



Early Childhood Legislative Update – 2020 General Assembly

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Legislation That Passed

Category	Bill Number/Sponsors/Title	Summary
ECE Access & Child Health	<p>HB 20-1427 (Caraveo & McCluskie/Fields & Moreno) Tobacco & Nicotine Tax to address education budget shortfalls, housing, and preschool access</p>	<p>Refers a measure to voters that would, if approved at the November 2020 election, phases in higher rates of taxation on tobacco products over the next ten years and institutes a tax on liquid nicotine (vaping) for the first time and increases the rate over ten years. These policies have some of the strongest evidence base for reducing tobacco and nicotine use among pregnant people and youth. Revenue generated from the increased rates of taxation would go to several purposes over time:</p> <ul style="list-style-type: none"> • 2020-21 through 2022-23 (2.5 years of revenue = \$415M): <ul style="list-style-type: none"> ○ \$5.5M for tobacco tax cash fund in '21, \$11M in '22, \$11M in '23 ○ \$2M, \$4M, \$4M for General Fund in '21, '22, & '23 ○ \$11.7M/yr for various housing initiatives (eviction legal defense fund, housing development grants) ○ \$25M, \$30M, \$35M (per year for each of the 2.5 years of revenue) to rural schools ○ Remainder to the State Education Fund (~\$289M total or ~\$96M per year) • 2023-24 <ul style="list-style-type: none"> ○ \$11M to tobacco tax cash fund ○ \$4M to General fund ○ Remainder to Preschool Programs Cash Fund • July 1, 2024 through July 1, 2027 <ul style="list-style-type: none"> ○ \$11M to tobacco tax cash fund ○ \$4M to General Fund ○ \$20M to tobacco education ○ Remainder to Preschool Programs Cash Fund • July 1, 2027 and beyond <ul style="list-style-type: none"> ○ \$11M to tobacco tax cash fund ○ \$4M to the General Fund ○ \$30M to the Tobacco Education Fund ○ Remainder to the Preschool Programs Cash Fund <p>Our estimates are this would create a dedicated funding stream that would exceed \$1.5 billion for preschool over the first 8 years (how long we have cost models for) of operation beginning in 2023.</p>

<p>EC Workforce, Mental Health, & Quality</p>	<p>HB 20-1053 (Sirota & Wilson/Story & Pettersen) Supports for the Early Childhood Workforce</p>	<p>HB 20-1053 combined elements of three Early Childhood and School Readiness Legislative Commission bills (HB 1053, HB 1006, & HB 1016) and eliminated elements of the bills that drove costs. As amended, this bill will:</p> <ol style="list-style-type: none"> 1) Support child care programs that are reopening to serve children and families. Child care providers stepped up to care for children during the height of the crisis to make sure our emergency and essential workforce could get to work. These programs were already facing a crisis in recruiting and retaining educators so that they can provide child care so parents can work before the crisis. With the components of HB 20-1053 retained in the bill, we can streamline pathways to the classroom, including alternative routes to the profession, and reduce burdens paperwork on our early care and education providers. (HB 20-1053) 2) Support programs in responding to a spike in early childhood mental health needs we are seeing as a result of the crisis. The economic and health trauma of this crisis, the disruption to children's learning, and the mental health challenges parents of young children are facing are all resulting in a need for a more efficient alignment of programs supporting young children's behavioral health needs. (HB 20-1006) 3) Support greater flexibility for the 34 statewide Early Childhood Councils and the state Office of Early Childhood in supporting quality, responsive programming for all programs and educators regardless of their level of quality. (HB 20-1016)
<p>Child Care Availability</p>	<p>SB 20-126 (Story & Smallwood/Roberts & Van Winkle) Allow Home Child Care In Homeowners' Association Community</p>	<p>Limits the grounds under which a homeowner's association can restrict the operation of family child care.</p>
<p>Child Care Regulation</p>	<p>HB 20-1347 (Young & Jaquez Lewis/Danielson & Hansen) Licensure Exemption For Family Child Care Homes</p>	<p>Extends the licensing exemption allowing for providers to care for no more than 4 unrelated children (no more than 2 under the age of 2) until 2026 but adds specific requirements for the providers and the state including (1) required notification of the parents of children in care that the caregiver is not licensed and that the state has not verified the health and safety of the setting or performed background checks on anyone in the residence, (2) reporting by the state regarding complaints filed against those claiming this exemption as well as cease-and-desist orders for those operating under these exemptions, and (3) posting of information for these providers on pathways to becoming licensed.</p>

