

SB20-029: COST OF LIVING ADJUSTMENT FOR COLORADO WORKS PROGRAM

Concerning an annual cost of living adjustment to the amount of basic cash assistance a Colorado works program recipient receives.

Details

Bill Sponsors:	House – <i>Coleman (D) and Duran (D)</i> Senate – <i>Fields (D) and Moreno (D)</i>
Committee:	Senate Finance
Bill History:	1/8/2020- Introduced in Senate
Next Action:	2/11/2020-Hearing in Senate Finance
Fiscal Note:	Not available at time of publication

Bill Summary

Beginning July 1, 2020, the bill would increase Basic Cash Assistance (BCA) in the Temporary Assistance for Needy Families (TANF) program, called Colorado Works, to at least 110 percent of the BCA in 2019. Starting on July 1, 2021, the Department of Human Services (DHS) must annually increase the BCA by a cost of living adjustment (COLA) equal to 1.5 percent or the Social Security Administration's COLA for that year, whichever is greater. Beginning July 1, 2025 and every 5 years thereafter the Joint Budget Committee is to review the sustainability of the long-term works reserve to fund the COLA, and if necessary identify additional sources of funding.

Issue Summary

TANF/Colorado Works

The Colorado Works program serves low-income¹ families with children while the preparing for, looking for and/or maintaining employment. In 2017, for every 100 poor families with children in Colorado, only 34 received BCA.² While TANF caseloads have remained relatively flat over the past couple decades, twice as many Coloradan families are living in deep poverty³ than in 1996 when the program was created.⁴

The Colorado Works program operates in each of Colorado's 64 counties and is delivered locally through each county's department of human or social services. The counties receive funding through a formula allocation set by the state, which receives funds from the federal government in the form of a block grant.⁵ The annual federal TANF block grant has been frozen since its creation and lost about a third of its value between 1997 and 2017 due to inflation.² In 2017, Colorado spent about \$410 million in federal and state funds under the program, 22 percent of which was spending on BCA.²

¹ Income eligibility varies, but families receiving BCA live near 50% of the federal poverty level.

² Center on Budget and Policy Priorities (2018) *Colorado TANF Spending*. Retrieved from https://www.cbpp.org/sites/default/files/atoms/files/tanf_spending_co.pdf

³ Incomes below \$2 per person per day.

⁴ Colorado Center on Law and Policy (Apr 13, 2017). *TANF's cautionary tale about block grants*. Retrieved from https://cclponline.org/cclp_blog/tanf-cautionary-tale-about-block-grants/

⁵ Colorado Legislative Council Staff (January 2017). *Public Benefits and Services Resource Manual: A Guide to Colorado's Public Service Programs*. Retrieved from https://leg.colorado.gov/sites/default/files/human_services_book_updated.pdf

Poverty & Health

Income is a primary driver of health status, poverty is one of three factors that impose the greatest burden of disease in the United States.⁶ Nearly 23 percent of Coloradans living at 100 percent of the federal poverty level report experiencing poor or fair physical health.⁷ Poverty has a great effect on birth weight, infant mortality, language development, chronic illness, environmental exposure, nutrition, and injury.⁸ Further, children living in poverty are at increased risk of inattention, impulsivity, and poor peer relationships.⁸

Supporters

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- Adams County
 - All Families Deserve a Chance Coalition
 - Arapahoe County Early Childhood Council
 - Aurora Health Alliance
 - Center for Health Progress
 - Children’s Hospital Colorado
 - Colorado Center on Law & Policy (CCLP)
 - Colorado Children’s Campaign
 - Colorado Coalition for the Homeless
 - Colorado Cross-Disability Coalition
 - Colorado Fiscal Institute
 - Colorado Foundation for Universal Health Care
 - Colorado Springs Food Rescue
 - CommunityWorks
 - Denver Foundation
 - Energy Outreach Colorado
 - Housing Colorado
 - Human Services Network
 - Illuminate Colorado
 - LiveWell Colorado
 - Lutheran Advocacy Ministry- Colorado
 - National Association of Social Workers, Colorado Chapter
 - Parent Possible
 - People’s Advocacy Council
 - Raise Colorado
 - St. Francis Center
 - Together Colorado

Opponents

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- No opposition has been made publicly available at time of publication.

About this Brief

This brief was prepared by Health District of Northern Larimer County staff to assist the Health District Board of Directors in determining whether to take an official stand on various health-related issues. The Health District is a special district of the northern two-thirds of Larimer County, Colorado, supported by local property tax dollars and governed by a publicly elected five-member board. The Health District provides medical, mental health, dental, preventive and health planning services to the communities it serves. This brief is not a complete analysis of this policy issue. This brief is accurate to staff knowledge as of date printed. For more information about this brief or the Health District, please contact Alyson Williams, Policy Coordinator, at (970) 224-5209, or e-mail at awilliams@healthdistrict.org.

⁶ Muennig, P., Fiscella, K., Tancredi, D., & Franks, P. (2010). The relative health burden of selected social and behavioral risk factors in the United States: implications for policy. *American journal of public health, 100*(9), 1758–1764. doi:10.2105/AJPH.2009.165019

⁷ Colorado Center on Law & Policy (2018). *Income & Health Disparities: Poverty is a Health Issue*. Retrieved from <http://cclpvitalsigns.org/income-health-disparities-poverty-is-a-health-issue.php>

⁸ Council on Community Pediatrics (March 2016). Poverty and Child Health in the United States. *Pediatrics*. Retrieved from <https://pediatrics.aappublications.org/content/early/2016/03/07/peds.2016-0339>