



DENVER
THE MILE HIGH CITY

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Human Rights & Community Relations

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WORKING HARDER, FEELING POORER

Mid Session Report

Work is not enough. About one in five Colorado households is not earning enough to meet their basic needs without private or government help. They live below the point of self-sufficiency. One in ten Colorado families lives below the Federal Poverty Level (FPL) – about \$20,000 for a family of four.

Expenses are increasing dramatically – food, child care, energy, transportation and housing. Even middle-class families are tightening their belts. In recognition of hard economic times, the U.S. Congress approved an economic stimulus package in record time. While we are enjoying our rebate checks, we should remember that low-wage families (those who earn too little to have an income tax liability) are receiving \$300 less per adult than other families in their federal rebate checks.

What has the 2008 Colorado Legislature done to help struggling families?

-HB 1362 – This bill would have paid the **State Earned Income Tax Credit** up to \$471 to 264,000 low wage Coloradans for two years. It would have diverted about \$50 million from the Federal TANF (Temporary Assistance for Needy Families) Block Grant and about \$5 million from the Unemployment Insurance Fund. Counties have been using only about 70-75% of their TANF funds, and have built up reserves of more than \$150 million – or more than a year's worth of TANF funding. The State also has a Long Term TANF Reserve of \$30 million. TANF caseloads have fallen below 10,000 households statewide. **The bill was killed in House Finance.**

-HB 1265- This State Department of Human Services Bill allows counties to **subsidize child care** for families up to 85% of state median income. It raises the current income ceiling from 225% of FPL to 309% of FPL. Many of these families have faced the loss of hundreds of dollars per month in Child Care subsidies with a 10 cent per hour raise. In many counties the “break-even” point at which earnings can cover the full cost of basic needs is above 225% of FPL. **This bill was signed into law.**

-SB 177- As amended, this State Department of Human Services bill includes a 20% **increase in the monthly TANF cash grant**, effective January 2009, with the authority to go higher delegated to the State Board of Human Services. This would raise the grant from \$356 per month for a family of three to about \$420 per month. Even if the Board raises the grant to 30%, a family's income would still be below 33% of FPL. Half of Colorado's TANF caseload – about 5,000 families are “child-only”. In the absence of a biological parent, caregivers receive \$99 per month per child. This would increase to \$120. per month. **This bill is in House Health and Human Services Committee.**



-SB 3 – This State Department of Health Care Policy and Financing bill would authorize a Medicaid waiver application for an increase in the income ceiling for **reproductive health care services**. Currently the income ceiling is at 150% of FPL. Federal law requires “budget neutrality” when granting waivers. Money is saved when unplanned or unwanted pregnancies are delayed or avoided. So the income ceiling could only increase to the extent that money would be saved. **This bill has been signed into law.**

-SB 160 & 161 – SB 161 streamlines application for **Medicaid and Child Health Plan** by allowing income to be verified through the Department of Labor database, rather than requiring parents to document income. As amended, SB 160 proposes expanding Eligibility for Child Health Plan from 205% of FPL up to 225% of Federal Poverty Level, with the authority to expand to 250% of FPL if funding is sufficient upon approval of the State Board of Human Services. This would add about 9000 children to Child Health Plan. **These bills are in Senate Appropriations.**

-SB 123 – This bill would eliminate to 40 cent co-pay for **reduced price school lunch** for children in kindergarten through second grade. Families earning between 135% and 185% of FPL currently qualify for a reduced price, but not free, school lunch. This bill would provide these lunches for about 12,000 children. **This bill is currently on the Senate floor.**

-HB 1356- Tenants would have a right to “habitable” space in exchange for their rent under this bill. Landlords and tenants would have responsibilities to keep rental housing stock habitable. Elements of this “**warrant of habitability**” include the right to heat, electricity and running hot and cold water, extermination of rodents and vermin. **This bill is currently in House Business Committee.**

-HB 1310- As approved by the House, this bill would cap interest on **pay day loans** at 45% APR and allow people 30 days to pay off their loans. Currently the AVERAGE APR on Colorado pay day loans paid is 353%. It would also limit the fees which could be charged. Currently the AVERAGE borrower takes out a loan of \$343 and pays \$544 in fees in addition to the repayment. The AVERAGE borrower took out nine loans per year. **This bill was gutted in the Senate and was killed in Senate Appropriations.**

-HB 1387- Renews for four years the diversion of \$12-\$13 million per year from the Severance Tax Trust Fund. About half the money would be used for weatherization of homes for low-income individuals (under 85% of area median Income—e.g. under 309% of Federal Poverty Level in Metro Denver). About half would be used as **utility payments** for those with incomes under 185% of Federal Poverty Level. **This bill is currently on the House Floor.**

-HB 1227 -This bill reauthorizing the Public Utilities Commission includes a provision to standardize the definition of low-income groups the PUC can assist. General the definition is 185% of FPL. The bill specifically expands the **Low Income Telephone Assistance Program** by 25% with a priority given to those on State public assistance programs. **This bill is currently in Senate Business.**

Check the Denver Women’s Commission website www.denvergov.org in mid-May after Legislative Session to find out which of these measures survived to become law.