

Economic Opportunity Poverty Reduction Task Force

2009 Report to Legislative Council

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Economic Opportunity Poverty Reduction Task Force

Committee Charge

Pursuant to House Bill 09-1064, the Economic Opportunity Poverty Reduction Task Force is required to:

- assess current state policies and practices that promote economic opportunity and poverty reduction with regards to:
 - building family assets and financial stability;
 - increasing educational opportunities;
 - expanding the work force;
 - using targeted tax policies to make work pay; and
 - addressing work-support issues.
- study and evaluate federally supported and state-supported programs that serve persons living in poverty, including nutrition and employment programs;
- examine factors that contribute to poverty and its economic impact; and
- by December 31, 2010, develop a comprehensive plan for reducing poverty by at least 50 percent in Colorado by 2019.

The task force must meet at least four times each year, and continues through July 1, 2014.

Subcommittees. As required by House Bill 09-1064, the task force appointed five subcommittees that included representatives of executive branch agencies, local governments, business and labor organizations, education organizations, advocates, and other individuals directly impacted by the work of the task force. Each subcommittee was chaired by a member of the task force and was required to advise the task force in completing its duties. Each subcommittee met at least four times and made recommendations to the full task force pertaining to a particular subject area. Subcommittees were appointed in the following subject areas:

- Housing and Utilities;
- Job Creation with Sustainable Income and Work Supports;
- Access to and Coordination of Benefits and Nonprofit/Faith Based Services;
- Scope of the Problem and Metrics; and
- Poverty and Education.

Committee Activities

The task force met six times during the 2009 interim. Task force meetings were devoted to the discussion of poverty definitions and measurements, statewide poverty data compared to data from other states, state programs related to poverty reduction and economic development, and specific impacts of poverty. The task force heard wide-ranging presentations from agencies of state, regional, and local governments, as well as various entities involved in poverty reduction and economic development, including:

- the Center for Law and Social Policy;
- the 9 to 5 National Association of Working Women;
- the Colorado Children's Campaign;

- the Colorado Community and Interagency Council on Homelessness;
- Invest in Kids and Nurse-Family Partnership;
- the Front Range Economic Strategy Center (FRESC);
- the Colorado Building and Trade Apprenticeship programs;
- county commissioners;
- county workforce centers and human services departments; and
- higher education institutions.

In addition, each of the five subcommittees met at least four times over the interim. Updates on subcommittee activities and suggested recommendations were presented to the full task force for discussion. Eight bills were drafted at the request of the task force and all were ultimately approved.

Measures of poverty. The task force was briefed by various experts on the use of different measures of poverty and on statewide poverty rates under each measurement. State departments offered additional information concerning eligibility guidelines and the evaluative methods of state programs relevant to poverty reduction. The Scope of the Problem and Metrics Subcommittee further explored the issue. The task force recommends Bill F, which specifies that the duties of the Economic Opportunity Poverty Reduction Task Force include developing a relevant, fluid model for assessing progress toward reducing poverty and increasing economic opportunity in Colorado. The bill also stipulates that the task force will recommend that the General Assembly adopt the task force's model for purposes of evaluating the effectiveness of certain public programs and policies.

Mitigating the impacts of poverty. The task force considered perspectives from individuals, employers, county representatives, and other organizations regarding challenges for low-income individuals and ways to mitigate the impacts of poverty by providing work supports and opportunities for economic development. The Job Creation with Sustainable Income and Work Supports Subcommittee and the Housing and Utilities Subcommittee further explored the issue. Presentations and witness testimony regarding targeted tax policy led the task force to propose Bill A, which makes an Earned Income Tax Credit a first priority Taxpayer Bill of Rights (TABOR) refund method.

Presentations from the Department of Corrections regarding pre-release and employment training programs for offenders, and input from ex-offenders, representatives of apprenticeship programs, and the Colorado Criminal Justice Reform Coalition regarding barriers to employment for ex-offenders, prompted the task force to recommend Bill B. This bill clarifies civil liability regarding negligent hiring practices for an employer that hires a person with a criminal record.

