

**Report to the Colorado General Assembly:**

**WELFARE IN COLORADO**



**COLORADO LEGISLATIVE COUNCIL**

**RESEARCH PUBLICATION NO. 170**

**November, 1971**

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OF THE  
COLORADO GENERAL ASSEMBLY

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**WELFARE IN  
COLORADO**

**Legislative Council  
Report To The  
Colorado General Assembly**

**Research Publication No. 170  
November, 1971**

# COLORADO GENERAL ASSEMBLY

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ROOM 46 STATE CAPITOL  
DENVER, COLORADO 80203  
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November 30, 1971

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To Members of the Forty-eighth Colorado General Assembly:

In accordance with House Joint Resolution No. 1033, passed by the First Regular Session of the Forty-eighth General Assembly, the Legislative Council submits for your consideration the accompanying report pertaining to welfare in Colorado.

The Committee appointed by the Legislative Council reported its findings and recommendations to the Legislative Council on November 8, 1971, and the Council accepted the report at that time for transmission to the Governor and to the members of the Forty-eighth General Assembly.

Respectfully submitted,

/s/ Representative C. P. (Doc) Lamb  
Chairman

CPL/mp

# COLORADO GENERAL ASSEMBLY



## LEGISLATIVE COUNCIL

ROOM 46 STATE CAPITOL  
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November 5, 1971

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REP. CLARENCE QUINLAN

Representative C. P. (Doc) Lamb  
Chairman  
Colorado Legislative Council  
Room 46, State Capitol  
Denver, Colorado 80203

Dear Mr. Chairman:

Your Committee appointed to study welfare in Colorado submits the accompanying report and recommendations.

It is the hope of the Committee that the recommendations in the accompanying report, calling for statutory changes, will be placed on the Governor's list of subjects to be considered by the 1972 session of the General Assembly.

Respectfully submitted,

/s/ Representative Floyd Sack  
Chairman  
Committee on Welfare

FS/mp

## FOREWORD

House Joint Resolution No. 1033, 1971 regular session, directed the Legislative Council to study welfare in the State of Colorado. The membership appointed to carry out the assignment consisted of:

Rep. Floyd Sack Chairman	Sen. Carl Williams
Sen. Hugh Chance Vice Chairman	Rep. John Byerly
Sen. Joe Calabrese	Rep. Bill Chestnutt
Sen. Fay DeBerard	Rep. George Fentress
Sen. Allen Dines	Rep. Paul Hamilton
Sen. Ben Klein	Rep. Phil Massari
Sen. Ruth Stockton	Rep. Jerry Rose
	Rep. Michael Strang
	Rep. Ruben Valdez

During the course of its 1971 interim work, a subcommittee on emergency assistance to migrants was appointed by the Chairman. The members of the subcommittee were:

Sen. Allen Dines	Rep. Michael Strang
Sen. Carl Williams	

Assistance was given to that subcommittee by Miss Charline Birkins, Director, Division of Public Welfare, Department of Social Services; Miss Jean Dubofsky, Attorney, Colorado Rural Legal Services; and Mr. Ted Zerwin, Metropolitan Council for Community Service.

In addition to those mentioned above, valuable assistance was given to the Committee by Mr. Con Shea, Director, Department of Social Services and many other members of that Department. Bill drafting services were provided by Mrs. Becky Lennahan and Mr. Larry Bohning of the Legislative Drafting Office.

Mr. Rich Levensgood, Senior Analyst for the Legislative Council, had primary responsibility for the staff work and the preparation of this report, and was aided by Mr. Dennis Jakubowski, Research Assistant.

November 5, 1971

Lyle C. Kyle  
Director

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## COMMITTEE FINDINGS AND RECOMMENDATIONS

In accordance with House Joint Resolution No. 1033, passed by the First Regular Session of the 48th General Assembly, the Committee on Welfare appointed pursuant thereto submits the recommendations contained in this report for implementation by the 1972 Session of the General Assembly.

### Summary of Recommendations

The Committee recommends eight bills for passage by the General Assembly. Consequently, the Committee requests the Governor to place these items on his Agenda for the 1972 session. A list of the eight bills and their general scope follows:

- Bill A -- Financial relief for counties: State pay 80% of costs over 3.0 mills (\$6.5 million); state take over homemaker costs (\$125,000).
- Bill B -- Providing emergency assistance to migrant farm workers. (\$200,000 state, \$50,000 county.)
- Bill C -- Providing for the appointment of three County Commissioners to the State Board of Social Services.
- Bill D -- Providing that AFDC payments be cut-off to employable adults if they refuse employment, or refuse or neglect to seek employment or job training.
- Bill E -- Concerning criminal non-support; providing that mothers (as well as fathers) may be convicted for desertion and providing that physical incapacity is an "affirmative defense" (i.e., the defendant must prove he was incapable of supporting his family).
- Bill F -- Placing a state lien against recipients' property to recover cost of welfare payments and services.

Bill G -- Requiring welfare recipients to give written notice of increases in income or possession of property in excess of the amount set by the rules and regulations of the State Department.

Bill H -- Requiring all state and local governmental agencies to cooperate with and supply information to the District Attorney and Welfare Department in locating deserting parents.

In addition, the Committee recommends that more control of county welfare personnel systems be assumed by the County Commissioners (no bill); utilities allowances for AFDC be raised (\$400,000 state; \$360,000 county); the problem of low cost housing be studied next year; the area of job training and encouragement for welfare recipients be studied and that an alternative program to the WIN training program be developed by the Department of Social Services prior to the 1972 General Assembly.

The Committee also recommends that consideration should be given to transferring the investigative personnel of the Welfare Division to the Department of Local Affairs.

#### Committee Findings and Recommendations

Financial Relief for Counties -- Bill A. Embodied in Bill A is the Committee recommendation that an individual county's share of funding for welfare programs which involve any combination of state, federal, and county financial participation should be limited to the amount of revenue that can be raised by the equivalent of 3.0 mills levied on the taxable property in the county. Under this proposal, revenue derived from all sources would be counted in determining the 3.0 mill equivalency, including revenue derived from the property tax, county shares of the specific ownership tax allocated to welfare budgets, welfare refunds, etc. Even balances remaining at the beginning of a budget year would be counted toward the 3.0 mill equivalency.

The recommendation further provides that the amount of revenue needed in excess of 3.0 mills to meet the county share of such welfare costs would be financed by 80 percent state collected funds and 20 percent county collected funds. The Committee believes that the 80 percent state - 20 percent

state-county sharing formula would give the counties a desired degree of financial responsibility and involvement in welfare; with counties paying 20 percent, they may be inhibited from authorizing uncontrolled spending for expanded or additional programs.

The recommendation would not apply to welfare programs financed and administered entirely by a county, e.g., General Assistance.

Based on the 1971 county budgets, if the Committee's 80-20 matching formula had been in effect in calendar year 1971 (the county budget year), the total estimated amount that would have been assumed by the state comes to approximately \$6.5 million, affecting welfare budgets of 24 counties (See Table IV on pages 56 and 57).

Fiscal relief for counties would have ranged from almost \$3.0 million for Denver to \$190 for Archuleta County. Other counties that would have had considerable fiscal relief under the proposal include: Pueblo (\$1.6 million); El Paso (\$716,000); Weld (\$331,000, assuming that full amount for welfare was appropriated in accordance with the August, 1971 Supreme Court decision); Adams (\$286,000); Mesa (\$172,000); Las Animas (\$165,000); Morgan (\$96,000); and Otero (\$86,000).

It is also recommended that the effective date of the bill be July 1, 1972, since, the Committee believes, counties need the financial relief as soon as possible. For this reason, the Committee did not recommend a January 1, 1973 effective date even though it would have conformed with the start of the county budgetary year.

Welfare levies for 1972 calendar year have already been set; thus, one probable result of having July 1, 1972 as the effective date of the bill instead of January 1, 1973, is to insure that counties levying over the 3.0 mill equivalency for welfare will have some balance at the end of 1972 to carry over to the 1973 county budget year. According to representatives of the County Commissioners, there should be no difficulty in carrying over such balances wherever they might occur. Under the bill, such carry-overs would be counted toward the 3.0 mill equivalency.

State Assume County Share of Homemaker Services Costs  
-- Bill A. Under Colorado law, counties are required to pay 20 percent of certain social services costs, including homemaker service, which is provided on an individual basis to welfare recipient households in times of difficulty, such as when the mother is ill or an old person cannot care for himself without help.

It is recommended that the state, which now pays only five percent of such costs, pick up the county share.

It is believed that some recipients would be able to stay out of nursing homes if homemakers were available, thereby reducing Medicaid cost, for which \$13.7 million was appropriated this year out of state funds. A study conducted by the Department, for example, estimated that \$840,000 in nursing home costs could have been saved in 1970 if a state-wide homemaker program existed.

The annual cost for the 110 homemakers authorized this fiscal year is \$613,477. Under the current matching formula; this amount is paid by the three levels of government as follows:

TOTAL COST OF CURRENT PROGRAM:	\$613,477
Federal Share (75%)	460,107
State Share (5%)	30,674
County Share (20%)	122,696

Under the Committee's proposal, the entire county share would be assumed by the state, which would have brought the total state cost for the 110 homemakers to \$153,370 had the recommendation been in effect in 1971-72.

If 200 additional homemaker positions were added in order to have a state-wide program (limited now to 25 counties), the costs would be broken down as below. The expanded program would cost the state, it is estimated, approximately \$389,000 more than the present limited program.

TOTAL COST OF EXPANDED PROGRAM:	\$1,676,809
Federal Share (75%)	1,257,607
State Share (25%)	419,202
County Share (0%)	0

Emergency Assistance for Migrant Farm Workers -- Bill B. The Committee recommends the adoption of a state sponsored emergency assistance program for migrant farm workers.

Migrant families are largely excluded from receiving any AFDC assistance payments and services under Title IV of the Social Security Act. This situation is a result of mi-

grants, by definition, being unable to meet the residency requirement allowed by federal law. For instance, the United States Supreme Court in Shapiro v. Thompson (1969) ruled durational residency requirements to be unconstitutional as a prerequisite to welfare eligibility. However, HEW regulations allow the Shapiro decision to be construed to permit a state to require that a person both be a resident at the time of application and be able to establish his intention to remain there for an indefinite period of time. (Compare Section 4131, Colorado Division of Public Welfare Staff Manual.)

Consequently, migrants must rely on county funded and administered General Assistance when circumstances, such as bad weather, an oversupply of the work force, etc., forces them into situations in which they must seek public assistance for basic living needs and medical assistance.

According to figures supplied by the Department of Social Services, approximately 6,900 of the 30,000 migrants that will be in Colorado in June, 1972, will be in need of emergency assistance for basic living needs. Roughly, 20 percent of the 6,900, or 1,380, will also be in need of medical assistance. The estimated total cost for an emergency assistance program for these 6,900 people in 1972 is \$250,000.

In meeting with HEW regional officials, it was discovered that no federal matching funds under Title IV of the Social Security Act would be available at this time for an emergency program aimed at migrants, unless a general AFDC emergency assistance program was established for all needy families in the state who meet the particular eligibility requirements for emergency assistance. (Compare 45 CFR 233.120) But it is possible that federal funds may be available sometime in the future and the bill would authorize the Department to seek such funds when and if they are available.

However, the Committee rejected the general plan in favor of a state-sponsored and supervised assistance program aimed solely at migrants even though no federal moneys would be forthcoming.

First, the Committee believes that the need for a migrant emergency assistance program is apparent while the same may not be necessarily true with respect to a generalized emergency assistance program.

Second, a totally state funded program could be more flexibly administered. For instance, one federal regulation stipulates that 50 percent "federal matching is available only for emergency assistance which the state authorizes during one period of 30 consecutive days in any 12 consecutive months."

(45 CFR 233.120 (b) (3)). While the bill would limit assistance to a migrant to 30 days per year, the 30-day period need not be consecutive. Thus, if merited, a migrant could receive aid for two weeks in the spring and two weeks in the fall.

Another major reason for having a state program is that AFDC under federal law does not apply to single persons or to childless couples. The Committee believes that an emergency program should not be so restrictive that a man has to bring his entire family to Colorado before he can become eligible for assistance in the event such aid is necessary.

The Committee believes that counties should not be expected to continue to give emergency aid under the totally county funded General Assistance program. Why should a county, for example, be expected to pick up the total cost of such assistance when migrants contribute to the economy of the entire state? However, the Committee believes that the affected county should pay 20 percent and the state 80 percent of the program; this formula accords with the general financing concept found in Bill A.

Some Committee members believe that the agricultural industry itself is financially unable to fund an emergency program itself, and, thus, state aid is necessary.

Under provisions of Bill B, emergency assistance consisting of services, money payments, payments in kind, medical care, or other remedial care, as authorized by the state department, may be furnished to a migrant or his family for a period not to exceed 30 days in any 12-month period. Eligibility standards are to be adopted by the department.

As noted, counties would be required to raise 20 percent of the cost of the program and the state 80 percent.

It was decided that the bills' effective date should not be specified; instead, it was believed that it should become effective on signature of the Governor or as soon after passage by the General Assembly as possible.

The purpose of the Bill, it should be stressed, is not to expand welfare in Colorado, but, rather to provide emergency assistance to migrants who, being in Colorado to advance the state's economy, are forced by circumstances beyond their control to seek temporary public assistance.

Counties Assume More Control of Welfare Administration. Many Committee members share the belief that the trend toward increasing state control in certain areas of administration

of welfare should be halted, and that to the extent possible, more administrative responsibility should be left on the local or county level. These Committee members believe that County Commissioners should be represented on the State Board of Social Services and that County Commissioners should have a direct voice in the administration of the county welfare personnel system.

Two specific recommendations are made:

(1) Appoint Three County Commissioners to State Board of Social Services -- Bill C. The State Board of Social Services has been charged by the General Assembly under Article 10 of Chapter 119, first, to adopt policies, rules, and regulations for the administration of the Department of Social Services, subject to the approval of the Governor; and second, to fix minimum standards for service and personnel of county welfare departments, and to formulate salary schedules for employees of county departments.

Bill C contains the Committee's first recommendation in the area of giving to the counties more control over the administration of welfare -- that three of the nine members appointed to the Board of Social Services should be incumbent County Commissioners. It is the belief of Committee members that having County Commissioners represented on the Board would facilitate better communication on welfare policy between the state and county levels of government. Many feel that such representation would allow counties to have more input into the administration of the welfare system.

(2) More Control of County Welfare Personnel. The Committee recommends that County Commissioners assume the total administration of welfare in the areas of hiring and establishing the salaries of welfare personnel in county departments, to the extent such control is permitted by the guidelines of federal law, as such guidelines are incorporated in the state merit system. No bill is recommended to implement this recommendation.

Raise Utilities Allowance for AFDC. The Committee recommends to the State Board of Social Services that the AFDC utilities allowance be increased on the average of \$13.00 per month for the five month period encompassing November, December, January, February, and March.

The allowance for an AFDC mother with three children (see Table VII for the schedule, page 76) is \$13.00 per month; yet, the average AFDC utility cost for the summer months is \$12.50, meaning in all likelihood that AFDC recipi-

ents in the winter months must pay part of utilities with their "Basic Requirements Allowance" (See Table VIII, page 78), which is designed not to pay for utilities, but to buy food, clothing, and other basic necessities.

The Department's figures presented to the Committee estimated the added cost of increasing the AFDC utilities allowance for the November 1972 - March 1973 period as shown below:

28,215 AFDC cases needing utilities x \$13.00 =  
\$366,795 x 5 months = \$1,833,975 + \$55,752  
Administrative Costs = \$1,889,727

TOTAL COST	\$1,889,727
Federal Share (57.61%)	1,088,672
State Share (22.39%)	423,110
County Share (20.00%)	377,945

The Committee makes no recommendation on also increasing the utilities allowance for the AB and AND categories. If they were to be raised for the five winter month period discussed above, the Department estimates that the added cost for doubling the standard AB and AND utilities grant of \$15.00 per month could amount to \$13,000 for AB and \$580,000 for AND. These figures exclude added administrative cost. Of course, the costs would be shared by federal, state, and counties according to the above matching formula.

Housing Allowance. During Committee discussions, members of the Committee as well as welfare staff members brought to the Committee's attention the equally critical need for more low cost housing in the Denver Metropolitan Area.

AB and AND recipients receive actual cost of housing with no specified maximums (Section 4322.21, Staff Manual). But, in the case of AFDC recipients, the shelter allowance is often inadequate to pay the high rents charged. The shelter allowance varies from a minimum of \$61 per month for an AFDC recipient living alone to a maximum of \$116 for two AFDC adults with 10 children. (See Table VII, page 76.)

However, members of the Committee suggested that the solution may not lie in raising the shelter allowance to enable a recipient to look harder in an area where not enough housing exists in the first place; rather, it was suggested, part of the solution may be to provide inducements for the

construction of lower cost housing outside Denver by means of rent subsidies or, perhaps, provide inducements for recipients to live in areas in the state where housing is available at lower prices.

Representatives of the County Commissioners and some Committee members, on the other hand, suggested that perhaps the rules of the State Board of Social Services should be amended to permit County Commissioners to set the shelter allowance for their counties, subject to the approval of the State Board. In this manner, it was suggested, Commissioners, which are in tune with local housing conditions, could set appropriate levels for the shelter allowance.

Senator Carl Williams and representatives of the Colorado Rural Legal Services and the County Commissioners were requested to submit some proposals for resolving these problems to the Committee for consideration during the next interim.