<p>Family Economic Security</p>	<p>HB 20-1420 (Sirota & Gray/Moreno & Hansen) Adjust Tax Expenditures For State Education Fund</p> <p>*HB 20-1203 which had previously proposed expanding the EITC (and instituting a state-level CTC) did not pass, but key elements were included in HB 20-1420.</p>	<p>Closes out specific state tax deductions at the state level to allocate additional revenue to the State Education Fund. The bill also makes the state EITC level immediately available to ITIN filers and expands the EITC beginning in 2022 from 10% of the federal EITC to 15%.</p>
<p>Health</p>	<p>SB 20-163 (Gonzales & Priola/Mullica & Roberts) School Entry Immunization</p>	<p>Clarifies that parents may take medical or nonmedical exemption and requires a standardized form and submission process for those taking a nonmedical exemption. Those claiming a nonmedical exemption can do so by submitting a physician-signed certificate or completion of an online education module certificate. Requires schools to publish immunization and exemption rates. Ensures providers utilize the state's immunization tracking system.</p>
<p>Early Literacy</p>	<p>SB 20-185 (Bridges & Tate/Tipper & Wilson) The Colorado Imagination Library Program</p>	<p>Requires, subject to available appropriations, the state librarian in to contract with a Colorado nonprofit organization for the creation and operation of the Colorado Imagination Library program which provides children birth to 5 years old with access to books on a monthly basis at no cost to families.</p>
<p>Family Economic Security</p>	<p>SB 20-029 (Fields & Moreno/Coleman & Duran): Cost Of Living Adjustment For Colorado Works Program</p>	<p>The bill allocates up to \$10M from the TANF Long-term Reserve to provide every family receiving Basic Cash Assistance via TANF with a one-time payment of \$500.</p>

Health	SB 20-215 (Moreno & Donovan/Kennedy & McCluskie) Health Insurance Affordability Enterprise	The bill continues, at the state level, a federal fee on health insurance carriers that is expiring in order to establish a dedicated revenue source to cover the costs of the state reinsurance program, increase the value of various benefits offered under the state insurance exchange, and expand coverage to individuals who were left out of the Affordable Care Act, including those without proper documentation.
Health	SB 20-205 (Fenberg & Bridges/Backer & Caraveo): Sick Leave for Employees	Requires all employers to provide paid sick to employees, accrued at one hour of paid sick for every 30 hours worked, up to a maximum of 48 hours.

Legislation That Failed

Category	Bill Number/Sponsors/Title	Summary
ECE Facilities	HB 20-1138 (Coleman & Larson/Bridges & Gardner) Public Real Property Index	The bill would have required each state agency, institute of higher education, and local government to provide the state architect with information (that would be publicly posted) regarding real usable real property.
ECE Workforce	HB 20-1043 (Buckner & Wilson/Todd & Priola) Income Tax Credit For Early Childhood Education Fix	The bill would have corrected a drafting error affecting the trigger for creating an income tax credit for most early childhood educators.
Home Visiting	SB 20-144 (Fields & Lee/Larson & Michaelson Jenet) Home Visiting Expansion Grant Program	The bill would have created a grant program to fund nationally recognized, evidence-based home visiting models throughout the state.

Budget Action of Relevance

State Agency (HB 20-1360)	Summary	Impact of Budget
HCPF	Children's Basic Health Plan (CHP+) faced proposed cuts but was not reduced in the final budget. In fact, the state budget slightly increases funding to account for declining federal revenue from the last reauthorization	No reduction; slight increase
CDE	Colorado Preschool Program: No changes to slots funded despite a proposal to do so. The per pupil expenditures in CPP are tied to our School Finance Act so cuts to K-12 education mean that the per pupil expenditures (on average) will be slightly reduced	No reduction in slots
CDE	Full-day Kindergarten: No cuts to full-day kindergarten	No reduction in funding children as 1.0 FTE
CDHS	Colorado Child Care Assistance Program (CCCAP): Slight increase in funding and slight increase in spending authority of federal funds	Slight increase of \$5.6M (+\$1.7M CF, -\$1.2 GF, +\$5.2 FF)
CDHS	Family Resource Centers: Budget cut of \$500K+ out of a previous allocation of \$1.3M	Funding cut
CDHS	Early Intervention: While EI did not see cuts, the legislature flat funded the program despite anticipated increases in caseload growth in 2020-21. Funding that caseload growth via the supplemental request or changing eligibility to avoid a wait list will be a challenge.	Flat funding despite anticipated caseload increase
CDE	K-12 Education: Budget stabilization fact has grown to \$1.18B (some cuts offset by federal money this year)	Cuts to nearly all grant & pilot programs and slight decrease in PPR
CDHE	Major cuts to the higher education budget (58% of prior year's allocation). Some impact will be slightly offset by federal stimulus money this year.	Major reduction in funding

Ballot Measures of Relevance Anticipated for November of 2020

Initiative/Referred Measure	Summary	Funding Level
Initiative #271: Fair Tax Colorado	If signatures are collected by Fair Tax Colorado and the measure passes in November, this would create a graduated income tax for individual taxpayers by lowering the tax rate on taxable income up to \$250,000 (more than 97% of taxpayers) from 4.63 to 4.58 percent, and raising the tax rates on taxable income above this amount; and increase state income tax revenue, with a requirement that at least half of the new revenue be spent on pre-primary through twelfth grade (P-12) public education and the other half be used to address Colorado's growing population and changing economy.	~\$2 billion per year beginning in 2021
Referred Measure from HB 20-1427: Tobacco & Nicotine Tax for Education, Housing & ECE	See summary above for HB 20-1427	2020-21: \$83M 2021-22: \$168M 2022-23: \$166M 2023-24: \$168M+
Initiative #283: Paid Family & Medical Leave	If signatures are collected by Colorado Families First and the measure passes in November, this would establish a social insurance paid family and medical leave program funded by employee and employer contributions and would provide 12 to 16 weeks of paid family and medical leave for all Coloradoans.	
Gallagher Repeal	The legislature referred a measure to the voters to repeal the Gallagher amendment.	