



**COLORADO**

**Department of Early Childhood**

## **STATEMENT OF BASIS, PURPOSE and JUSTIFICATION for EMERGENCY RULES**

### **Basis and Purpose**

Annually, the Department updates the Federal Poverty Levels and the State Median Income levels in Rule and in CHATS, the automated system used by counties to administer Colorado Child Care Assistance Program (CCCAP), to align with each federal fiscal year updates. These guidelines are used to determine eligibility for families applying to the CCCAP program.

These updated figures must be in rule in accordance with the Administrative Procedure Act, § 24-4-103, which requires the state to address in rule any general standard that is applied to the public (such as income eligibility for child care assistance).

Lastly, technical changes have been made to this proposed rule to change the CCR code from 9 CCR 2503-9 to 8 CCR 1403-1 and revise statutory references. This allows us to provide correct citations and promulgate the rules under the new Department of Early Childhood.

### **Justification**

The updated Federal Poverty Levels and State Median Income levels must be in effect at the beginning of the federal fiscal year, October 1st, in order to comply with federal regulations.

### **Executive Director and Programmatic Authority for Rule**

26.5-1-105(1)C.R.S. (2022) The executive director is authorized to promulgate all rules for the administration of the department and for the execution and administration of the functions specified in [section 26.5-1-109](#) and for the programs and services specified in title 26.5.

45 CFR 98.16 (h), (k) Lead Agencies must establish income eligibility thresholds that do not exceed 85% of the State Median Income but that allow for gradual increases in income, and describe the sliding fee scale for cost-sharing by families.

26.5-4-111(1), C.R.S. (2022) Counties shall provide child care assistance to a participant or any person or family whose income is not more than one hundred eighty-five percent of the federal poverty level pursuant to Department rules. The Executive Director by rule may adjust the percentage of the federal poverty level used to determine child care assistance eligibility by promulgating a rule and shall revise income and verification requirements that promote alignment and simplification.