Job Encouragement for Welfare Recipients. The Committee believes that the area of job encouragement for welfare recipients must be emphasized if the welfare problem is ever going to diminish. The Committee makes the following two specific recommendations in this area:

(a) Recipients Obligated to Seek Employment -- Bill D. The Committee recommends the adoption of legislation that provides that all "employables" before being certified for their welfare assistance payment at least once per month seek employment and accept it when available. Under this proposal a recipient would be expected to seek and accept work in either the public or private sector of the economy or accept a public service job or job training.

(b) Study Work Training Programs. As a future item of Committee study, it is also recommended that the existing job training programs for welfare recipients be examined, including a study of the AFDC Work Incentive Program (WIN). The study of WIN should include, the Committee believes, an examination of the administration of the WIN training program, such as the feasibility and problems caused by having the WIN program administered jointly pursuant to federal law by the Division of Welfare, Department of Social Services, and the Division of Employment, Department of Labor and Employment.

Concerning a supplemental work training program, the Department of Social Services is requested by the Committee to suggest a possible supplemental program to WIN for review by the Committee before the start of the 1972 Session of the General Assembly, in the event that this subject would have

to be put on the Governor's Agenda for action by the General Assembly.

As background information, which, perhaps, can serve as a point of departure for future Committee consideration and discussion, there is included in the accompanying report a discussion of the present Colorado WIN program; the old Title V work training program which pre-dated WIN; a comparison of the present Colorado WIN program with the Title V program and suggestions for changes in WIN by the staff of the Denver Welfare Department.

Criminal Non-Support -- Bill E. During the Committee deliberations, it was brought to its attention by representatives of the District Attorney offices in Denver and El Paso Counties that two changes in criminal non-support statutes should be made. First, deserting mothers as well as deserting fathers should be prosecuted for failure to support her spouse and children. Secondly, if a person accused of non-support claims physical incapacity as the reason, he (not the prosecution) must present some credible evidence that incapacity is actually the case, i.e., it is an "affirmative defense." Presently, the non-support statutes are indefinite as to whether a claimed incapacity must be proved by the defendant.

Placing Lien Against Recipients' Estate for Public Assistance Costs -- Bill F. The Committee recommends that a state lien to the extent permitted by federal law be placed against the real and personal property of welfare recipients valued in excess of the amount which is allowed for welfare eligibility. The amount of lien shall be for the amount of public assistance received or the amount in excess of the amount required for eligibility, whichever is less.

The Committee believes that a statute of limitation is necessary, and Section 119-1-18 (4) provides that a county department has up to three years to perfect and enforce a lien.

OAP, AB, and AND recipients are allowed up to \$1,000 in assets and still remain eligible for assistance. AFDC families may have from \$1,000 to \$2,000, depending on the number of children in the family.

Require Welfare Recipients to Give Notice Upon Acquisition of Property or Income -- Bill G. According to Bill G, it shall be the duty of an AFDC recipient to notify the county department in writing of the receipt of any income or increase in income. Failure of the AFDC recipient to do so shall be a misdemeanor.

Under present statute, an AFDC recipient is guilty of fraud if he receives or attempts to receive assistance to which he is not entitled. Under the language of this bill, a recipient could be required to report a change in a financial situation even though that change of status may not affect his present level of assistance.

It is believed by some Committee members that a "required financial reporting" statute may aid county departments in redetermining eligibility of AFDC recipients. A redetermination of eligibility is a periodic review to determine whether the recipient continues eligible to receive assistance. According to Section 4350 of the Staff Manual, in AFDC cases, redeterminations of eligibility are to be completed at six month intervals. In AFDC-U cases, redetermination is to take place every three months.

Cooperation of Government Agencies with Welfare Departments and District Attorney -- Bill H. In order to assure that all agencies of state and local government cooperate with welfare departments and the District Attorney in locating parents of abandoned or deserted children, the Committee recommends Bill H that requires such agencies to supply information relative to the location, income, and property of absent parents, notwithstanding any other laws making such information confidential.

BILL A

A BILL FOR AN ACT

1 CONCERNING THE FINANCING OF PUBLIC ASSISTANCE AND SOCIAL SERVICES  
2 PROGRAMS.

3 Be it enacted by the General Assembly of the State of Colorado:

4 SECTION 1. 16-2-22, Colorado Revised Statutes 1963, is  
5 amended to read:

6 16-2-22. County appropriation. The board of county  
7 commissioners in each county in this state shall appropriate  
8 annually such sums as in its discretion and judgment may be  
9 needed to carry out the provisions of this article, including  
10 expenses of administration, based upon a budget prepared by the  
11 county welfare department, after taking into account state aid.  
12 ~~and include in the tax levy for such county the sums appropriated~~  
13 ~~for that purpose.~~ Should the sum so appropriated, however, prove  
14 insufficient, additional sums shall be appropriated by the board  
15 of county commissioners. THE BOARD SHALL MAKE A COUNTY WELFARE  
16 LEVY AT A RATE SUFFICIENT IN ITS DISCRETION AND JUDGMENT TO RAISE  
17 THE FUNDS WHICH, TOGETHER WITH ANY OTHER MONEYS MADE AVAILABLE  
18 FOR THIS PURPOSE, ARE NEEDED TO CARRY OUT THE PROVISIONS OF THIS  
19 ARTICLE.

20 SECTION 2. 16-2-23, Colorado Revised Statutes 1963 (1969  
21 Supp.), is amended to read:

1           16-2-23. State reimbursement. The county department shall  
2 keep such records and accounts in relation to assistance to the  
3 needy blind as the department of social services shall prescribe.  
4 The state shall reimburse each county or district department of  
5 public welfare to the extent ~~of eighty per cent of the amount~~  
6 ~~expended for assistance; pursuant to the provisions of this~~  
7 ~~article;~~ PRESCRIBED BY SECTION 119-1-15, C.R.S. 1963.

8           SECTION 3. 119-1-15 (2), Colorado Revised Statutes 1963, as  
9 amended by section 1 of chapter 280, Session Laws of Colorado  
10 1971, is REPEALED AND REENACTED, WITH AMENDMENTS, to read:

11           119-1-15. County appropriations - state payment -  
12 procedure. (2) (a) Pursuant to law and the policies and rules  
13 of the department, the state shall advance to or reimburse each  
14 county in the state at the rate of eighty percent of the amounts  
15 expended by the county departments for assistance or aid to the  
16 needy disabled, the needy blind, families with dependent  
17 children, and tuberculars, for child welfare services, and for  
18 day care services; except that the state shall advance to or  
19 reimburse any county at a rate of one hundred percent of any  
20 amount expended for homemaker services for public assistance  
21 applicants, recipients, or others, in accordance with rules and  
22 regulations of the department of social services. If the county  
23 departments are administered in accordance with the policies and  
24 rules of the department for the administration of county  
25 departments, the state shall also advance to or reimburse the  
26 counties at the rate of eighty percent of the administrative and  
27 social services costs of the county departments.

1           (b) A county eligible for state funds under paragraph (a)  
2 of this subsection (2) shall be entitled to an additional  
3 advancement or reimbursement by the state whenever twenty percent  
4 of the amount expended by the county department for the public  
5 assistance and social services activities named in paragraph (a)  
6 of this subsection (2) exceeds the amount which would be raised  
7 by a levy of three mills against the valuation for assessment of  
8 the county. The amount of such additional advancement or  
9 reimbursement shall be eighty percent of the difference which  
10 results from subtracting the amount which would be raised by such  
11 a three-mill levy from twenty percent of the amount expended for  
12 the public assistance and social services activities named in  
13 paragraph (a) of this subsection (2).

14           (c) All advancements and reimbursements under this  
15 subsection (2) shall be made by the state treasurer from funds  
16 appropriated or made available for such purpose, upon  
17 authorization of the state department, but in no event shall the  
18 state department authorize expenditures greater than the annual  
19 appropriation by the general assembly for the state's share of  
20 the cost of the public assistance and social services activities  
21 named in paragraph (a) of this subsection (2), including the  
22 administrative and social services costs of the named programs.

23           (d) For the purpose of this article, under rules of the  
24 department, administrative and social services costs shall  
25 include: Salaries of the county director and employees of the  
26 county department staff engaged in the performance of public  
27 assistance and social services activities; the county's payments

1 on behalf of such employees for old age and survivors insurance  
2 or pursuant to a county officers and employees retirement plan,  
3 and for any health insurance plan, if approved by the department;  
4 the necessary travel expenses of the county board and the  
5 administrative staff of the county department in the performance  
6 of their duties; necessary telephone and telegraph; necessary  
7 equipment and supplies; necessary payments for postage and  
8 printing, including the printing and preparation of county  
9 warrants required for the administration of the county  
10 department; and such other administrative costs as may be  
11 approved for reimbursement by the department; but reimbursement  
12 for office space, utilities, and fixtures may be made from state  
13 funds only if federal matching funds are available.

14 SECTION 4. 119-1-15 (1) and (3), Colorado Revised Statutes  
15 1963, as amended by section 1 of chapter 280, Session Laws of  
16 Colorado 1971, are amended to read:

17 119-1-15. County appropriations - state payment -  
18 procedure. (1) The board of county commissioners in each county  
19 of this state shall annually appropriate as provided by law such  
20 funds as shall be needed to carry out the public assistance and  
21 social services activities of the county department, including  
22 the costs of administration, based upon the county welfare budget  
23 prepared by the county department pursuant to section 119-3-5,  
24 after taking into account state reimbursements provided for in  
25 this section. ~~and shall include in the tax levy for such county~~  
26 ~~the sums appropriated for this purpose.~~ In the case of a  
27 district welfare department, each county forming a part of said

1 district shall appropriate the funds necessary to defray the  
2 welfare activities of such individual county. EACH BOARD OF  
3 COUNTY COMMISSIONERS IN THIS STATE SHALL MAKE A COUNTY WELFARE  
4 LIVY AT A RATE SUFFICIENT IN ITS DISCRETION AND JUDGMENT TO RAISE  
5 THE FUNDS WHICH, TOGETHER WITH ANY OTHER MONEYS MADE AVAILABLE  
6 FOR THIS PURPOSE, ARE NEEDED TO PAY THE COUNTY'S SHARE OF THE  
7 COST OF PUBLIC ASSISTANCE AND SOCIAL SERVICES ACTIVITIES IN THAT  
8 COUNTY.

9 (3) County departments shall keep such records and accounts  
10 in relation to public assistance and social service activities as  
11 the department shall prescribe by rules and regulations. The  
12 department shall reimburse or advance funds to each county to the  
13 extent provided by law for the amount expended for public  
14 assistance pursuant to the applicable provisions of law and the  
15 policies and rules of the department; except that when a county  
16 department provides or purchases certain specialized social  
17 services to public assistance applicants, recipients, or others,  
18 to accomplish self-support, self-care, or better family life,  
19 including but not limited to day care, ~~homemaker-services~~; foster  
20 care, and services to mentally retarded, in accordance with state  
21 department rules and regulations, the state may reimburse or  
22 advance funds to such county department at a rate in excess of  
23 eighty percent, within available appropriations, but not to  
24 exceed the amount expended by the county department for such  
25 services. Where funds are advanced, adjustment shall be made  
26 from subsequent monthly payments for those purposes. The  
27 expenses of training personnel to provide these services, as

1 determined and approved by the department, shall be paid from  
2 whatever state and federal funds are available for such training  
3 purposes.

4 SECTION 5. 119-2-16, Colorado Revised Statutes 1963, is  
5 amended to read:

6 119-2-16. County appropriations. The board of  
7 commissioners of each county shall appropriate such sum annually  
8 as may be needed to carry out the provisions of this article,  
9 including expenses of administration, the appropriation to be  
10 based upon a budget prepared by the county department and to take  
11 into account the possible receipt of applicable state and federal  
12 funds; ~~and--shall--make--a--levy--sufficient--to--raise--the--sum--so~~  
13 ~~appropriated;-provided;~~ EXCEPT that if the sum so appropriated be  
14 exhausted before the end of the year for which it was  
15 appropriated the board of commissioners shall appropriate such  
16 additional sums as may be necessary, and warrants drawn against  
17 such additional appropriations may be registered as provided by  
18 law. ~~and--shall--be--paid--by--a--levy--made--for--that--purpose--in--the~~  
19 ~~ensuing--year:~~ THE BOARD SHALL MAKE A COUNTY WELFARE LEVY AT A  
20 RATE SUFFICIENT IN ITS DISCRETION AND JUDGMENT TO RAISE THE FUNDS  
21 WHICH, TOGETHER WITH ANY OTHER MONEYS MADE AVAILABLE FOR THIS  
22 PURPOSE, ARE NEEDED TO CARRY OUT THE PROVISIONS OF THIS ARTICLE.

23 SECTION 6. 119-2-17, Colorado Revised Statutes 1963 (1967  
24 Supp.), is amended to read:

25 119-2-17. State reimbursement. The state shall reimburse  
26 each county department to the extent ~~of--eighty--percent--of--the~~  
27 ~~amount--expended--by--the--county--department--for--assistance--given~~

1 ~~under the provisions of this article;~~ PRESCRIBED BY SECTION  
2 119-1-15.

3 SECTION 7. 119-6-21, Colorado Revised Statutes 1963, is  
4 amended to read:

5 119-6-21. Appropriation. The board of county  
6 commissioners in each county of this state shall annually  
7 appropriate such sums as in its judgment may be needed to carry  
8 out the provisions of this article, including costs of  
9 administration, based upon a budget prepared by the county  
10 department after taking into account state reimbursements  
11 provided for in section 119-6-22. ~~and shall include in the tax~~  
12 ~~levy for such county the sums appropriated for the purpose.~~  
13 Should the sums so appropriated prove insufficient for the  
14 purpose, additional sums shall be provided by the board of county  
15 commissioners. THE BOARD SHALL MAKE A COUNTY WELFARE LEVY AT A  
16 RATE SUFFICIENT IN ITS DISCRETION AND JUDGMENT TO RAISE THE FUNDS  
17 WHICH, TOGETHER WITH ANY OTHER MONEYS MADE AVAILABLE FOR THIS  
18 PURPOSE, ARE NEEDED TO CARRY OUT THE PROVISIONS OF THIS ARTICLE.

19 SECTION 8. 119-6-22, Colorado Revised Statutes 1963 (1969  
20 Supp.), is amended to read:

21 119-6-22. State reimbursement. The county department  
22 shall keep such records and accounts in relation to aid to the  
23 needy disabled as the department of social services shall  
24 prescribe. The state shall reimburse each county or public  
25 welfare district to the extent ~~of eighty per cent of the amount~~  
26 ~~expended for assistance, pursuant to the provisions of this~~  
27 ~~article;~~ PRESCRIBED BY SECTION 119-1-15. Whenever any county, by

1 reason of an emergency or other temporary condition, shall be  
2 unable to meet its necessary financial obligations for other  
3 public welfare purposes, and at the same time meet its  
4 requirements for aid to the needy disabled, the department of  
5 social services may, in its discretion, reimburse such county in  
6 excess of ~~eighty--per--cent--of--the--amount--expended~~ THE RATE  
7 PRESCRIBED BY SECTION 119-1-15 for aid to the needy disabled.  
8 The state board shall determine the amount of such excess  
9 reimbursement and the period of time during which such excess  
10 reimbursement shall be made. For such purpose, the department of  
11 social services may use not to exceed five per cent of the amount  
12 allocated to it by the state for aid to the needy disabled.

13 SECTION 9. 119-9-12, Colorado Revised Statutes 1963 (1967  
14 Supp.), is amended to read:

15 119-9-12. County appropriation. The board of county  
16 commissioners in each county shall appropriate annually such sum  
17 as in its discretion and judgment may be needed to carry out the  
18 provisions of this article, including expenses of administration  
19 based upon a budget prepared by the county welfare department,  
20 after taking into account state and federal funds. ~~The board is~~  
21 ~~to include in the tax levy for such county, the sum appropriated~~  
22 ~~for that purpose.~~ Should the sum so appropriated be expended or  
23 exhausted, during the year, and for the purpose for which it was  
24 appropriated, additional sums may SHALL be appropriated by the  
25 board of county commissioners. THE BOARD SHALL MAKE A COUNTY  
26 WELFARE LEVY AT A RATE SUFFICIENT IN ITS DISCRETION AND JUDGMENT  
27 TO RAISE THE FUNDS WHICH, TOGETHER WITH ANY OTHER MONEYS MADE

1 AVAILABLE FOR THIS PURPOSE, ARE NEEDED TO CARRY OUT THE  
2 PROVISIONS OF THIS ARTICLE.

3 SECTION 10. 119-9-13, COLORADO REVISED STATUTES 1963 (1969  
4 SUPP.), IS AMENDED TO READ:

5 119-9-13. State reimbursement. The county department  
6 shall keep such records and accounts in relation to aid or  
7 services to families with dependent children as the department  
8 shall prescribe. The state shall reimburse each county or public  
9 welfare district to the extent ~~of eighty per cent of the amount~~  
10 ~~expended for assistance or aid, pursuant to the provisions of~~  
11 ~~this article;~~ PRESCRIBED BY SECTION 119-1-15. Whenever any  
12 county, by reason of an emergency or other temporary condition,  
13 shall be unable to meet its necessary financial obligations for  
14 other public welfare purposes, and at the same time meet its  
15 requirements for aid to dependent children, the department may,  
16 in its discretion upon consideration of the conditions and the  
17 requirements of this article, reimburse such county in excess of  
18 ~~eighty per cent of the amount expended~~ THE RATE PRESCRIBED BY  
19 SECTION 119-1-15 for aid or services to families with dependent  
20 children. The state board shall determine the amount of such  
21 excess reimbursement and the period of time during which such  
22 excess reimbursement shall be made. For such purpose, the  
23 department may use not to exceed five per cent of the amount  
24 allocated to it by the state for aid to families with dependent  
25 children.

