National Conference of State Legislatures

Colorado Economic Opportunity Poverty Reduction Task Force Early Childhood Development and Education Work Group

August 21, 2013

Legislative examples that address the "Cliff Effect"

- RI SB 736 (2013 Failed) Establishes a childcare assistance transition pilot program allowing working families to remain eligible for assistance so long as income is at or below two hundred twenty-five percent (225%) of the federal poverty level and provided that the family requires child care in order to work at paid employment. Requires the Director of Human Services to submit a plan for the pilot transition program to the governor and legislature by 2014, including eligibility criteria for participation, cost estimates to implement the program, and estimated increase in wages enabled through participation in the pilot program.
- WA SB 5595 (2013 Chapter 337)-Creates a legislative task force on child care improvements
 and directs the task force to address the creation of a tiered reimbursement model for quality
 child care, expansion of the early childhood education and assistance program, early learning
 funding and services, and incentives for integrating child care and preschool programming,
 including recommendations for a further graduation of the co-pay scale to eliminate the cliff
 that occurs at subsidy cut off.
- **CO HB 1265** Chapter 141 (2008)-Concerns alignment of the maximum eligibility guidelines for the Colorado child care assistance program county option with the federal maximum eligibility guideline.
- **CO HB 1014** Chapter 247 (2011)-Removes the limiting trigger associated with the child care contribution income tax credit.
- CO SB 22 Chapter 106 (2012)-Implements a pilot program to allow working parents who
 receive child care assistance a 2-year transition period and pay smaller incremental co-pay
 increases instead of becoming ineligible altogether.