In response to presentations from organizations concerned with homelessness and task force discussions regarding the need for affordable housing, the task force proposes Bill G, which authorizes certain public entities to enter into voluntary agreements affecting rent on private residential property.

Improved access to benefits and reduced service silos within state programs. The task force received an overview from state departments regarding programs that reduce poverty or increase economic opportunity. Substantial task force discussion was devoted to the need for programs that simultaneously address poverty reduction and increase economic opportunity. Particular focus was given to program evaluation and proposals to increase efficiency and decrease "service silos" within program administration. Service silos occur when departments with related programs and common goals fail to communicate with each other effectively. Individuals with experience accessing the state benefits system offered testimony on the issue, and the Poverty and Education Subcommittee and the Access to and Coordination of Benefits and Nonprofit/Faith-Based Services Subcommittee further explored such questions.

As a result of its discussions on the need to make poverty reduction and family self-sufficiency a focus of all programs, the task force recommends Bill H, which allows collaboratives concerned with the provision of multi-agency services to extend membership to additional entities. The task force's focus on ways to improve evaluative measures of state programs led to Bill D, which authorizes the Department of Human Services to use a portion of existing appropriations to conduct an independent evaluation of the Statewide Strategic Use Fund. In response to task force discussions regarding inefficiencies experienced by individuals accessing state benefits, particularly problems experienced by ex-offenders, the task force proposes Bill C. The bill concerns a reduction in barriers to obtaining identity-related documents. In response to presentations concerning the difficulty of navigating eligibility guidelines and the impact of the "cliff effect," which occurs when an increase in earned income leads to a loss of benefits, the task force recommends Bill E. The bill concerns the administration of the Supplemental Nutrition Assistance Program.

Additional committee discussion. The task force considered but declined to recommend legislation directing counties to pursue federal Medicaid matching funds for county mill levy dollars in order to provide services to individuals with developmental disabilities. The benefits and disadvantages of such legislation were addressed in testimony from advocates for individuals with developmental disabilities and from representatives of community centered boards. Further task force discussion was devoted to proposed cuts to the Aid for the Needy Disabled Program.

Committee Recommendations

As a result of task force deliberations, the Economic Opportunity Poverty Reduction Task Force recommends eight bills for consideration in the 2010 legislative session.

Bill A — TABOR and the Earned Income Tax Credit. Bill A makes an Earned Income Tax Credit (EITC) a first priority Taxpayer Bill of Rights (TABOR) refund method. The bill increases the threshold necessary to trigger a temporary income tax rate reduction as a method to provide a TABOR refund so that the rate reduction does not occur unless there is also an earned income tax credit refund.

Bill B — Clarifying Civil Liability for an Employer Hiring a Person with a Criminal Record. Bill B prohibits information regarding an employee's criminal history from being introduced as evidence against an employer in a civil action regarding negligent hiring practices if:

- the nature of the criminal history does not bear a direct relationship to the facts underlying the cause of action;
- a court order sealed any record of a criminal case or a pardon was issued before the occurrence of the civil action; or
- the record of an arrest or charge did not result in a criminal conviction.

Bill B does not eliminate the requirement for criminal history background checks in hiring for certain employment.

Bill C — Reduction in Barriers to Obtaining Identity-Related Documents. Bill C prohibits the state from charging a fee for a certified birth or death record if the applicant is a county department of social services or human services or the applicant has a letter of referral from such a county department. Bill C also prohibits the state from charging a fee for a Colorado identification card to an applicant referred by, or released within the prior six months from, the

Department of Corrections, the Division of Youth Corrections, or a county jail. Bill C authorizes a court to grant a name change if a person has previously been convicted of a felony when specified conditions are found by the court. The bill directs the court to forward information on the name change to specified departments.