26 SECTION 11. 119-13-4, Colorado Revised Statutes 1963 (1969  
27 Supp.), is amended to read:

1           119-13-4. Reimbursement to counties. The state department  
2 shall, within the limits of available appropriations, reimburse  
3 the county' departments ~~eighty-percent-of~~ FOR amounts expended by  
4 ~~county-departments~~ for child welfare services ~~as--authorized--by~~  
5 ~~this-artiele;~~ AT THE RATE PRESCRIBED BY SECTION 119-1-15.

6           SECTION 12. Repeal. 119-3-6 (1), (3), and (4), Colorado  
7 Revised Statutes 1963, as amended, are repealed.

8           SECTION 13. Effective date. This act shall take effect  
9 July 1, 1972.

10          SECTION 14. Safety clause. The general assembly hereby  
11 finds, determines, and declares that this act is necessary for  
12 the immediate preservation of the public peace, health, and  
13 safety.

**BILL B**

A BILL FOR AN ACT

1 CONCERNING EMERGENCY ASSISTANCE TO MIGRANT FARMWORKERS.

2 Be it enacted by the General Assembly of the State of Colorado:

3 SECTION 1. Chapter 119, Colorado Revised Statutes 1963, as  
4 amended, is amended BY THE ADDITION OF A NEW ARTICLE to read:

5 Article 15

6 EMERGENCY ASSISTANCE

7 119-15-1. Legislative declaration. The general assembly  
8 hereby declares that the purpose of this article is to provide  
9 emergency assistance to migrant farmworkers who, because of the  
10 requirements of state and federal law, are often unable to  
11 qualify for aid under other programs. The general assembly  
12 further declares that migrant farmworkers perform a vital  
13 function in an important segment of the economy of this state,  
14 and that migrant farmworkers suffering from acute illness,  
15 injury, natural disaster, or other catastrophic events beyond  
16 their control should be afforded assistance in overcoming such  
17 difficulties when they are without available resources to provide  
18 the basic necessities of life.

19 119-15-2. Definition. "Nonresident migrant farmworker"  
20 means a person who is present in Colorado but does not intend to  
21 remain in Colorado and who is engaged in or is seeking seasonal

1 farm work for the care, culture, or harvest of perishable crops  
2 in this state. "Nonresident migrant farmworker" includes any  
3 dependents of such farmworker who are present in Colorado but do  
4 not intend to remain in this state.

5 119-15-3. Emergency assistance or aid. (1) Emergency  
6 assistance shall be furnished by each county welfare department  
7 to any nonresident migrant farmworker present in the county who  
8 is without available resources, when the payments, care, or  
9 services to be furnished are necessary to avoid destitution; but  
10 emergency assistance shall not be furnished to any nonresident  
11 migrant farmworker if his destitution arose because of his  
12 refusal without good cause to accept employment. Such emergency  
13 assistance shall be furnished for a period not in excess of  
14 thirty days in any twelve-month period.

15 (2) Emergency assistance may consist of services, money  
16 payments, payments in kind, medical care, or any other type of  
17 remedial care, as authorized by regulation of the department of  
18 social services.

19 (3) The department of social services shall adopt  
20 eligibility standards for the receipt of emergency assistance  
21 under this article and shall specify the level of emergency  
22 assistance and which services will be provided. The department  
23 of social services shall also adopt procedures to assure that  
24 emergency assistance is not furnished to any nonresident migrant  
25 farmworker by more than one county during the same period.

26 119-15-4. County appropriations - reimbursement. (1) The  
27 board of county commissioners in each county shall appropriate

1 annually such sums as in its discretion are necessary to carry  
2 out the provisions of this article, including the expenses of  
3 administration, based upon a budget prepared by the county  
4 welfare department, after taking into account state  
5 reimbursements provided for in this section; except that if the  
6 sum so appropriated is exhausted before the end of the year for  
7 which it was appropriated, the board shall appropriate such  
8 additional sums as may be necessary. The board shall make a  
9 county welfare levy at a rate sufficient in its discretion and  
10 judgment to raise the funds which, together with any other moneys  
11 made available for this purpose, are needed to carry out the  
12 provisions of this article.

13 (2) The state shall reimburse or advance funds to each  
14 county at the rate of eighty percent of the amount expended for  
15 emergency assistance and administrative costs of the county  
16 departments incurred in providing such assistance, pursuant to  
17 the policies and rules of the department of social services. The  
18 advancements and reimbursements under this article shall be made  
19 in the manner prescribed by section 119-1-15 for other programs  
20 of assistance or aid administered by the department of social  
21 services and county welfare departments.

22 119-15-5. Authorization to seek federal aid. The  
23 department of social services may apply for any federal funds  
24 which are available for all or any portion of the program of  
25 emergency assistance established by this article.

26 SECTION 2. Safety clause. The general assembly hereby  
27 finds, determines, and declares that this act is necessary for

1 the immediate preservation of the public peace, health, and  
2 safety. [REDACTED]

BILL C

A BILL FOR AN ACT

1 CONCERNING THE COMPOSITION OF THE STATE BOARD OF SOCIAL SERVICES.

2 Be it enacted by the General Assembly of the State of Colorado:

3 SECTION 1. 119-10-1 (1), Colorado Revised Statutes 1963  
4 (1969 Supp.), is amended to read:

5 119-10-1. State board of social services. (1) (a) There  
6 is hereby created the state board of social services. The board  
7 shall consist of nine members, each of whom shall be appointed by  
8 the governor, with the consent of the senate, for terms of four  
9 years each. Effective July 1, 1968, the terms of office of the  
10 members of the state board of public welfare shall terminate, and  
11 prior thereto, the governor shall appoint four members of the  
12 state board of social services, effective July 1, 1968, whose  
13 terms of office shall expire March 1, 1969, and five members of  
14 the state board of social services, effective July 1, 1968, whose  
15 terms of office shall expire March 1, 1971. Appointments  
16 thereafter shall be made in accordance with the provisions of  
17 this subsection (1). ~~as-amended.~~

18 (b) EFFECTIVE MARCH 1, 1973, THREE OF THE MEMBERS OF THE  
19 BOARD SHALL BE APPOINTED FROM AMONG PERSONS WHO ARE SERVING AS  
20 COUNTY COMMISSIONERS IN THIS STATE. WHENEVER A COUNTY  
21 COMMISSIONER SERVING AS A MEMBER OF THE BOARD CEASES TO HOLD THE

1 OFFICE OF COUNTY COMMISSIONER, A VACANCY ON THE BOARD SHALL  
2 OCCUR, AND THE GOVERNOR SHALL FILL THE VACANCY BY THE APPOINTMENT  
3 OF A PERSON WHO AT THAT TIME IS SERVING AS A COUNTY COMMISSIONER.  
4 A COUNTY COMMISSIONER SHALL NOT VOTE ON ANY MATTER COMING BEFORE  
5 THE STATE BOARD OF SOCIAL SERVICES WHICH AFFECTS THE COUNTY IN  
6 WHICH HE IS SERVING AS COMMISSIONER IN A MANNER DIFFERENT FROM  
7 OTHER COUNTIES.

8 SECTION 2. Safety clause. The general assembly hereby  
9 finds, determines, and declares that this act is necessary for  
10 the immediate preservation of the public peace, health, and  
11 safety.

BILL D

A BILL FOR AN ACT

1 CONCERNING EMPLOYABLE RECIPIENTS OF AID TO FAMILIES WITH  
2 DEPENDENT CHILDREN.

3 Be it enacted by the General Assembly of the State of Colorado:

4 SECTION 1. 119-9-4, Colorado Revised Statutes 1963 (1969  
5 Supp.), is amended BY THE ADDITION OF A NEW SUBSECTION to read:

6 119-9-4. Eligibility for assistance or aid to families with  
7 dependent children. (5) Aid shall be granted under this article  
8 on behalf of any dependent child who has been deprived of  
9 parental support or care by reason of the unemployment of his  
10 father for any month in which such father has not, without good  
11 cause, refused or neglected to seek employment from private,  
12 public, or other sources, or through a training program, or has  
13 not without good cause, refused a bona fide offer of employment  
14 or training for employment.

15 SECTION 2. Safety clause. The general assembly hereby  
16 finds, determines, and declares that this act is necessary for  
17 the immediate preservation of the public peace, health, and  
18 safety.

BILL E

A BILL FOR AN ACT

1 CONCERNING CRIMINAL NONSUPPORT OF SPOUSES AND CHILDREN,

2 Be it enacted by the General Assembly of the State of Colorado:

3 SECTION 1. 43-1-1, Colorado Revised Statutes 1963, is  
4 amended to read:

5 43-1-1. Nonsupport of spouse and children - penalty - bond.

6 (1) Any ~~man~~ PERSON who shall willfully neglect, fail, or refuse  
7 to provide reasonable support and maintenance for his ~~wife~~;  
8 SPOUSE, or for his legitimate or illegitimate child or children,  
9 under sixteen years of age, or who willfully fails, refuses, or  
10 neglects to provide proper care, food, and clothing in case of  
11 sickness for his ~~wife~~ SPOUSE or such legitimate or illegitimate  
12 child or children, ~~or-the-mother-of-his-illegitimate-child-during~~  
13 ~~childbirth--and--attendant-illness~~; or any such child or children  
14 being legally the inmates of a state or county home, or school  
15 for children in this state, or who shall willfully fail or refuse  
16 to pay to a trustee, who may be appointed by the court to receive  
17 such payment, or to the board of control of such home or school  
18 the reasonable cost of keeping such child or children in said  
19 home, or any ~~man~~ PERSON being the father OR MOTHER of a child or  
20 children, under sixteen years of age, who shall leave such child  
21 or children, or his ~~wife~~ SPOUSE with intent to abandon such ~~wife~~

1 SPOUSE or child or children, OR ANY MAN WHO SHALL WILLFULLY  
2 NEGLECT, FAIL, OR REFUSE TO PROVIDE PROPER CARE, FOOD, AND  
3 CLOTHING TO THE MOTHER OF HIS ILLEGITIMATE CHILD DURING  
4 CHILDBIRTH AND ATTENDANT ILLNESS, shall be deemed guilty of a  
5 felony, and upon conviction thereof shall be punished by  
6 imprisonment in the penitentiary for a term of not more than five  
7 years. ~~unless-it-shall-appear~~ IT SHALL BE AN AFFIRMATIVE DEFENSE,  
8 AS DEFINED IN SECTION 40-1-507, C.R.S. 1963, TO A PROSECUTION  
9 UNDER THIS SECTION that owing to physical incapacity or other  
10 good cause he THE DEFENDANT is unable to furnish the support,  
11 care, and maintenance herein required. ~~provided;-that~~

12 (2) In case of any conviction under this article, the court  
13 before which such conviction is had, may in lieu of the penalty  
14 herein provided accept from the person convicted a bond running  
15 to the people of the state of Colorado with sufficient surety to  
16 be approved by the court, in such penal sum, not exceeding one  
17 thousand dollars, as the court shall fix, conditioned that he  
18 will comply with the provisions of this article, or perform the  
19 conditions required by the court for his compliance with this  
20 article in case he is placed on probation as hereinafter  
21 provided.

22 SECTION 2. Effective date. This act shall take effect July  
23 1, 1972.

24 SECTION 3. Safety clause. The general assembly hereby  
25 finds, determines, and declares that this act is necessary for  
26 the immediate preservation of the public peace, health, and  
27 safety.

BILL F

A BILL FOR AN ACT

1 CONCERNING A LIEN AGAINST THE PROPERTY OF RECIPIENTS FOR THE COST  
2 OF PUBLIC ASSISTANCE AND SOCIAL SERVICES RENDERED.

3 Be it enacted by the General Assembly of the State of Colorado:

4 SECTION 1. Article 1 of chapter 119, Colorado Revised  
5 Statutes 1963, as amended, is amended BY THE ADDITION OF A NEW  
6 SECTION to read:

7 119-1-18. Lien for assistance and services rendered. (1)

8 To the maximum extent permitted by federal law, there shall be a  
9 lien upon the real and personal property of any recipient of  
10 public assistance or social services under this chapter or  
11 article 10 of chapter 36, C.R.S. 1963, who is shown to have  
12 property having a value in excess of the amount which is allowed  
13 for eligibility, or who is shown to be ineligible for assistance  
14 or services for any other reason. The amount of the lien shall  
15 be the value of the public assistance or social services granted  
16 to the recipient or that part of the value of the recipient's  
17 property which exceeds that which he was allowed to have in order  
18 to be eligible for such assistance or services, whichever is  
19 less.

20 (2) Any voluntary assignment or transfer of property  
21 without adequate consideration, made by a recipient within three

1 years prior to the time he became eligible for public assistance  
2 or social services under this chapter or article 10 of chapter  
3 36, C.R.S. 1963, shall give rise to a rebuttable presumption that  
4 the assignment or transfer was for the purpose of becoming  
5 eligible for such assistance or services. Such an assignment or  
6 transfer for the purpose of becoming eligible for public  
7 assistance or social services shall be void as against the  
8 department of social services, and the lien created by this  
9 section shall attach to the property which was the subject of the  
10 assignment or transfer.

11 (3) (a) The department of social services shall enforce the  
12 provisions of this section with respect to liens for assistance  
13 granted under this chapter, and the boards of county  
14 commissioners of this state shall enforce such provisions with  
15 respect to liens for assistance granted under article 10 of  
16 chapter 36, C.R.S. 1963.

17 (b) When the department or board of county commissioners  
18 has probable cause to believe that a recipient has property  
19 having a value in excess of the amount which is allowed for  
20 eligibility or that a recipient is ineligible for assistance or  
21 services for any other reason, the department or board may file a  
22 notice, in the manner provided by article 6 of chapter 86, C.R.S.  
23 1963, for the filing of notice of federal tax liens, stating that  
24 the real and personal property of the recipient may be subject to  
25 a lien as provided in this section.

26 (c) Upon final determination by the department or board  
27 that the recipient has unlawfully received public assistance or

1 social services, the lien shall be perfected by the filing of a  
2 notice of lien in the manner provided by article 6 of chapter 86,  
3 C.R.S. 1963, for the filing of notice of federal tax liens. Any  
4 lien perfected pursuant to this section shall have priority over  
5 any other lien or encumbrance subsequently perfected, or which  
6 may have been created prior thereto but which was not recorded.  
7 Prior to the perfection of the lien, the lien shall not be valid  
8 as against any holder of a security interest, purchaser, or  
9 judgment creditor, except that when notice was filed under  
10 paragraph (b) of this section and the lien is subsequently  
11 perfected, the lien shall relate back to and take effect at the  
12 time of filing of notice under said paragraph (b) of this  
13 subsection (3).

14 (4) (a) If a lien is not perfected within two years  
15 following the filing of notice under subsection (3) (b) of this  
16 section, such notice is void.

17 (b) If an action to enforce a lien established pursuant to  
18 this section is not commenced within one year after the lien is  
19 perfected, such lien is void.

20 (5) Whenever a recipient whose property is subject to a  
21 lien created under this section pays the amount of the lien to  
22 the department or the board of county commissioners, as the case  
23 may be, the department or board shall, within thirty days, cause  
24 a notice of satisfaction to be entered of record in the manner  
25 specified for the perfection of the lien.

26 (6) Whenever the estate of a recipient who is deceased  
27 includes real property which was used as the recipient's

1 residence, the part of the value of such residence which exceeds  
2 the amount of any allowances made to a surviving spouse or minor  
3 children of the recipient under section 153-12-17, C.R.S. 1963,  
4 shall be subject to the lien created by this section.

5 SECTION 2. 119-12-13, Colorado Revised Statutes 1963 (1969  
6 Supp.), is amended to read:

7 119-12-13. Recoveries - adjustments. No recipient or his  
8 estate shall be liable for the cost of medical benefits properly  
9 rendered to him. If at any time during the continuance of  
10 medical benefits, the recipient becomes possessed of property  
11 having a value in excess of that amount set by law or by the  
12 rules and regulations of the department of social services, or  
13 receives any increase in income, it shall be the duty of the  
14 recipient to notify the county department thereof and the county  
15 department may, after investigation, either revoke such medical  
16 benefits or alter the amount thereof, as the circumstances may  
17 require. Income of a recipient which is applied pursuant to  
18 section 119-12-11 (4), as amended, shall not disqualify said  
19 recipient from receiving benefits under this article nor shall it  
20 disqualify a recipient, as defined in section 119-12-3 (10) (b).  
21 ~~Any-medical-assistance-paid-to-which-a-recipient-was-not-lawfully~~  
22 ~~entitled-shall-be-recoverable-from-the-recipient-or-his-estate-by~~  
23 ~~the-county-as-a-debt-due-the-state;-but-no-lien--may--be--imposed~~  
24 ~~against--the--property--of--a--recipient--on--account--of-medical~~  
25 ~~assistance-paid-or-to-be-paid-on-his-behalf-under--this--article;~~  
26 ~~except-pursuant-to-judgment-of-a-court-of-competent-jurisdiction.~~  
27 Incorrect payments to vendors due to their omission, error,

1 fraud, or defalcation, shall be recoverable from the said vendor  
2 by deduction from subsequent payments or by the county as a debt  
3 due the state.

4 SECTION 3. Repeal. 16-2-20, 119-2-26, and 119-6-19,  
5 Colorado Revised Statutes 1963, are repealed.

6 SECTION 4. Effective date. This act shall take effect July  
7 1, 1972.

8 SECTION 5. Safety clause. The general assembly hereby  
9 finds, determines, and declares that this act is necessary for  
10 the immediate preservation of the public peace, health, and  
11 safety.

