ undocumented workers, and that make human trafficking a felony crime in Colorado," Buchanan said.

"Our big disappointments were the failure of bills that would have given workers time off to attend their children's school activities, allowed high school students to enroll in college classes, and would have helped low-wage workers who lose their job to qualify sooner for unemployment benefits," he said.

"This session was productive, but some unmet needs will face the new 66th General Assembly when it convenes next January," Buchanan said.

"Bell will continue to push legislators to fully fund the Colorado Preschool Program without further delay, and to create a Rainy Day Fund to protect the state's fiscal health during the next economic recession," Buchanan said.