

COLORADO DEPARTMENT OF HUMAN SERVICES 1575 SHERMAN ST., DENVER, COLORADO 80203-1714 <p style="text-align: center;"><u>AGENCY LETTER</u></p>	NUMBER: TCW-07-04-P
	CROSS REFERENCE NUMBER:
DIVISION OR OFFICE: Self Sufficiency – Colorado Works Division	DATE July 16, 2007
SUBJECT AREA: TANF/Colorado Works - TCW	DIVISION DIRECTOR: Kevin Richards
SUBJECT: Increase to the Resource Limitation and Exemptions for the Colorado Works Program. TYPE: P - Procedure	MANAGER: Pauline Burton

Purpose:

The purpose of this agency letter is to advise counties of a rule change to the resource limitations and additional exemptions for the Colorado Works Program, effective November 2006.

The increase of the asset test will allow families to build and maintain a saving cushion to help bridge their way to self-sufficiency. The increase in allowable assets can assist Colorado Works applicants and participants by helping to encourage savings and build assets toward retirement.

Background:

The Colorado Revised Statutes 26-2-706 (2), (C.R.S.) that created the Colorado Works Program establishes the threshold for the resource limit and the asset exemptions as a condition of eligibility for the Colorado Works Program. The maximum resource limit for Colorado Works eligibility was limited to \$2,000. per household.

Procedure or Information:

The maximum resource limitation is increased and additional identified assets are exempted by passage of Senate Bill 06-134.

New resource limit:

- The maximum resource limit is increased from **\$2,000**, to no more than **\$15,000**, Section 3.608.1 (9 CCR 2503-1).

Additional assets exempted as countable towards the resource limit are:

- **Retirement Accounts, Section 3.612.1, X.**

- **Health Care Savings Accounts, Section 3.612.1, Y.**
- **Educational Savings Accounts, Section 3.612.1, BB.**
- **Educational Scholarships, Section 3.612.1, CC.**
- **Educational Stipends, Section 3.612.1, DD.**
- **Earned Income Tax Refunds, Section 3.612.1, GG.**
- **Currently the primary motor vehicle is exempt. This rule change exempts an additional motor vehicle for each member of the assistance unit who is employed, job ready, or in a Federally countable work activity, Section 3.612.2, A.**
- **A Real Estate asset that does not produce or provide income for the participant/applicant and is not a secondary residence of the participant, Section 3.612.2, C.**
- **Burial Plots and Burial Insurance Plans, Section 3.612.2, F.**
- **Life or Disability Insurance Policies that may have a cash value are exempted resources for the Colorado Works Program, Section 3.612.2, G.**

Effective Date:

Immediately

Supersedes:

None

Contact Person:

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