BILL G

A BILL FOR AN ACT

1 CONCERNING A REQUIREMENT THAT WELFARE RECIPIENTS GIVE NOTICE UPON  
2 ACQUISITION OF CERTAIN PROPERTY OR INCOME.

3 Be it enacted by the General Assembly of the State of Colorado:

4 SECTION 1. 119-9-17, Colorado Revised Statutes 1963 (1967  
5 Supp.), is amended to read:

6 119-9-17. Fraudulent acts - recipients required to report  
7 acquisition of certain property or income. (1) Whoever obtains,  
8 or aids, or abets any person to obtain, by means of a willfully  
9 false statement or representation, or by impersonation, or other  
10 fraudulent device, assistance to which he is not entitled, or  
11 assistance greater than that to which he is justly entitled, or  
12 payment of any forfeited installment grant, shall be guilty of a  
13 misdemeanor. ~~and--upon--conviction--thereof,--shall--be--fined--not~~  
14 ~~more--than--five--hundred--dollars--or--be--imprisoned--for--not--more--than~~  
15 ~~three--months,--or--be--both--so--fined--and--imprisoned--in--the~~  
16 ~~discretion--of--the--court.~~

17 (2) IF, AT ANY TIME DURING THE CONTINUANCE OF WELFARE  
18 ASSISTANCE, THE RECIPIENT THEREOF BECOMES POSSESSED OF ANY  
19 PROPERTY HAVING A VALUE IN EXCESS OF THAT AMOUNT SET BY THE RULES  
20 AND REGULATIONS OF THE DEPARTMENT OR RECEIVES ANY INCOME OR  
21 INCREASE IN INCOME, IT SHALL BE THE DUTY OF THE RECIPIENT TO

1 NOTIFY THE COUNTY DEPARTMENT IN WRITING OF THE POSSESSION OF SUCH  
2 PROPERTY OR RECEIPT OF SUCH INCOME, AND ANY RECIPIENT WHO FAILS  
3 TO DO SO SHALL BE GUILTY OF A MISDEMEANOR.

4 (3) ANY PERSON WHO VIOLATES SUBSECTION (1) OR (2) OF THIS  
5 SECTION SHALL, UPON CONVICTION THEREOF, BE PUNISHED BY A FINE NOT  
6 EXCEEDING ONE THOUSAND DOLLARS, OR BY IMPRISONMENT IN THE COUNTY  
7 JAIL FOR A PERIOD NOT EXCEEDING TWENTY-FOUR MONTHS, OR BY BOTH  
8 SUCH FINE AND IMPRISONMENT. In assessing the penalty, the court  
9 shall take into consideration the amount of money fraudulently  
10 received.

11 SECTION 2. Effective date. This act shall take effect July  
12 1, 1972.

13 SECTION 3. Safety clause. The general assembly hereby  
14 finds, determines, and declares that this act is necessary for  
15 the immediate preservation of the public peace, health, and  
16 safety.

BILL H

A BILL FOR AN ACT

1 CONCERNING THE COOPERATION OF GOVERNMENT AGENCIES IN LOCATING  
2 DESERTING PARENTS AND PERSONS FRAUDULENTLY OBTAINING AID TO  
3 DEPENDENT CHILDREN.

4 Be it enacted by the General Assembly of the State of Colorado:

5 SECTION 1. Article 9 of chapter 119, Colorado Revised  
6 Statutes 1963, as amended, is amended BY THE ADDITION OF A NEW  
7 SECTION to read:

8 119-9-21. Cooperation of government agencies required in  
9 locating deserting parents and persons fraudulently obtaining  
10 assistance or aid - information confidential. (1) All  
11 departments and agencies of state and local government shall  
12 cooperate in the location of parents who have abandoned or  
13 deserted children, irrespective of whether such children are or  
14 are not receiving assistance or aid to families with dependent  
15 children, and shall on request supply the department or the  
16 district attorney of any district in this state with all  
17 information on hand relative to the location, income, and  
18 property of such absent parents, notwithstanding any other  
19 provision of law making such information confidential, and with  
20 all information on hand relative to the location and prosecution  
21 of any person who has, by means of false statement,

1 misrepresentation, impersonation, or other fraudulent device,  
2 obtained aid or assistance for a child under this article. The  
3 department shall use such information only for the purposes of  
4 administration of aid and assistance under this article, and the  
5 district attorney shall use it only for the purpose of enforcing  
6 the support liability of such absent parents or for the  
7 prosecution of other persons mentioned in this section, and  
8 neither shall use the information, or disclose it, for any other  
9 purpose.

10 (2) Nothing in this section shall be construed to compel  
11 the disclosure of information relating to a deserting parent who  
12 is a recipient of aid under a public assistance program for which  
13 federal aid is paid to this state, if such information is  
14 required to be kept confidential by the federal law or  
15 regulations relating to such program.

16 SECTION 2. Effective date. This act shall take effect July  
17 1, 1972.

18 SECTION 3. Safety clause. The general assembly hereby  
19 finds, determines, and declares that this act is necessary for  
20 the immediate preservation of the public peace, health, and  
21 safety.

## I. Increased State Financing of Welfare

A considerable amount of the Committee's time during the 1971 interim was devoted to the problem facing local units of government in the financing of welfare. Under current law, counties are required to pay 20 percent of the administrative and program costs of federally assisted welfare programs, while the cost of General Assistance is totally borne by the counties. However, in the face of rising caseloads and the resultant increase in welfare program and administrative costs, counties are finding it increasingly difficult to meet their share of the cost of welfare.

Bill A embodies the Committee's recommendation that an individual county's share of funding for welfare programs which involves any combination of state, federal, and county financial participation, as required by law, be limited to the equivalent of the amount of revenue that can be raised by a 3.0 mill levy on taxable property in the county.

The recommendation further provides that the amount of revenue needed in excess of 3.0 mills to meet a county's share of such welfare costs would be financed by 80 percent state collected funds and 20 percent county collected funds.

The recommendation would not apply to welfare programs financed and administered entirely by a county, e.g., General Assistance.

### Welfare Financing Under Present Colorado Law

Currently, there are 12 welfare programs administered in Colorado as enumerated below:

- (1) Old Age Pension;
- (2) Aid to the Needy Disabled;
- (3) Aid to the Blind;
- (4) Aid to Families with Dependent Children;
- (5) Medical Assistance - Medicaid;
- (6) Child Welfare;
- (7) Day Care;

- (8) General Assistance;
- (9) Food Stamp Program;
- (10) Tuberculosis Assistance;
- (11) Distressed Counties; and
- (12) Cuban Refugee Assistance Program.

Table I provides a breakdown of the source of funding for these 12 programs for the 1971-72 fiscal year, plus the cost of county and state administration. The amount received from the federal, state, and county governments is shown. Also shown is the percentage of costs each level of government will contribute for each program.

Federal Financial Participation - Categorical Programs.

The legal basis for federal participation in welfare programs is found in various Titles of the Social Security Act enacted originally by Congress in 1935. A system of federal grants-in-aid developed. States could elect to participate in welfare assistance programs created by the Social Security Act and amendments thereto provided that certain federal requirements were met as embodied in the Act itself and federal rules and regulations issued by the Secretary of Health, Education, and Welfare. The four "categorical" welfare programs and the applicable Titles to the Social Security Act for which the State of Colorado has negotiated for federal funds are as follows:

- (1) Old Age Pension - Class A (Title I);
- (2) Aid to the Needy Disabled (Title XIV);
- (3) Aid to the Blind (Title X); and
- (4) Aid to Families with Dependent Children (Title IV).

The federal government establishes a formula for reimbursing states for the categorical welfare programs according to the state's per capita income. In fiscal year 1969-70, the applicable federal sharing formula for Colorado was 56.24 percent for the four categories listed above. Effective July 1, 1971, federal participation was raised to 57.61 percent.

Federal financial participation is also available for programs that are "categorically related". Day Care, for

Table I

COLORADO WELFARE APPROPRIATIONS FOR  
FISCAL YEAR 1971-1972

Programs	Total Expenditures	Federal Expenditures	Percent	State Expenditures	Percent	County Expenditures	Percent
Old Age Pensions:							
Class A	\$ 31,704,133	\$ 18,264,751	57.6%	\$13,439,382	43.4%	\$ ---	---
Class B	4,225,200	---	---	4,225,200	100.0	---	---
Class C	<u>86,667</u>	---	---	<u>86,667</u>	<u>100.0</u>	---	---
Total OAP	\$ 36,016,000	\$ 18,264,751	50.7%	\$17,751,249	49.3%	---	---
Aid to Needy Disabled	12,546,276	7,211,379	57.5	2,825,242	22.5	2,509,655	20.0
Aid to the Blind	252,539	139,986	55.4	62,235	24.7	50,318	19.9
Aid to Families with Dependent Children:							
AFDC (grants)	61,312,000	35,321,743	57.6	13,727,857	22.4	12,262,400	20.0
WIN (training and admin.)	<u>3,900,000</u>	<u>3,120,000</u>	<u>80.0</u>	<u>624,000</u>	<u>16.0</u>	<u>156,000</u>	<u>4.0</u>
Total AFDC	\$ 65,212,000	\$ 38,441,743	59.0%	\$14,351,857	22.0%	\$12,418,400	19.0%
Medical Assistance (Medicaid)	73,539,090	42,365,870	57.6	31,173,220	42.4	---	---
Child Welfare	6,326,115	250,000	4.0	4,659,066	73.6	1,417,049	22.4
Day Care	6,756,480	4,997,160	74.0	408,024	6.0	1,351,296	20.0
General Assistance	1,500,000	---	---	---	---	1,500,000	100.0
Food Stamps	25,850,000	25,850,000	100.0	---	---	---	---
Tuberculosis Assistance	182,800	---	---	144,960	79.3	37,840	20.7
Distressed Counties	146,000	---	---	146,000	100.0	---	---
State Contingency	50,000	---	---	50,000	100.0	---	---
Cuban Refugees Assistance	156,000	156,000	100.0	---	---	---	---
State Administration	5,782,250	3,441,685	59.5	2,340,565	40.5	---	---
County Administration	<u>20,442,500</u>	<u>11,799,159</u>	<u>57.7</u>	<u>4,554,841</u>	<u>22.3</u>	<u>4,088,500</u>	<u>20.0</u>
TOTALS	\$254,758,050	\$152,917,733	60.0%	\$78,467,259	30.8%	\$23,373,058	9.2%

SOURCE: Appropriations Report, 1971-72, Joint Budget Committee and the Colorado State Department of Social Services.

example, is related to AFDC so 74 percent federal matching in 1971-72 is available for the state program for Day Care. Even a small portion of Child Welfare cost is categorically related. Thus, part of the Child Welfare costs is paid by the federal government in 1971-72 (\$250,000 or 4 percent of the total).

Conversely, some programs, such as Food Stamps and the Cuban Refugee Assistance Program, are funded entirely by the federal government.

State welfare programs whose origins cannot be traced to the Social Security Act receive no federal matching funds. Examples of such programs are the Tuberculosis Assistance program and Old Age Pension Class B and Class C assistance programs.

General Assistance, a county welfare program administered pursuant to Article 10 of Chapter 36, C.R.S. 1963, is 100 percent county funded and administered.

State-County Financial Participation. The state statutes found in the several articles of Chapter 119 of the Colorado Revised Statutes creating Colorado welfare programs also contain provisions for state-county financial participation. In most welfare programs for which county funds are required -- Aid to Needy Disabled, Aid to Blind, Aid to Families with Dependent Children, Child Welfare, Day Care, Tuberculosis Assistance, and County Administration -- the applicable sections of the statutes provide that counties shall be reimbursed by the state at the rate of 80 percent of the amount of the cost of the program.

Both state and available federal funds comprise the 80 percent reimbursed counties. Thus, the cost-sharing formula for the three categorical assistance programs in which county funds are involved -- AFDC, AB, and AND -- for fiscal 1971-72 is as follows:

Federal	--	57.61	percent	<sup>1/</sup>
County	--	20.00	percent	
State	--	<u>22.39</u>	percent	
Total		100.00	percent	

<sup>1/</sup> The percentage for program expenditures shown in Table I per unit of government may vary somewhat from the "true" formula shown here; the formula shown here is based on gross expenditures, while the sharing formula shown in Table I is based on actual expenditures, i.e., after re-funds are taken into account and deducted.

Viewed historically, the cost-sharing formula in Colorado has proved to be more beneficial to state government than county governments. Counties at present are locked into the 80 percent reimbursement formula by law. (The 80 percent formula has applied at least since 1957 for the AND program and since 1957 for the AFDC program.) As the percentage of federal participation in the cost of state programs has increased in the past few years, the state's percentage share has decreased in direct proportion, while counties have still been required to pick up 20 percent of the total cost. A comparison of the 1969-70 sharing formula with the 1971-72 sharing formula for AFDC, AB, and AND illustrates this point:

	<u>1969-70 Matching Formula</u>	<u>1971-72 Matching Formula</u>	<u>Two Year Decrease or Increase</u>
Federal share	56.24%	57.61%	+1.37%
County share	20.00%	20.00%	--
State share	<u>23.66%</u>	<u>22.39%</u>	<u>-1.37%</u>
Totals	100.00%	100.00%	Total not Comparable

Based on provisions in the Colorado Welfare Code, counties traditionally have raised their share of the welfare cost by property taxes. For 1971, welfare mill levies have ranged from .00 mills for Hinsdale County to 8.40 mills in Pueblo County. (See Table IV.)

#### Welfare Caseload and Cost Increases in Colorado

Table I indicates that the total 1971-72 appropriation from all three levels of government came to nearly \$254.8 million. The federal share is \$152.9 million; the state share is \$78.5 million; and the county share is \$23.4 million.

As shown in Table II, the estimated 163,000 recipients who will receive money payments this fiscal year represents a marked increase over the 1970-71 total of 141,000 recipients and the 1969-70 total of 116,000 recipients. Of course, these figures in Table II exclude recipients who receive welfare benefits other than money payments -- that is social services such as day care, homemaker services, and services to mentally retarded. Also excluded are food stamp, General Assistance, and Medicaid recipients.

Table II

COMPARISON OF AVERAGE MONTHLY RECIPIENT COUNT  
 - MONEY PAYMENT RECIPIENTS -  
 Fiscal Years 1967-68 Through 1971-72 Estimated

<u>Program</u>	ACTUAL Avg. Mo. No. of Recip. <u>1967-68</u>	ACTUAL Avg. Mo. No. of Recip. <u>1968-69</u>	ACTUAL Avg. Mo. No. of Recip. <u>1969-70</u>	ACTUAL Avg. Mo. No. of Recip. <u>1970-71</u>	ESTIMATED Avg. Mo. No. of Recip. <u>1971-72</u>
Aid to the Blind	197	196	206	227	247
Aid to Dependent Children	54,228	55,242	65,838	90,022	110,000
ADC - Basic	48,119	50,555	59,264	76,517	93,575
ADC - UF	6,109	2,848	2,097	4,472	6,200
ADC - WIN	-	1,836	4,477	9,033	10,225
Aid to the Needy Disabled	6,946	7,337	8,465	10,768	13,294
Standard Grant	6,115	6,486	7,745	9,862	12,242
Personal Needs	830	851	720	906	1,052
Old Age Pension	40,048	38,247	37,852	36,681	35,740
Class A	36,267	34,586	34,215	33,019	32,100
Class B	3,694	3,589	3,582	3,620	3,600
Class C	87	72	55	42	40
Child Welfare - Foster Care	2,825	3,007	3,217	3,074	3,335
Family Foster Homes	2,292	2,467	2,644	2,414	2,525
Institutions	427	430	491	551	625
Special Group Homes	106	110	82	109	185
Tuberculosis Assistance	155	186	188	143	162
<b>TOTAL</b>	<b>104,399</b>	<b>104,215</b>	<b>115,766</b>	<b>140,915</b>	<b>162,778</b>

Source: Colorado State Department of Social Services.

A number of reasons to explain increases in Colorado welfare recipients have been cited, including:

- (1) Rulings by the courts throughout the county, e.g., state durational residency requirements were declared unconstitutional in the Shapiro v. Thompson case in 1969;
- (2) The impact of welfare rights groups;
- (3) High unemployment rate;
- (4) Inflation;
- (5) Less stigma being attached to those who receive welfare; and
- (6) The increase in the population of poverty-line people.

How the increase in the number of recipients has affected counties is illustrated in Table III. For example, between the actual 1969-70 and the estimated 1972-73 county costs for welfare, it is expected that the county share will double from \$14 million to \$28 million.

The largest increases have been in the AND and AFDC categories and in county administration (personnel costs, primarily). In the two years between 1969-70 and 1971-72, for example, the county share of AFDC assistance payments has increased from \$6.2 million to \$12.4 million, a 100 percent increase. (The Department estimates that the actual AFDC costs to counties for this fiscal year could actually be as high as \$13.1 million, or \$700,000 more than appropriated.)

The cost of AND has risen from \$1.5 million in 1969-70 to \$2.5 million in 1971-72, a two-thirds increase in two years. Over the same period, county administrative costs have gone from \$3 million to \$4.1 million. Overall, the costs have risen from \$14 million to \$23.4 million in two years.