Bill D — Independent Evaluation of the Statewide Strategic Use Fund. Bill D authorizes the Department of Human Services to use a portion of existing appropriations to conduct an independent evaluation of the Statewide Strategic Use Fund (SSUF). Pursuant to the bill, the executive director of the Department of Human Services, after consultation with the Strategic Allocation Committee, is authorized to contract with a qualified, independent entity to perform an evidence-based evaluation of the effectiveness of the SSUF in meeting the objectives of the Colorado Works Program, as well as the effectiveness of the individual initiatives and programs supported by the SSUF. Bill D allows the executive director to annually use up to 2 percent of the moneys allocated to the SSUF to contract for the evaluation. The bill requires the executive director to include a copy of the most recent evaluation in his or her annual report to the General Assembly on the SSUF.

Bill E — Administration of the Supplemental Nutrition Assistance Program. Bill E requires the state Department of Human Services to adopt the maximum certification period allowable pursuant to federal law for the receipt of federal food assistance benefits under the Supplemental Nutrition Assistance Program (SNAP). Additionally, Bill E requires the department to develop and implement a state outreach plan with the use of private and federal moneys to promote access to federal food benefits by eligible persons. The bill requires the department to submit the outreach plan for federal approval by September 1, 2010. The bill exempts the department from developing and implementing the outreach plan if sufficient federal or private moneys are not received. Bill E changes the name of the federal food stamps program to SNAP to reflect the federal name change. The bill also directs the department to implement a program or policy, pursuant to federal law, establishing broad-based categorical eligibility for federal food assistance benefits. At a minimum, the program or policy must remove the asset test for eligibility and increase the gross income test to 200 percent of the federal poverty level pursuant to federal law.

Bill F — Duties of the Economic Opportunity Poverty Reduction Task Force. Bill F specifies that the duties of the Economic Opportunity Poverty Reduction Task Force include developing a relevant, fluid model for assessing progress toward reducing poverty and increasing economic opportunity in Colorado. Once a model is developed, the task force will recommend that the General Assembly adopt the task force's model for purposes of evaluating the effectiveness of certain public programs and policies in achieving the goals of the task force.

Bill G — Authorization for Public Entities to Enter Voluntary Agreements Affecting Rent on Private Residential Property. The rent control statute in current law prohibits counties and municipalities from enacting any ordinance or resolution that would control rent on private residential property. Bill G clarifies that the rent control statute applies only to private residential housing units. The bill also clarifies that nothing in the rent control statute prohibits or restricts the right of a property owner and public entity from voluntarily entering into and enforcing an agreement that controls rent on a private residential housing unit, whether the agreement is entered into before, on, or after the effective date of the bill. An agreement authorized pursuant to Bill G may specify how long a unit is subject to its terms, whether or not the subsequent property owners are subject to the agreement, and remedies for early termination agreed to by both parties. Finally, the bill specifies that the rent control statute does not preclude public entities from cooperatively entering into an agreement, nor does it preclude the assignment of rights and remedies to any party to the agreement.

Bill H — Collaboration in the Provision of Multi-Agency Services. Currently, county departments of social services may enter into memorandums of understanding (MOUs) with certain agencies. The MOUs are designed to promote a collaborative system of local-level interagency oversight groups and individualized services and support teams to coordinate and manage the provision of services to children and families who would benefit from integrated multi-agency services. Currently, the following entities may be included in an MOU: local judicial districts; a county, district, or regional health department; a local school district or school districts; community mental health centers; behavioral health organizations; the division of youth corrections; a designated managed service organization for the provision of treatment services for alcohol and drug abuse; and a domestic abuse program. Bill H includes a listing of additional agencies or entities that may also be included in an MOU. The additional agencies or entities that may be included are: community colleges and postsecondary career and technical education colleges or programs; early childhood councils; boards of cooperative services; regional service councils; family resource centers; and workforce centers. Bill H clarifies that if any of these additional agencies or entities are included in the MOU, that agency or entity has the same rights and responsibilities as any other participant in the MOU.