#### Increased State Reimbursement to Counties -- Bill A

Committee Recommendation. The Committee recommends that an individual county's share of funding for welfare programs which involve state, federal, and county financing, as required by law, be limited to the equivalent of the amount of revenue that can be raised by a 3.0 mill property tax levy in the county. The recommendation further provides that the amount of revenue needed in excess of 3.0 mills to meet

Table III

COUNTY SHARE OF WELFARE EXPENSES FROM FY  
1969-70 THROUGH FY 1972-73\*

<u>Program</u>	<u>Actual 1969-70</u>	<u>Actual 1970-71</u>	<u>Appropriation 1971-72</u>	<u>Estimated 1972-73</u>
AB	\$ 41,476	\$ 51,470	\$ 50,318	\$ 66,000
AFDC	6,173,656	10,577,199	12,418,400	14,900,000
WIN (training)	90,287	109,166	156,000	163,800
AND	1,554,899	2,109,712	2,509,655	3,310,000
Child Welfare	1,047,368	1,138,438	1,417,049	1,565,800
TB Assistance	29,397	38,887	37,840	40,200
Day Care	299,195	518,770	1,351,296	1,514,839
County Admin.	2,987,923	3,918,222	4,088,500	5,085,300
GA	<u>1,807,989</u>	<u>1,617,295</u>	<u>1,500,000</u>	<u>1,500,000</u>
TOTAL	\$14,032,190	\$20,079,159	\$23,373,058	\$28,145,939

\*SOURCE: Department of Social Services (10-4-71) and Appropriations Report, 1971-72, Joint Budget Committee.

a county's share of such welfare costs would be financed 80 percent from state funds and 20 percent from county funds. (See Bill A.)

The recommendation would not apply to welfare programs financed and administered entirely by a county, e.g., General Assistance.

The Committee believes that the 80-20 sharing formula would give the counties a desired degree of financial responsibility and involvement in welfare programs. With counties paying 20 percent of the costs above the 3.0 mill equivalency, they may be inhibited from authorizing uncontrolled spending for welfare programs.

It was also recommended by the Committee that the effective date of the bill be July 1, 1972, since, the Committee believes, certain counties need the financial relief as soon as possible. For this reason, the Committee did not recommend a January 1, 1973 effective date even though such a date would conform with the beginning of the county budgetary year.

Since the mill levies for the 1972 calendar year county welfare budgets have already been set, one probable result of having July 1, 1972 as the effective date of the bill instead of January 1, 1973, is that counties which have appropriated an amount greater than a 3.0 mill equivalency for welfare, will have some balance at the end of 1972 to carry over to the 1973 county budget year. However, according to representatives of the County Commissioners, there should be no difficulty in carrying over such balances wherever they might occur.

Under Section 119-3-6, C.R.S. 1963, the maximum mill levy that a county may levy for welfare purposes is determined by a county's assessed valuation per capita. This section of the statutes also provides that a county may exceed this limitation upon applying to the Property Tax Administrator.

Bill A would repeal Section 119-3-6 in light of the Committee's recommendation that a county must raise the equivalent of 3.0 mills and that amounts in excess of the 3.0 mill equivalency would be matched on an 80 percent state -- 20 percent county basis. Further, in The Colorado State Board of Social Services v. Glenn Billings, et al, (August, 1971), the Colorado Supreme Court held "that in some manner the counties must produce their 20 percent, whether it be from contingency funds, an excess levy, registered warrants (C.R.S. 1963, Section 88-1-16), sales tax or otherwise."

Repeal of Section 119-3-6, therefore, would appear to accord with both the Committee's recommendation and the court decision.

Estimated Fiscal Impact on County and State Governments. Table IV attempts to summarize the fiscal impact of the Committee's recommendation on state and county governments.

In brief, the total welfare appropriation for all 63 counties in calendar year 1971, was \$23.0 million. When the \$2.3 million appropriated for general assistance is deducted from the total, counties appropriated approximately \$20.7 million to meet their share of the state or federal welfare programs the state requires them to financially support.

Based on the Committee recommendation that the state and county assume 80 percent and 20 percent, respectively, of the amount appropriated in any county over the amount that is equivalent to a 3.0 mill levy on taxable property, some 24 counties would have experienced some fiscal relief in 1971, ranging between the nearly \$3.0 million fiscal relief for Denver to the \$190 for Archuleta County.

These figures are found in Column (7) of Table IV. The financial effect of the 80-20 state-county matching formula is shown below:

<u>County</u>	<u>Assumption of Excess Over Equivalent of 3.0 Mills</u>	
	<u>State (80%)</u>	<u>County (20%)</u>
Adams	\$ 286,005	\$ 71,501
Alamosa	9,819	2,455
Archuleta	190	47
Bent	30,739	7,685
Conejos	51,056	12,764
Costilla	24,218	6,054
Crowley	8,953	2,238
Delta	48,212	12,053
Denver	2,982,342	745,586
El Paso	716,013	179,003
Fremont	44,902	11,225
Huerfano	13,837	3,459
La Plata	16,265	4,066
Las Animas	165,255	41,314
Mesa	172,115	43,029

<u>County</u>	<u>Assumption of Excess Over Equivalent of 3.0 Mills</u>	
	<u>State (80%)</u>	<u>County (20%)</u>
Montezuma	\$ 20,964	\$ 5,241
Montrose	39,399	9,850
Morgan	95,827	23,957
Otero	85,582	21,396
Prowers	30,406	7,602
Pueblo	1,317,750	329,437
Rio Grande	16,002	4,000
Saguache	3,056	764
Weld	<u>330,562</u>	<u>82,641</u>
Totals	\$6,509,469	\$1,627,367

Methodology Used for Determining Excess Over 3.0 Mills.

Column (4) of Table IV shows for each county the 1971 revenue that would have been produced had there been a levy of 3.0 mills on taxable property and Column (5) shows the total county funds appropriated from all sources in 1971 for welfare, including the revenue derived from the property tax mill levy, the county portion of specific ownership tax allocated to welfare, welfare refunds, the balance carried over from the previous year, etc.

Column (6) shows the amount of moneys appropriated in 1971 which were in excess of the equivalent of a 3.0 mill levy on property. Column (6), showing the amounts in excess, was completed by subtracting Column (4) from Column (5).

Column (7) shows the amount the state and counties would assume had the recommendation been in effect in 1971.

Other Financial Proposals

During the 1971 interim, various other proposals concerning welfare financing had been presented to the Committee. Each proposal would have transferred some financial responsibility from counties to the state. The following is a summary of the proposals:

Department of Social Services. There were two proposals by the Department of Social Services.

- (1) Greater county reimbursement for social service personnel costs:

- a) At 95 percent reimbursement -- estimated county savings, \$2.0 million;
  - b) At 100 percent reimbursement -- estimated county savings, \$2.7 million.
- (2) Greater state reimbursement for all welfare costs:
- a) At 90 percent of all costs -- estimated county savings, \$14.0 million;
  - b) At 80 percent of the 42.4 percent that is non-federal at present -- estimated county savings, \$15.7 million.

Colorado County Welfare Directors' Association. The major recommendations of the Colorado County Welfare Directors' Association would provide for the total assumption of financing and administration of public welfare in Colorado by the state government. The interests and concerns of local community leaders were to be included in program administration.

The Welfare Directors' Association pointed out that the assumption of all welfare costs by the state government may not be feasible or possible at the present time, so the following interim recommendations were proposed:

- (1) In financing welfare costs, the State Government should increase the program reimbursement to counties to not less than 90% State and Federal and 10% county funds.
- (2) In relation to the costs of administration, it was recommended that such administration cost be assumed 100% by State funds.

According to the Association, in the event that the interim recommendations would have had further legal or fiscal complications, the second alternative was offered to ease the burden on the counties for meeting the costs of public welfare. The recommendation that the State establish a method of equalizing the tax burden among all the counties to meet the welfare costs would require a review and possible amendment to Section 119-3-6, C.R.S. 1963.

Colorado County Commissioners' Association. Originally, the Colorado County Commissioners' Association had recommended that there be a "reimbursement by the Department of Social

Services of 90 percent of all activities and administrative costs to the County Departments of Public Welfare"; however, the Committee was informed at its September 24 meeting by the Association that this particular recommendation had been tabled. A new proposal called for a flat 3.0 mill welfare property tax levy limit, with the state paying all costs above that limit.

Colorado Rural Legal Services, Inc. There were two proposals by Colorado Rural Legal Services, Inc. They were:

- (1) A state funded General Assistance program;  
and
- (2) A state take-over of the funding of the non-federal share of categorical assistance and the administration of programs at the county and district levels.

Welfare Reform Committee -- Staff of the Denver Department of Welfare. The Welfare Reform Committee of the Denver Department of Welfare recommended the establishment of maximum levels of support required of counties for their share of welfare costs in order to provide more state assistance for counties. The Welfare Reform Committee also approved of the concept of 100 percent state financing of social services.

Senator Dines. One proposal by Senator Dines called for state assumption of the total cost of social services. A second proposal would have set a county welfare mill levy limit at possibly 2.5 mills plus a state-wide property tax levy for welfare set at 1.0 or 1.5 mills. A final possibility suggested was to give counties the option of either being reimbursed at 80 percent, or being reimbursed at 100 percent if they wish to form a regional district or to have state administration.

Table IV

ESTIMATED EFFECT ON 1971 COUNTY AND STATE WELFARE  
BUDGETS PER COMMITTEE ON WELFARE RECOMMENDATION

(1) County	(2) 1970 Valuation 1/ 1971 County Welfare Mill Levy	(3) 1971 Welfare Revenue	(4) 1971 Revenue Produced at 3.0 Mills	(5) 1971 Appropriated for Welfare (Excluding GA) 2/	(6) 1971 County Funds in Excess of 3.0 Mills 3/	(7) Assumption of Excess Over Equivalent of 3.0 Mills State (80%) County (20)		
Adams	\$ 307,364,650	3.00	\$ 922,094	\$ 922,094	\$ 1,279,600	\$ 357,506	\$ 286,005	\$ 71,501
Alamosa	20,278,510	3.50	70,975	60,836	73,110	12,274	9,819	2,455
Arapahoe	336,590,570	2.00	673,181	1,009,772	748,641	---	---	---
Archuleta	8,502,700	2.00	17,006	25,508	25,745	237	190	47
Baca	24,353,910	.96	23,380	73,062	24,095	---	---	---
Bent	16,393,650	4.10	67,214	49,181	87,605	38,424	30,739	7,685
Boulder	311,013,250	2.25	699,780	933,040	649,754	---	---	---
Chaffee	20,722,720	1.40	29,012	62,168	50,817	---	---	---
Cheyenne	16,359,070	.75	12,269	49,077	9,486	---	---	---
Clear Creek	29,336,400	.85	24,936	88,009	23,655	---	---	---
Conejos	12,089,590	5.00	60,448	36,269	100,089	63,820	51,056	12,764
Costilla	6,739,480	5.38	36,258	20,218	50,490	30,272	24,218	6,054
Crowley	8,362,640	2.50	20,907	25,088	36,279	11,191	8,953	2,238
Custer	4,839,720	1.00	4,840	14,519	5,352	---	---	---
Delta	23,695,810	4.00	94,783	71,087	131,352	60,265	48,212	12,053
Denver	1,388,500,000	5.56	7,720,060	4,165,500	7,893,428	3,727,928	2,982,342	745,586
Dolores	5,105,160	1.50	7,658	15,315	9,465	---	---	---
Douglas	23,870,160	.85	20,290	71,610	20,350	---	---	---
Eagle	29,386,240	1.40	41,140	88,159	39,083	---	---	---
Elbert	17,726,980	.40	7,090	53,181	11,182	---	---	---
El Paso	422,155,470	5.25	2,216,316	1,266,466	2,161,482	895,016	716,013	179,003
Fremont	36,153,260	4.00	144,613	108,460	164,587	56,127	44,902	11,225
Garfield	42,826,580	.90	38,544	128,480	61,805	---	---	---
Gilpin	4,110,220	2.00	8,220	12,331	8,492	---	---	---
Grand	18,615,160	1.00	18,615	55,845	16,500	---	---	---
Gunnison	17,632,965	.70	12,343	52,899	20,366	---	---	---
Hinsdale	2,323,120	4/	1,200	6,969	1,100	---	---	---
Huerfano	12,598,505	5.50	69,292	37,796	55,092	17,296	13,837	3,459
Jackson	9,761,026	1.00	9,761	9,283	9,989	---	---	---
Jefferson	480,210,000	1.00	480,210	1,440,630	567,100	---	---	---
Kiowa	16,564,640	2.50	41,412	49,694	6,562	---	---	---
Kit Carson	26,813,580	1.15	30,836	80,441	38,166	---	---	---
Lake	48,266,280	.64	30,890	144,799	30,264	---	---	---
La Plata	44,659,840	3.00	133,980	133,980	154,311	20,331	16,265	4,066
Larimer	181,215,350	3.00	543,646	543,646	541,854	---	---	---



Table IV (Continued)

FOOTNOTES:

- 1/ Column (1) represents the 1970 assessed valuation for counties which was used for 1971 budget purposes. Source: 59th Annual Report of the Colorado Tax Commission, pages 160-61.
- 2/ Column (5) points out the amount of funds each county appropriated for calendar year 1971 for their share of federal-state-county welfare programs. General assistance is excluded. Sources of county funding, for the most part, include the property tax, county share of specific ownership tax allocated to welfare, refunds from welfare expenditures, and a balance carried over from the previous year. Source: 1971 County Budgets.
- 3/ Column (6) = column (5) - column (4).
- 4/ No current mill levy for welfare. According to the 1971 budget, \$1,200 is allocated to welfare from the balance carried over from the previous year.
- 5/ In computing the budget for Weld County, the Supreme Court decision requiring Weld to pay approximately \$450,000 as reported in the Press for its share of AFDC was taken into account. Therefore, the figures in this table are based on a total budget that is \$2.25 million higher than the adopted 1971 Weld County budget. Of this additional \$2.25 million, Weld County must appropriate \$450,000 and the remaining \$1.8 million will be provided from state and federal funds.

## II, State Assume County Share of Homemaker Services Cost

Also included in Bill A is an amendment to Section 119-1-15 (3) C.R.S. 1963 that would relieve counties of paying any portion of homemaker services cost.

Currently, Section 119-1-15 (3) requires counties to pay 20 percent of social services costs, such as day care and homemaker services. For such services counties are reimbursed 80 percent from federal-state funds. The existing cost-sharing formula for the three levels of government for day care and homemaker services is as follows: 75 percent federal; 20 percent county; and 5 percent state. The Committee recommends that the sharing formula for homemaker services be changed to 75 percent federal and 25 percent state.

The purpose of homemaker service is to furnish home help to welfare recipients who need it in time of difficulty, such as when a mother is ill or when an older person living in his own home is unable to take care of his own needs without help. Homemakers are trained, mature women with skills in homemaking and are hired by welfare departments to maintain a smooth-running household.

However, since counties, under current law, must pay 20 percent of homemakers' salaries and pay no portion of the cost of nursing homes under Title XIX, it was brought to the Committee's attention that, perhaps, there may be a tendency among counties to refer borderline cases to nursing homes rather than establish homemaker programs, which may keep such cases in their own homes and keep them out of the more expensive nursing home care.

As to the relative costs of homemaker services and nursing home care, a 1970 study conducted by the Department of Social Services,<sup>1/</sup> revealed that homemaker services and assistant payments cost on the average of \$1,574 per year per recipient. But the cost to maintain the same person in a nursing home at the August, 1970, average daily rate of \$8.19 was calculated to be \$2,989 per year. The difference in costs amounts to approximately \$1,400 per year per recipient, the amount that would have been saved had the individual remained out of a nursing home.

<sup>1/</sup> Memoranda from Mrs. Fern Mauk, Adult Services Specialist, Division of Welfare, Department of Social Services, dated September 17, 1970 and August 19, 1971.

Further, it was estimated that the number of nursing home patients was increasing by approximately 1,800 per year and that approximately one-third of this number, or 600 could have remained in their own homes if more homemakers were available. By multiplying the \$1,400 yearly savings in nursing home care by 600, it was calculated that a \$840,000 savings per year could have been realized in 1970 had homemaker services been available to all 600 recipients.

According to the Department, qualified ADC mothers are trained to become homemakers, thereby taking them off the welfare roles and putting them in meaningful jobs.

Estimated Expenditure - Present and Expanded Program.

For the entire 1971-72 fiscal year, some 110 homemaker positions have been authorized for 26 counties.<sup>2/</sup> According to department's figures, the average salary per homemaker is about \$425. When retirement, health insurance, and Workman's Compensation is added, the total annual cost for the 110 homemakers is \$613,477. Under the current cost-sharing formula this amount is paid by the three levels of government as follows:

TOTAL COST	\$613,477
Federal Share (75%)	460,107
State Share (5%)	30,674
County Share (20%)	122,696

Under the Committee's proposal, the entire county share would be assumed by the state, which would have brought the total state cost for the 110 homemakers to \$153,370 had the recommendation been in effect in 1971-72.

<sup>2/</sup> By the end of September, 1971, 101.5 positions had been authorized in the following counties: Adams (2); Arapahoe (3); Bent (2); Boulder (5); Chaffee (.5); Denver (19); El Paso (14); Fremont (3); Gilpin (1); Grand (1); Huerfano (1); Jefferson (1); Kit Carson (1); Larimer (15); Las Animas (2); Moffat (1); Morgan (8); Otero (1); Park (1); Phillips (1); Pueblo (8); Routt (2); Sedgwick (1); Washington (1); Weld (5); and Yuma (1).

It is estimated that there would be a need for a total of 310 homemaker positions to initiate a statewide homemaker program. Under the Committee's recommendation, the Department gave the Committee the following cost estimate for the expanded program, using \$405 per month per homemaker as the median entry step:

TOTAL COST	\$1,676,809
Federal Share (75%)	1,257,607
State Share (25%)	419,202
County Share (0%)	0

In summary, under the present sharing formula for 110 homemakers, the cost to the state is \$30,674. Assuming that the program were to be established on a state-wide basis requiring the hiring of 200 additional homemakers and also assuming that the General Assembly adopts the Committee recommendation that the state assume the county share of the costs, an additional \$388,528 would have to be appropriated by the state for fiscal year 1972-73. Perhaps, a considerable amount of this money could be recovered from savings realized by keeping recipients out of nursing homes; state funds appropriated for nursing homes amounted to \$13.7 million this year. General Funds appropriated for Medicaid for this year totaled \$31.2 million.

### III. County Responsibility for Welfare Administration

Many Committee members share the belief that the trend toward increasing state control in certain areas of administration of welfare should be halted and that to the extent possible more administrative responsibility should be left on the local or county level. These Committee members believe that County Commissioners should be represented on the State Board of Social Services and that County Boards of Welfare should have more of a voice in the administration of the welfare personnel system.

#### Appoint Three County Commissioners to State Board of Social Services

The State Board of Social Services has been charged by the General Assembly under Article 10 of Chapter 119, first, to adopt policies, rules, and regulations for the administration of the Department of Social Services, subject to the approval of the Governor, and, second, to fix minimum standards for service and personnel of county welfare departments, and to formulate salary schedules for employees of county departments.

Bill C contains the Committee's first recommendation in the area of giving to the counties more control over the administration of welfare -- that three of the nine members appointed to the Board of Social Services should be incumbent County Commissioners. It is the belief of Committee members that having County Commissioners represented on the Board would facilitate better communication on welfare policy between the state and county levels of government. Many feel that such representation would allow counties to have more input into the administration of the welfare system.

#### More Control of County Welfare Personnel

The Committee recommends that County Commissioners assume the total administration of welfare in the areas of hiring and establishing the salaries of welfare personnel in county departments, to the extent such control is permitted by the guidelines of federal law as such guidelines are incorporated in the state merit system.

Present Uniform Salary Schedule. The Committee's recommendation in the personnel area is directed to one of the most persistent problems that county commissioners from some

counties voice -- welfare workers in rural counties are often paid more than either county workers or employees in the private sector who hold jobs with similar responsibilities.

Under Section 119-1-12, C.R.S. 1963, the General Assembly has created the State Merit System for county welfare employees. The three member Merit System Council, appointed by the Governor to serve for three-year overlapping terms, is charged with the duty of establishing general policies for the administration of welfare; establish policies for personnel appeals, and to submit annual budgets and reports to the State Board covering merit system costs and costs of the operation of the merit system of county departments. These functions of the Council are to be carried out within the scope of the rules and regulations of the State Board.

The areas in which rules are to be promulgated by the State Board are found in Section 119-1-12 (5) and are enumerated below:

- (1) Minimum qualifications for employees of county departments of public welfare;
- (2) State-wide competitive examinations for positions in the county departments of public welfare;
- (3) State-wide promotional examinations for employees in the county departments of public welfare based on qualifications, examinations and service ratings;
- (4) Appointments to all positions in the county departments of public welfare shall be made from registers of eligible persons certified in the order of merit with due consideration of veterans' preference. Selection by the appointing authority shall be made from the three highest eligibles certified for each position;
- (5) Probationary period. Security of tenure for satisfactory performance;
- (6) Discipline, dismissal, separation, reinstatement and transfers;
- (7) The right to appeal. Every applicant or employee shall be entitled to an appeal and a fair hearing had before the merit council of the status of such applicant or employee in

accordance with the rules and regulations of the state department of public welfare;

(8) Classification plan based upon the duties and responsibilities of the position;

(9) Compensation plan;

(10) Annual leave, sick leave, and other approved leaves including military and educational leave;

(11) Emergency and provisional appointments;

(12) Prohibition of political activity;

(13) No discrimination;

(14) Service ratings; and

(15) Such other regulations as shall be deemed necessary for the efficient administration and operation of the merit system.

In accordance with these general directives, the State Board of Social Services has promulgated rules and regulations for the merit system, which is contained in Volume III of the nine volume Staff Manual.

Classification and Compensation Plans. Items (8) and (9) of the above list pertain to the establishment of classification and compensation plans for the merit system and the State Board has established county compensation schedules for county welfare employees that county departments must follow. (Section 3440 et seq., Staff Manual). County Commissioners set salaries of county welfare employees at salary rates in accordance with rules found in other sections of Volume III, governing such facets as the entry and promotional salary levels applicable to a particular class of position (Section 3420 et. seq, Staff Manual).

In response to some counties wishing to have more latitude in the setting of salaries, the State Board adopted new compensation schedules effective January 1, 1972, that will allow a county to choose from among five options the entry level pay plan it wishes to follow. (See Table V.) There is a five percent differential between each option and a 20 percent overall differential between Option I and Option V. The latter is being followed in Denver already and is

Table V

1972 COUNTY COMPENSATION SCHEDULES --  
SCHEDULES A AND B

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## SCHEDULE A.

(GRADE OPTIONS FOR ADMINISTRATIVE, SOCIAL SERVICE AND TECHNICAL CLASSES.)

POSITION TITLES	OPTION I		OPTION II		OPTION III		OPTION IV		CIVIL SERVICE OPTION (V)	
	Grade	Minimum	Grade	Minimum	Grade	Minimum	Grade	Minimum	Grade	Minimum
Adm Aide	23	\$ 628	24	\$ 660	25	\$ 693	26	\$ 727	26	\$ 727
Adm Analyst I	25	693	26	727	27	764	28	802	29	842
Adm Analyst II	29	842	30	884	31	928	32	975	32	975
Adm Assist	26	727	27	764	28	802	29	842	29	842
*Asst Cty Wlf Dir	30	884	31	928	32	975	32	975	33	1023
Asst Pymts Adm I	23	628	24	660	25	693	26	727	26	727
Asst Pymts Adm II	26	727	27	764	28	802	29	842	29	842
Cs Wk Supvr I	25	693	26	727	27	764	28	802	28	802
Cs Wk Supvr II	27	764	28	802	29	842	30	884	30	884
Cs Wk Supvr III	29	842	30	884	31	928	32	975	32	975
Cs Wkr I	20	543	21	570	22	598	23	628	24	660
Cs Wkr II	21	570	22	598	23	628	24	660	25	693
Cs Wkr III	23	628	24	660	25	693	26	727	26	727
Comm Serv Aide	14	405	15	425	16	447	17	469	18	492
Comm Serv Aide Trne	13	386	14	405	15	425	16	447	17	469
Cons on Comm Serv	30	884	31	928	32	975	33	1023	34	1075
Co Staff Dev Spc I	28	802	29	842	30	884	31	928	32	975
Co Staff Dev Spc II	30	884	31	928	32	975	33	1023	34	1075
Data Proc Supvr	24	660	25	693	26	727	27	764	27	764
Day Care Nurs Tcr I	22	598	23	628	24	660	25	693	25	693
Day Care Nurs Tcr II	24	660	25	693	26	727	27	764	27	764
Dpty Dir (Denver)	33	1023	34	1075	35	1128	36	1185	37	1244
EDP Tech I	20	543	21	570	22	598	23	628	23	628
Elig Supvr	20	543	21	570	22	598	23	628	23	628
Elig Tech	14	405	15	425	16	447	17	469	17	469
Elig Tech Trne	13	386	14	405	15	425	16	447	16	447
Empl Couns I	23	628	23	628	23	628	24	660	24	660

Rate shown is related to Welfare Director IV minus 10% on Options IV and VI only, and as shown above on Options I, II and III. In a Class V county, the rate would be 10% below the Welfare Director V for each option.

Table V (Continued)

SCHEDULE A.

(GRADE OPTIONS FOR ADMINISTRATIVE, SOCIAL SERVICE AND TECHNICAL CLASSES.)

POSITION TITLES	OPTION I		OPTION II		OPTION III		OPTION IV		CIVIL SERVICE OPTION (V)	
	Grade	Minimum	Grade	Minimum	Grade	Minimum	Grade	Minimum	Grade	Minimum
Empl Couns II	25	\$ 693	26	\$ 727	26	\$ 727	26	\$ 727	26	\$ 727
Gr Wk Cons	27	764	28	802	29	842	30	884	32	975
Gr Wkr	24	660	25	693	26	727	27	764	27	764
Home Ec Tchr I	21	570	22	598	23	628	24	660	24	660
Home Ec Tchr II	23	628	24	660	25	693	26	727	26	727
Homemaker	12	367	13	386	14	405	15	425	16	447
Housing Fld Wkr	22	598	23	628	24	660	25	693	26	727
Jr Pers Off	21	570	22	598	23	628	24	660	24	660
Med Soc Cons	28	802	29	842	30	884	31	928	32	975
Pers Off	23	628	24	660	25	693	26	727	26	727
Pers Off I	26	727	27	764	28	802	29	842	29	842
Pers Off II	30	884	31	928	32	975	32	975	35	1128
Prin Soc Wkr	26	727	27	764	28	802	29	842	29	842
Pub Wlf Aide	11	350	12	367	13	386	14	405	14	405
Recovery Agent	19	517	19	517	19	517	20	543	22	598
Resch Analyst	23	628	24	660	25	693	26	727	26	727
Res Invstgr	21	570	21	570	21	570	22	598	24	660
Sr Com Serv Aide	16	447	17	469	18	492	19	517	20	543
Sr Elig Tech	16	447	17	469	18	492	19	517	19	517
Social Wkr	24	660	25	693	26	727	27	764	27	764
Soc Wkr Trne	13	386	13	386	13	386	13	386	13	386
Supvr Adm Serv	31	928	32	975	33	1023	34	1075	35	1128
Supvr Bus Off	23	628	24	660	25	693	26	727	26	727
Supvr Resch & Stat	31	928	32	975	33	1023	34	1075	34	1075
Supvr Soc Serv I	30	884	31	928	32	975	33	1023	34	1075
Supvr Soc Serv II	32	975	33	1023	34	1075	35	1128	36	1185
Vol Serv Coord	24	660	25	693	25	693	26	727	27	764
Wlf Dir (Denver)	37	\$1244	38	\$1306	39	\$1372	40	\$1440	41	\$1512
Wlf Dir I	21	570	22	598	23	628	24	660	26	727
Wlf Dir II	24	660	25	693	26	727	27	764	29	842
Wlf Dir III	27	764	28	802	29	842	30	884	32	975
Wlf Dir IV	31	928	32	975	33	1023	34	1075	35	1128
Wlf Dir V	33	1023	34	1075	35	1128	36	1185	38	1306

Table V (Continued)

SCHEDULE B.  
(GRADE OPTIONS FOR CLERICAL, STENOGRAPHIC AND RELATED CLASSES)

POSITION TITLES	OPTION I		OPTION II		OPTION III		OPTION IV		CIVIL SERVICE OPTION (V)	
	Grade	Minimum	Grade	Minimum	Grade	Minimum	Grade	Minimum	Grade	Minimum
Acctg Clk	15	\$ 425	16	\$ 447	17	\$ 469	18	\$ 492	19	\$ 517
Acctg Mach Opr	13	386	14	405	14	405	15	425	16	447
Admin Secy	15	425	16	447	17	469	18	492	19	517
Chief Clerk	18	492	19	517	20	543	21	570	22	598
Clerk I	7	288	8	302	8	302	9	317	10	333
Clerk II	10	333	11	350	11	350	12	367	13	386
Clerk III	13	386	14	405	14	405	15	425	16	447
Clerk Bkkpr	12	367	13	386	14	405	15	425	16	447
Clerk Steno	12	367	12	367	13	386	14	405	15	425
Clerk Typist I	8	302	9	317	9	317	10	333	11	350
Clerk Typist II	10	333	11	350	11	350	12	367	13	386
Clerk Typist III	13	386	14	405	15	425	15	425	16	447
Data Conv Eq Opr	11	350	12	367	13	386	14	405	15	425
Delivery Clerk	11	350	11	350	11	350	12	367	13	386
Drafting Clerk	13	386	14	405	14	405	15	425	16	447
Dup. Equip Opr	12	367	12	367	12	367	13	386	14	405
Food Stp Cashier	12	367	13	386	14	405	15	425	16	447
Key Punch Opr	13	386	13	386	13	386	14	405	14	405
Messenger Clerk	7	288	8	302	8	302	9	317	10	333
Personnel Clerk	13	386	14	405	14	405	15	425	16	447
Principal Clerk	15	425	16	447	17	469	18	492	19	517
Prin Clerk Steno	15	425	16	447	17	469	18	492	19	517
Prin Pers Clerk	15	425	16	447	17	469	18	492	19	517
Repro Mach Opr	14	405	15	425	16	447	17	469	18	492
Secretary	13	386	14	405	15	425	16	447	17	469
Sr Admin Secy	17	469	18	492	19	517	20	543	21	570
Sr Clerk Steno	14	405	15	425	15	425	16	447	17	469

Table V (Continued)

SCHEDULE B.

(GRADE OPTIONS FOR CLERICAL, STENOGRAPHIC AND RELATED CLASSES)

POSITION TITLES	OPTION I		OPTION II		OPTION III		OPTION IV		CIVIL SERVICE OPTION (V)	
	Grade	Minimum	Grade	Minimum	Grade	Minimum	Grade	Minimum	Grade	Minimum
Sr Key Punch Opr	14	\$ 405	15	\$ 425	15	\$ 425	16	\$ 447	16	\$ 447
Sr Storekpr	15	405	16	447	17	469	18	492	19	517
Switchbd Opr I	11	350	11	350	12	367	13	386	14	405
Switchbd Opr II	13	386	13	386	14	405	15	425	16	447
Tab Equip Opr	15	425	16	447	16	447	17	469	18	492
Trns Mach Typ I	11	350	12	367	12	367	13	386	14	405
Trns Mach Typ II	13	386	14	405	14	405	15	425	16	447
Warehouseman	9	317	10	333	11	350	12	367	13	386

SOURCE: Section 3440.2, and 3440.3 Colorado Division of Public Welfare Staff Manual, Vol. III.

equivalent to the State Civil Service levels. Once a county has chosen a particular option to follow for entry levels, promotional pay raises are determined in accordance with the step increases within a particular grade. Step increases are shown in Table VI.

For example, county Y chooses to follow Option I and hires a person in the position of Caseworker I. A Caseworker I in that county would enter at grade 20 at \$543 per month as shown in Table V. If the Caseworker was given a pay raise at the completion of six months probationary period, he may be granted a one step in-grade increase in grade 20 (Table VI) and he, thus, would receive a salary of \$570 per month.

### General Federal-State Legal Relationships Regarding Merit Systems

The Committee's recommendation took note of the fact that local control of the welfare personnel system should be within the guidelines of federal law as such guidelines are incorporated in the state merit system.

In making this qualification, note was made of the interrelationship between federal law and federal rules and regulations and Colorado law and rules and regulations as explained below.

Sources of Legal Authority for Merit System. Sources of legal authority for the current state Merit System are as follows:

- (1) Social Security Act;
- (2) Title 45 of the Code of Federal Regulations, Sections 70.1 through 70.12;
- (3) Section 119-1-12, Colorado Revised Statutes 1963; and
- (4) Colorado State Division of Public Welfare Staff Manual, Volume III.

(1) Social Security Act. Generally speaking, federal requirements, as promulgated by Congress, on personnel systems for federally aided welfare programs are found in the various Titles to the Social Security Act. For example, the applicable legal references to those sections of the Social Security Act dealing with a state merit system for the so-called categorical programs are as follows:

Table VI  
 COUNTY COMPENSATION SCHEDULES --  
 IN-GRADE INCREASES

STEP -	1	2	3	4	5	6	7
GRADE							
4	249	261	274	288	302	317	333
5	261	274	288	302	317	333	350
6	274	288	302	317	333	350	367
7	288	302	317	333	350	367	386
8	302	317	333	350	367	386	405
9	317	333	350	367	386	405	425
10	333	350	367	386	405	425	447
11	350	367	386	405	425	447	469
12	367	386	405	425	447	469	492
13	386	405	425	447	469	492	517
14	405	425	447	469	492	517	543
15	425	447	469	492	517	543	570
16	447	469	492	517	543	570	598
17	469	492	517	543	570	598	628
18	492	517	543	570	598	628	660
19	517	543	570	598	628	660	693
20	543	570	598	628	660	693	727
21	570	598	628	660	693	727	764
22	598	628	660	693	727	764	802
23	628	660	693	727	764	802	842
24	660	693	727	764	802	842	884
25	693	727	764	802	842	884	928
26	727	764	802	842	884	928	975
27	764	802	842	884	928	975	1023
28	802	842	884	928	975	1023	1075
29	842	884	928	975	1023	1075	1128
30	884	928	975	1023	1075	1128	1185
31	928	975	1023	1075	1128	1185	1244
32	975	1023	1075	1128	1185	1244	1306
33	1023	1075	1128	1185	1244	1306	1372
34	1075	1128	1185	1244	1306	1372	1440
35	1128	1185	1244	1306	1372	1440	1512
36	1185	1244	1306	1372	1440	1512	1588
37	1244	1306	1372	1440	1512	1588	1667
38	1306	1372	1440	1512	1588	1667	1750
39	1372	1440	1512	1588	1667	1750	1837
40	1440	1512	1588	1667	1750	1837	1929
41	1512	1588	1667	1750	1837	1929	2025
42	1588	1667	1750	1837	1929	2025	2126
43	1667	1750	1837	1929	2025	2126	2232
44	1750	1837	1929	2025	2126	2232	2344
45	1837	1929	2025	2126	2232	2344	2461

SOURCE: Section 3440.1, Colorado Division of Public Welfare Staff Manual, Vol. III.

Old Age Pension (Title I) -- 42 U.S.C. 302 (a)  
(5) (A)

Aid to the Needy Disabled (Title XIV) -- 42  
U.S.C. 1352 (a) (5) (A)

Aid to the Blind (Title X) -- 42 U.S.C. 1202 (a)  
(5) (A)

Aid to Families with Dependent Children (Title  
IV) -- 42 U.S.C. 602 (a) (5) (A)

A "State Plan" applicable to all political subdivisions, for each categorical assistance program, must be submitted and approved by the Secretary of HEW. Part of the State Plan for the four categories listed must make provision for a personnel administration system. To quote from the legal reference given above for AFDC, the State Plan "must":

(5) provide (A) such methods of administration (including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the HEW Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are found by the Secretary to be necessary for the proper and effective operation of the plan,... (42 U.S.C. 602 (a) (5) (A).

Similar provisions are found in the Titles of the Social Security Act applying to the AND, AB, and OAP categories.

(2) Title 45 Code of Federal Regulations. To implement the Congressional mandate on the welfare personnel system, the Secretary of HEW has defined the general areas of Congressional intent in Title 45 of the Code of Federal Regulations, Sections 70.1 through 70.12 (45 CFR § 70.1 et seq). The subjects of the various subsections are as follows:

#### Subsections

- 70.1 Purpose.
- 70.2 Jurisdiction.
- 70.3 Merit system organization.
- 70.4 Prohibition of discrimination.
- 70.5 Limitation of political activity.
- 70.6 Classification plan.

- 70.7 Compensation plan.
- 70.8 Recruitment and appointment of personnel.
- 70.9 Promotions.
- 70.10 Layoffs and separations.
- 70.11 Performance evaluations.
- 70.12 Personnel records and reports.

(3) Section 119-1-12, C.R.S. 1963 - Merit System.

Section 70.3 (a) of the Code of Federal Regulations provides that the existing state-wide civil service system should be used as long as it operates "under standards substantially equivalent to those herein provided". But in 1940, the Colorado Supreme Court held that employees in county welfare departments including Denver are not state employees in the state classified civil service and the state welfare department has the constitutional jurisdiction to provide for the selection, retention, and promotion of welfare employees on the basis of merit.<sup>1/</sup> After the decision was rendered, the Attorney General, in an opinion to the State Welfare Director, held that the Department and State Board of Welfare had "jurisdiction and the authority to establish a merit system council for the purpose of placing all employees of county departments of public welfare on a merit basis in compliance with the amended Social Security Act and the rules and regulations of the Social Security Board passed pursuant thereto."<sup>2/</sup>

Thus, in accordance with the federal law, the Colorado General Assembly made provision for the establishment of a separate Merit System for welfare with the passage of Section 119-1-12, C.R.S. 1963, that set up the Merit System Council and gave the State Board general guidelines to follow in its rule making capacity.

As in most sections of the Colorado Welfare Code, Section 119-1-12 on personnel administration is general in nature and, thus, flexible enough so the state can remain in conformity with sudden changes in the Social Security Act and the Code of Federal Regulations.

Individual County Pay Plans. A document issued over the signature of the Secretary of HEW, the Department of

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<sup>1/</sup> In Re Interrogatories by the Governor, 106 Colo. 475.  
<sup>2/</sup> Attorney General's Opinion No. 539, October 21, 1940.

Labor, and the Department of Defense, entitled "Standards for A Merit System of Personnel Administration," effective March 6, 1971, contains an interpretation of 45 CFR 70.7 pertaining to compensation plans which may have some bearing on whether HEW would approve individual county pay plans. Of course, county personnel plans would have to meet other requirements contained in the Code of Federal Regulations in order for the state to receive federal matching funds for welfare. The interpretation on the compensation section of the CFR reads as follows:

A plan of compensation for all classes of positions will be established and maintained on a current basis. The plan will include salary rates adjusted to the responsibility and difficulty of the work and will take into account the prevailing compensation for comparable positions in the recruiting areas and in other agencies of the government and other relevant factors. It will provide for salary advancement for full-time permanent employees based upon quality and length of service and for other salary adjustments.

Compensation in a local agency will be governed by a compensation plan which, at the option of the State, is established by: a local government and covers other local agencies; the State and covers local grant-aided agencies; or the State and covers the agency responsible for State administration of Federal grants.

#### IV. Recipients' Allowances for Utilities and Housing

Raise AFDC Utilities Allowance. Table VII contains the Shelter and Utilities Allowances currently applying to AB, AND, and ADC recipients as promulgated by the State Board of Social Services (Section 4324.1 et. seq, Staff Manual). Table VIII is the "Basic Requirements Allowances" for AB, AND, and AFDC recipients. The Old Age Pension program established pursuant to Article XXIV of the Constitution is a Flat Grant program that increases or decreases according to the cost-of-living; therefore, no schedules are prepared for OAP.

The allowances shown in the two tables have state-wide applicability. Prior to March, 1969, such allowances were set by state zones; allowances for recipients varied according to geographical zone.

As Table VII indicates, the amount of a utility grant for a recipient depends on whether any of the three following utilities "groups" is included as part of the rent: 1) water (including sewage disposal, fuel for cooking and heating water); 2) fuel for heating, or 3) electricity. Four separate schedules have been prepared to fit the appropriate circumstance. If, for example, all utilities are included in a recipients rent, the schedule "Three Utilities Groups Included in Shelter Cost" is used. If water and electricity is included, but not fuel for heat, the "two utilities included" schedule is used.

The utility allowance paid to a recipient within each schedule is determined by the number of children in the household. Thus, under the "no utilities included" schedule, the utilities allowance for an ADC recipient with one child is \$12.00 which is found by looking at the "one with others" column and the "one child" column.

It was pointed out to the Committee that quite often the utilities allowance for AFDC is totally inadequate. It was noted by department personnel and a representative of the Colorado Rural Legal Services that electricity and gas cut-offs in Denver alone average around 1,000 per month. To avoid such cut-offs, many times a recipient will find it necessary to use part of the Basic Requirement Allowance to pay for utilities. ("Basic requirements" include the monthly assistant payment for food, clothing, personal needs, and household supplies.) As a consequence, money which should have gone for food and clothing is used to pay a utility bill.

Table VII

**\*SHELTER AND UTILITIES ALLOWANCES  
(AFDC, AND, AB) 1/**

**NO UTILITIES GROUPS INCLUDED IN SHELTER COST:**

ITEM	#/ADULTS	NUMBER OF CHILDREN											
		O-AND,AB	O-AFDC	1	2	3	4	5	6	7	8	9	10 1/
Shelter(Max)	0	XXX	XXX	\$17	\$33	\$50	\$67	\$72	\$77	\$79	\$82	\$84	\$86
Utilities		XXX	XXX	3	7	10	13	17	20	21	22	23	24
Shelter(Max)	1 alone	Act. Cost	\$61	XX									
Utilities		\$15	12	XX									
Shelter(Max)	1 w/others	Act. Cost	61	61	65	69	72	77	79	82	84	86	88
Utilities		\$12	12	12	12	13	17	20	21	22	23	24	25
Shelter(Max)	2	Act. Cost	65	65	69	72	77	79	82	84	86	88	90
Utilities		\$15	12	12	13	17	20	21	22	23	24	25	26

**ONE UTILITIES GROUP INCLUDED IN SHELTER COST:**

ITEM	#/ADULTS	NUMBER OF CHILDREN											
		O-AND,AB	O-AFDC	1	2	3	4	5	6	7	8	9	10 1/
Shelter(Max)	0	XXX	XXX	\$18	\$35	\$53	\$71	\$78	\$84	\$86	\$89	\$92	\$94
Utilities		XXX	XXX	2	5	7	9	11	13	14	15	15	16
Shelter(Max)	1 alone	Act. Cost	\$65	XX									
Utilities		\$11	8	XX									
Shelter(Max)	1 w/others	Act. Cost	65	65	69	73	78	84	86	89	92	94	96
Utilities		\$ 8	8	8	8	9	11	13	14	15	15	16	17
Shelter(Max)	2	Act. Cost	69	69	73	78	84	86	89	92	94	96	99
Utilities		\$11	8	8	9	11	13	14	15	15	16	17	17

**TWO UTILITIES GROUPS INCLUDED IN SHELTER COST:**

ITEM	#/ADULTS	NUMBER OF CHILDREN											
		O-AND,AB	O-AFDC	1	2	3	4	5	6	7	8	9	10 2/
Shelter(Max)	0	XXX	XXX	\$19	\$38	\$57	\$76	\$83	\$90	\$93	\$97	\$99	\$102
Utilities		XXX	XXX	1	2	3	4	6	7	7	7	8	8
Shelter(Max)	1 alone	Act. Cost	\$69	XX									
Utilities		\$ 7	4	XX									
Shelter(Max)	1 w/others	Act. Cost	69	69	73	78	83	90	93	97	99	102	105
Utilities		\$ 4	4	4	4	4	6	7	7	7	8	8	8
Shelter(Max)	2	Act. Cost	73	73	78	83	90	93	97	99	102	105	107
Utilities		\$ 7	4	4	4	6	7	7	7	8	8	8	9

**THREE UTILITIES GROUPS INCLUDED IN SHELTER COST:**

ITEM	#/ADULTS	NUMBER OF CHILDREN											
		O-AND,AB	O-AFDC	1	2	3	4	5	6	7	8	9	10 2/
Shelter(Max)	0	XXX	XXX	\$20	\$40	\$60	\$80	\$89	\$97	\$100	\$104	\$107	\$110
Utilities		XXX	XXX	0	0	0	0	0	0	0	0	0	0
Shelter(Max)	1 alone or w/others	Act. Cost	\$73	73	77	82	89	97	100	104	107	110	113
Utilities		\$ 0	0	0	0	0	0	0	0	0	0	0	0
Shelter(Max)	2	Act. Cost	77	77	82	89	97	100	104	107	110	113	116
Utilities		\$ 0	0	0	0	0	0	0	0	0	0	0	0

**\*All figures revised and zone references deleted.**

Table VII (Continued)

FOOTNOTES:

- 1/ For grants including more than 10 children: For each additional child, add \$2 to shelter maximum and \$1 to utilities allowance shown in the last figures in the appropriate row.
- 2/ For grants including more than 10 children: For each additional child, add \$3 to shelter maximum shown in the last figure in the appropriate row.
- 3/ For AFDC cases residing in public housing, shelter and utilities allowances are made on the basis of current, on-going public housing rates, negotiated by the county department, and subject to the maximums provided in this table.

SOURCE: Section 4324, Colorado State Division of Public Welfare Staff Manual, Vol. IV.

Table VIII

BASIC REQUIREMENTS ALLOWANCES  
(AFDC, AND, AB)

	<u>NUMBER OF ADULTS</u> <sup>1/</sup>		<u>NUMBER OF CHILDREN</u>										
	AB- AND	AFDC	1	2	3	4	5	6	7	8	9	10	<sup>2/</sup>
None	XX	XX	\$ 34	\$ 73	\$109	\$145	\$182	\$218	\$247	\$276	\$305	\$335	
One Alone	\$43	\$49	XX	XX	XXX								
One w/Others	39	44	80	117	153	189	226	254	283	313	341	371	
Two	74	87	123	160	196	232	262	291	319	349	378	407	

Basic requirements included in this allowance are food, clothing, personal needs and household supplies. For AB or AND recipients who live alone and must cook for themselves, the allowance for basic requirements is \$43. Adults living with another person, or persons, or who are living alone but do not cook for themselves receive an allowance of \$39. Two AB or AND recipients receive a total allowance of \$74. This is inclusive of either an AB or AND recipient in which an essential person is included in the grant. With respect to an AFDC recipient who lives alone and receives AFDC on the basis of an unborn child, the allowance is \$49. If such a recipient resides with others, the allowance is \$44; if a man and wife are receiving AFDC on the basis of an unborn child, the allowance is \$87. The allowance for a particular AFDC assistance grant is found by determining the number of adults and number of children included in the grant. When a household includes recipients of more than one category of assistance, the allowance for basic requirements is computed separately for each grant, based on the number of persons in that grant.

<sup>1/</sup> Amounts given are inclusive of allowance for unborn children.

<sup>2/</sup> For grants including more than 10 children, add \$29 per child to the last figure in the appropriate row.

Table VIII (Continued)

For example, a household consists of an AND recipient, and his wife and five children who receive AFDC. The allowance for basic requirements for the AND recipient is found in the one adult - no children column - \$39. Basic requirements for the six AFDC recipients are found under the one adult - five children column - \$226.

If a household consists of a father, mother and five children receiving assistance under the AFDC-U Program, the allowance for basic requirements is found under the two adult - five children column - \$262.

SOURCE: Section 4322.1, Colorado State Division of Public Welfare Staff Manual, Volume IV.

According to the data supplied the Committee by the Department, the average utilities cost for an AFDC family of four (including recipients of AFDC-basic, AFDC-U, and AFDC-WIN) is \$13.00 per month. The following is a percentage breakdown among the three AFDC categories of those in need of some utility allowance:

<u>Program</u>	<u>Caseload*</u>	<u>Percent Needing Utility Grant</u>	<u>Number Needing Utility Grant</u>
AFDC (Basic)	31,070	81.1%	25,198
AFDC-U	1,164	77.1	897
AFDC-WIN	<u>2,650</u>	80.0	<u>2,120</u>
Total	34,884		28,215

\*Average caseload for December, 1970, January, February, and March, 1971.

The remainder of those (approximately 20 percent for all three categories) were in the "three utilities included" category, and, thus, did not need a utilities allowance at all.

But, during the winter months, when more gas and electricity is necessary, the average of \$12.55 for July and September would appear to be inadequate. This average, for example, is just under the \$13.00 per month an AFDC mother with three children receives each month for the entire year. In such a circumstance it is quite likely that it would be necessary for the mother to use part of her Basic Requirement Allowance of \$235 per month to pay utilities costs.

The Committee, therefore, recommends to the State Board of Social Services that the AFDC utility grant be increased on the average of \$13.00 per month for the five month period encompassing November, December, January, February, and March.

Based on the Department's figures, the added assistance costs of this recommendation for the November 1972 - March 1973 period is as follows:

28,215 AFDC cases needing  
 utilities x \$13.00 = \$366,795  
 x 5 months = \$1,833,975

Additionally, administrative costs are estimated to be \$55,752. Therefore, the total additional costs to state, federal, and county governments would be as follows:

Assistance Costs	\$1,833,975
Administrative Costs	<u>55,752</u>
TOTAL COSTS	\$1,889,727
Federal Share (57.61%)	1,088,672
State Share (22.39%)	423,110
County Share (20.00%)	377,945

Housing Allowance. During Committee discussions, members of the Committee as well as welfare staff members brought to the Committee's attention the equally critical need for more low cost housing in the Denver Metropolitan Area.

AB and AND recipients receive actual cost of housing with no specified maximums (Section 4322.21, Staff Manual). But, in the case of AFDC recipients, the shelter allowance is often inadequate to pay the high rents charged. The shelter allowance varies from a minimum of \$61 per month for an AFDC recipient living alone to a maximum of \$116 for two AFDC adults with ten children.

However, a recent survey of housing in Denver, brought to the Committee's attention by the staff of the Denver Welfare Department, indicated that the vacancy rate for housing renting for less than \$150 per month is 1.7 percent, and the average cost of any two bedroom accommodation is \$165 per month; yet the maximum shelter allowance for an AFDC mother with two children is only \$69 per month to obtain that \$165 per month accommodation. The survey also showed that of the 3,100 buffets or apartments renting for \$100 or less, there were only 80 vacant.

Thus, as far as welfare is concerned, one of the problems the Committee recognizes is the difficulty of matching the welfare recipient with adequate housing he can afford.

On the other hand, adequate housing outside the metropolitan area may be available at rental costs that is more commensurate with the amounts shown in Table V, which have state-wide applicability.

Members of the Committee suggested that the solution may not lie in raising the shelter allowance to enable a recipient to look harder in an area where not enough housing exists in the first place; rather, it was suggested, part of the solution may be to provide inducements for the construction of lower cost housing outside Denver by means of rent subsidies or, perhaps, provide inducements for recipients to live in areas in the state where housing is available at lower prices.

Representatives of the County Commissioners and some Committee members, on the other hand, suggested that perhaps the rules of the State Board of Social Services should be amended to permit County Commissioners to set the shelter allowance for their counties, subject to the approval of the State Board. In this manner, it was suggested, Commissioners, which are in tune with local housing conditions, could set appropriate levels for the shelter allowance.

Senator Carl Williams and representatives of the Colorado Rural Legal Services and the County Commissioners were requested to submit some proposals for resolving these problems to the Committee for consideration during the next interim.

## V. Job Encouragement for Welfare Recipients

The Committee recommends the adoption of implementing legislation providing that all "employables" before being certified for their welfare assistance payment at least once per month seek employment and accept it when available. (See Bill D.) Under this proposal a recipient would be expected to seek and accept work in either the public or private sector of the economy or accept a public service job.

As a future item of Committee study, it is also recommended that the existing job training programs for welfare recipients be examined, including a study of the AFDC Work Incentive Program (WIN). The study of WIN should include, the Committee believes, an examination of the administration of the WIN training program, such as the feasibility and problems caused by having the WIN program administered jointly pursuant to federal law by the Division of Welfare, Department of Social Services, and the Division of Employment, Department of Labor and Employment.

Concerning a supplemental work training program, the Department of Social Services and County Commissioners Association are requested by the Committee to suggest a possible supplemental program to WIN for review by the Committee before the start of the 1972 Session of the General Assembly in the event that this subject would have to be put on the Governor's Agenda for action by the General Assembly to implement any program recommended.

As background information, which, perhaps, can serve as a point of departure for future Committee consideration and discussion, there follows a discussion of the present Colorado WIN program; the old Title V work training program which pre-dated WIN; a comparison of the present Colorado WIN program with the Title V program and suggestions for changes in WIN by the staff of the Denver Welfare Department. A review of the California proposed reforms in WIN and the state's "employables" program is also included.

### Colorado Work Incentive Program

WIN Basic Eligibility. The Work Incentive Program was initiated for Denver and Pueblo Counties in July 1, 1968, and to all Colorado Counties in July 1, 1969, to provide adult AFDC recipients with the opportunity of becoming self-supporting through education, such as vocational education, work experience, on the job training, and high school equivalency. In addition, social services and supportive services, such as counseling, child care, and job motivation are also provided.

The WIN training program is administered in conjunction with the Colorado Department of Labor and Employment, Division of Employment, which acts as the sponsor of WIN training programs in the communities it serves. The Welfare Division and the Employment Division plans "project cost; in-kind resources, including facilities, equipment, personnel and methods of exchange of information concerning rates and earnings, the status, changes in assignment of recipients, or needs particular to completion of training and job placement." (Section 4613.1, Staff Manual.)

All adult recipients of ADC and AFDC-U in Colorado must be referred to the WIN program. Certain recipients are exempt from such referral, including the aged and the incapacitated; persons located in remote areas away from a WIN project; children attending school full-time; persons whose continuous presence in a home is necessary in order to attend to the illness of another household member; and persons whose presence at home is necessary due to lack of adequate child care services. Priority of referrals are in the following order:

- (1) AFDC-U fathers within 30 days of receipt of the first welfare payment;
- (2) Volunteer mothers and other relatives who take care of children and who have no pre-school children;
- (3) Mothers who have preschool children and who volunteer for the program; and
- (4) Others determined by the Department of Social Services to be appropriate for referral.

Training Assignments. Upon enrollment in WIN, each trainee is assigned to one of the following three categories within the WIN program by the Division of Employment according to employability, training needs, and job readiness:

- Category I -- Regular employment and on-the-job training
- Category II -- Institutional and work-experience training
- Category III -- Special work projects

Category III has not been utilized due to lack of federal funding.

Table IX summarizes the type of payments enrollees receive and the incentive payment each receives by Category.

Social Services - Termination for Cause. Evaluation as to whether an AFDC or AFDC-U recipient should be in a WIN program as well as whether he has potential for self support is made by a county welfare caseworker, and social services are offered to the family and recipient throughout the training process. The emphasis on services is toward eliminating those problems which hinder a recipient from being self-sufficient. These services, prior to termination, are focused on the recipient's transition from public welfare to employment. (Section 4613.33, Staff Manual.)

AFDC-U recipients are allowed 60 days of social services before action is taken to terminate services for refusal to participate in a WIN training project or accept employment. Receipt of his personal portion of AFDC is also terminated for such refusal. (Sections 4613.39 and 4613.4, Staff Manual.)

If the Division of Employment WIN staff refers an individual back to welfare for reasons that he should not continue his WIN training or hold a job, then the assistance payments are restored.

"AFDC-U recipients must meet the requirement of actively pursuing employment to remain eligible for assistance." (Section 4613.5, Staff Manual.)

Costs and WIN Enrollees and Job Placements, 1970-71. According to figures of the Department of Social Services, by the end of the 1969-70 fiscal year a total of 3,634 persons had enrolled in WIN. Of this number, 1,828 had been terminated from the program during the year, including 1,056 persons who had become employed. There were 2,242 persons in some phase of training at the end of the year. The total 1969-70 cost was \$2,257,165 for an average enrollment of 1,192 persons. The WIN training slot level for both the 1970-71 and 1971-72 fiscal years was set at 2,600 persons, at a cost of \$3,315,000 and \$3,900,000, respectively. In 1970-71, WIN cost approximately \$1,500 per enrollee.

Table X (page 87) shows the total number of WIN enrollments and terminations and job placement from the WIN Program in Colorado for fiscal year 1970-71. Note should be made that commencing with February 1971, and extending through the remainder of the fiscal year, that enrollment exceeded the 2,600 slot level. The additional enrollees could be accommodated due to under enrollment in prior months.

Table IX

WIN CATEGORIES OF ASSIGNMENT AND PAYMENTS  
RECEIVED PER CATEGORY

	<u>Category I</u>	<u>Category II</u>	<u>Category III</u>
Degree of Employability	Job ready or needing short time on job training (OJT)	Needs adult basic training, vocational training, high school	Intensive training and casework services required while in special work program
Type of Payment	AFDC grant less OJT salary	AFDC or AFDC-U grant	AFDC or AFDC-U grant
Incentive Payment	Allowable deductions against earned income CSDSS Vol. IV 4313.13	\$30 paid by Division of Employment	Guarantee of Assistance Grant, plus 20 percent of gross wage
Transportation (In Categories I & III, deducted from employment income before income is deducted from the grant)	None	Budgeted on AFDC grant	None
Child Care Allowed in Category I on same basis as is transportation		Budgeted on AFDC grant	None

Table X

WIN ENROLLMENTS, TERMINATIONS, AND JOB  
PLACEMENTS, FISCAL YEAR 1970-71

	<u>New Enrollees</u>	<u>Terminations</u>	<u>Employed</u>	<u>Placed by Colorado Division of Employment</u>	<u>Remain in Training</u>
July 31, 1970	261	216	82	42	2285
August 31 1970	260	141	70	40	2404
Sept. 30, 1970	299	164	86	45	2538
Oct. 31, 1970	234	246	59	28	2525
Nov. 30, 1970	201	194	52	21	2532
Dec. 31, 1970	220	161	52	22	2578
Jan. 31, 1971	208	206	78	32	2580
Feb. 28, 1971	236	162	68	29	2654
March 31, 1971	270	207	156	53	2717
April 30, 1971	200	223	145	83	2694
May 31, 1971	215	177	138	66	2732
June 30, 1971	195	195	167	89	2732

According to material prepared by the Department:

During fiscal year 1971, 2,120 persons were terminated from WIN, and 1,138 of those terminated were due to employment. It must be pointed out that these figures should not be used to determine success as program requirements of the Division of Employment require that after job placement an enrollee would not be terminated from ES WIN rolls even though he may be terminated from Welfare. During a period of 90-180 days he is carried in "Job Entry". This definition would cause the success ratio to be inflated.

The majority of those terminated for other than employment returned to public assistance rolls. A selected study by...the Department of Social Services for the period February 1970 through August 1970 showed the following percentages for terminations for other than job placement: Dropped out 14.1% (AFDC Mothers); moved from area 16.4%; Health reasons 15.6%; Family care responsibilities 7.8%; Referred in error 4.8% (inflated due to error in reporting); Transportation problems 0.5%.

#### Supplemental Work Program to WIN Patterned After the Title V Program

It was suggested to the Committee that perhaps a supplemental job training program to WIN could be patterned after the old Title V program. Title V was made part of the Economic Opportunity Act (OEA) in October 1964, and Colorado adopted the program in 1965; but it was phased out and replaced by the WIN program in July, 1969.

In contrast to WIN, the Title V program was supported by 100 percent federal funding; it was administered totally by the State Department of Social Services; and those who participated did so on a voluntary basis.

Persons under Title V selected for work experience and training came from two groups -- Group I included those persons receiving assistance from another categorical program, such as AFDC, and Group II was composed of persons not eligible for assistance under one of the categories.

The basic benefits included income maintenance, financial allowance for work-related expenses, and Blue Cross-

Blue Shield coverage. Social services, such as budget training, homemaking, child care, family planning, aptitude testing, and health and family services were available. Funds for pre-employment physical examinations, workmen's compensation, remedial medical care, adult basic education, etc., were also available under Title V.

During the last full year for which the Department has statistics available, July 1967 to June 1968, there was a monthly average of 972 men and women enrolled in training programs under Title V. (942 persons were from Category I and 40 persons were from Category II.) A study of 428 trainees terminated from the program in a three month period revealed that 57 percent or 244 obtained employment (compared to nearly 54 percent for WIN during 1970-71). The 174 persons who did not obtain employment cited the following reasons: no work available or none available in field of training, 60 persons (34.6%); out of labor force, 35 persons (19.9%); needed more training 29 persons (16.0%); illness, 28 persons (16.0%); other reasons, 22 persons (12.8%).

The total Title V program in 1967-68 cost \$1.9 million which was federally funded. There were programs in a total of 21 counties that year.

Comparison by Denver Department of Welfare of WIN and Title V. The staff of the Denver Department of Welfare prepared for the Committee a comparison of the WIN and Title V programs. The Denver Welfare Staff also offered a number of suggestions for improving WIN and reasons for having a supplemental program. The suggestions follow:

"We [Welfare Reform Committee, Denver Welfare Department] believe that every welfare recipient who is motivated to work or obtain training should be given incentive and opportunity. At the present time there is a waiting list of AFDC mothers, as well as fathers, that desire to be functional heads of households through employment. Our present maximums in the WIN program, which is governed by the Department of Labor, limit the total number of positions available, both male and female. This is complicated by the fact that ADC-U men must be given priority by federal regulations. Thus, positions are filled regardless of the individual's motivation. The following compares WIN to the old Title V program:

**\*COMPARATIVE ASPECTS OF TITLE V AND WIN**

	<u>Title V</u>	<u>WIN</u>
<b>Participation</b>	Completely Voluntary Each county had own program and budget. No state-wide "slot" level.	Compulsory for men. Voluntary for women. Maximum "slot" level for entire state set by U.S. Department of Labor.
<b>Administration</b>	Complete program was under one state agency, i.e., De- partment of Social Services.	Public Assistance under Welfare and training under the State Employment Ser- vice.
<b>Incentives to Work</b>	Many personal incentives such as group sessions with men, women and together once a month; social functions with the staff such as pot luck meals, baseball team, dances, etc. Incentive payment based on participation in training.	\$15.00 twice per month for participation. No portion can be withheld for parti- al participation.
<b>Training Allowance</b>	Covered complete cost of train- ing.	Limited to \$50.00 for edu- cational supplies and tools.
<b>Emergencies</b>	Allowed for expenditures of funds to meet the needs of a family that would affect the training and/or employment being offered.	Emergency provisions pro- visions provided by the Welfare Department only.

Title V

WIN

Accountability

Responsible Welfare Department through the Office of Economic Opportunity.

Social Services and Public Assistance payments by the Welfare Department. Training and employment by Employment Services Department. Training Sight Selection by State WIN administration staff.

Job Placement

Placement was done by Title V staff. Was 30% effective in 1966.

Placement by WIN Employment Service. Was 16.4% effective in 1970.

Job Follow-up

Close coordination between caseworker and employment counselor.

Contacts by WIN E.S. team with employer. No contacts made with welfare unless they continue to be eligible for PA payment.

Client Participation

Very close coordination with program through group meetings, social programs and allowing participants to set their own rules.

Coordination is very difficult as Welfare and Employment Service are in different locations and under completely separate administrations.

"We do not feel it is realistic to place all recipients under a blanket training program. As needs are obviously different it would seem more appropriate to allocate funds for training allowances within the separate categories. This would allow for client incentive and use of present community programs in establishing independent planning for improving employment potential and eventual placement. For instance, an AFDC mother has met the requirements of a program available in the community and has arranged for child care on her own initiative. She is then prevented from participating due to the lack of financial assistance...which at the present time can only be obtained through involvement in WIN.

#### "WIN SPECIFIC RECOMMENDATIONS

1. Combine the functions of WIN (Welfare) and WIN (Employment Service) under one roof and preferably under one administration.
2. Provide the male welfare recipient with something to choose between. That is a choice between WIN and some other program. Possibly a work oriented program would be best. This would limit WIN to people who are more highly motivated to improve themselves.
  - a. We would recommend a work-type program that has an ecological basis. Such a program should provide for well-trained competent factors built in.... such as after a given period of work the men would be given time off to do whatever they want to do. Jobs under this program should be meaningful in nature.
3. Equalization of the work incentive base to provide the \$30 and 1/3 provision for men trained under the WIN program, and placed for employment in jobs where the income does not meet the needs of their families.
  - a. Such a plan would require the cooperation of the U.S. Department of H.E.W. If this could not be done on a complete basis, maybe it could be considered on a demonstration basis for a limited number of men.
4. Financial means should be designed into the current system to allow more involvement by the recipients into the work and training program. This would take the form of advisory councils, social groups, etc.

An obvious need for day care services is acknowledged. A county program under State law is recommended. The imple-

mentation of specialized staff to recruit, train, and supervise individuals or groups in providing day care, would alleviate the problem and create employment positions for present recipients."

The California "Employables" Program --  
Reforms for the WIN Program

One of the Committee's meetings was devoted to a review of the 1971 California Welfare Reform Program, much of which was implemented by the 1971 California Legislature and by administrative rules and regulations.

Mr. Robert Carleson, Director of the California Department of Social Welfare, spent one day with the Committee to review the California Program that was contained in a report transmitted by Governor Reagan to the legislature in March, 1971, entitled "Meeting the Challenge: A Responsible Program for Welfare and Medi-Cal Reform". Copies of the report were distributed to Committee members and to County Commissioners, and the Council staff wrote a follow up memorandum containing a point-by-point comparison of the California program with the administration of welfare in Colorado to determine the extent to which they differ.

Two of the specific areas covered in the California proposal pertained to a proposed "employables" work program and proposed changes in the WIN program.

California WIN Reforms

The WIN program is the only federally and state funded program that deals exclusively with training and placement of welfare recipients. In California, it was proposed that the program continue to play a major role in getting welfare recipients into regular jobs and that the number of WIN slots or openings be increased.

However, the California reform proposal made a number of changes in the administration of the WIN program:

(1) Since a limited number of slots are available in WIN at any one time, training and counseling which do not relate to job placement were eliminated to complete a recipient's program in as short a period as possible.

(2) Also, more emphasis was placed on vocational and on-the-job training which will lead to prompt job placement. According to the California report, a paycheck would be substituted for a welfare check for the trainee, and the employer would be given the benefit of the trainee's productivity while being trained.

(3) The proportion of WIN slots for unemployed fathers in the AFDC program was increased so that family responsibility for men could be emphasized.

(4) California requested waivers of federal law and administrative ruling by federal agencies in order to initiate special work projects where a recipient is paid a salary by the government employer plus certain incentives, and the major part of the grant is transferred to the government employer. The welfare grant would, in effect, be turned into a salary.

Under the proposal, only tasks aimed at meeting an otherwise unfilled public need would qualify so that the jobs already held by employees in the public and private sectors are not jeopardized by competition from participants in the public assistance work projects. Examples of such tasks in the California proposal are: earthquake; flood; forest fire or oil spill clean-up; recycling discarded waste products; school yard monitoring and supervision; and child care by women welfare recipients in "home care" programs to enable other AFDC mothers to seek and obtain employment.

Apparently, California was successful in getting federal waivers; on August 20, 1971. John Veneman, U.S. Undersecretary of Health, Education and Welfare, announced that demonstration projects for public assistance work projects would be started in California, New York, and Illinois.

(5) Stricter WIN sanctions were proposed for non-participation in the WIN program -- an enrollee is allowed 60 days after dropping out to consider if he is going to continue to participate in WIN. California proposed that the time period be reduced to 10 days and that this 10-day period of consideration be available only once to a WIN enrollee rather than an unlimited number of times as it is presently with the 60-day rule.

#### California Work Reform or Employables Program

Mr. Carleson reviewed for the Committee the proposed California employment program which is similar to the federal

reform program that has already passed the U.S. House of Representatives and is awaiting action by the Senate.

An excerpt from the report follows:

One of the principal goals of our welfare reform program is to get able-bodied welfare recipients who are employable, or potentially employable, off the rolls and into jobs. Therefore, to strengthen this concept, we are proposing the implementation of a new and innovative "employables" program -- to separate employable welfare recipients from those who are unemployable. (emphasis in original)

If the employable recipient is job ready -- that is if he has a marketable job skill -- he will be assisted in his search for employment, and will be expected to meet strong self-help, job-seeking requirements.

If no private or public sector job or training opportunity is immediately available, he will be expected to participate in useful public assistance work force projects aimed at making California a better place in which to live.

We are convinced that the concept of separating employables from unemployables is thoroughly sound in principal and holds immense promise for changing the basic approach of the AFDC program from financial assistance -- as an end in itself -- to getting into a job and getting off welfare.

Once a person is determined to be eligible for welfare, a decision will be made as to his employability.

If the recipient is found to be potentially employable, he will be placed under the overall jurisdiction of HRD [California Department of Labor] where all program services will be aimed at getting him off welfare and into a job.

Transformation of Social Services to Employment Services. As one way to effect the employables program, social workers currently working for counties as welfare workers and providing social services for recipients who may be determined employable under the new system will be reassigned to the California Department of Human Resources De-

velopment (i.e., Department of Labor) and be retrained to deliver employment services.

Eliminate Dual Administration. A single administration will be set up to replace the existing dual administrative setup which involves both the Labor Department and the Welfare Department, as is now the case with WIN. In California, (and perhaps in Colorado, separate files on a potentially employable individual are maintained by the Welfare Department and by Labor Department employment personnel. There is also a duplication of interview, assessment, and job planning. Under the Californial proposal for a single administration, referral of recipients to employment services would be immediate and preclude a great amount of paperwork "now required to coordinate these two functions".

Example of California Employables' Programs. An unemployed AFDC father, after the initial determination of eligibility for welfare, would be referred to the Labor Department for an interview to determine if he is employable.

If he is found to be employable, his service program is placed under the jurisdiction of the Labor Department whose staff would be, as previously mentioned, supplemented by a portion of the former welfare staff that had been reassigned to the Labor Department. Efforts are then made to find employment which meets the man's ability.

If he is found to be unemployable, he is referred back to the county welfare department for services.

In the event the man has no marketable skill but is potentially employable, he is assigned to the WIN program for training or some other existing training program such as the Manpower Development and Training Act, New Careers, Concentrated Employment Program, Apprenticeship, and the National Alliance of Businessmen's Job Opportunities in the Business Sector.

If, after classification as employable, a recipient refuses to seek work, take an available job, participate in a WIN training program, or take part in a public work force project, his aid is cut off.