

# HB26-1260: UPDATES TO CHILD CARE ASSISTANCE PROGRAMS

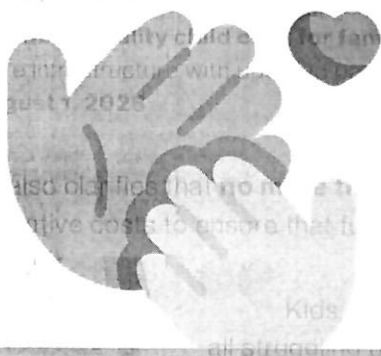


## CHILD CARE ASSISTANCE FOR WORKING PARENTS

**SPONSORS: REPRESENTATIVES GARCIA AND WILLFORD, SENATORS CUTTER AND BRIGHT**

Right now, too many parents who want to work and provide for their families cannot because they don't have access to affordable, quality child care. Colorado families are the foundation of our economic and social well-being. The **Colorado Child Care Assistance Program**, also known as CCCAP, **opens the door to stronger support for families, thriving small businesses, and healthy communities across the state.**

### WHAT IS THE COLORADO CHILD CARE ASSISTANCE PROGRAM?



The Colorado Child Care Assistance Program (CCCAP) provides subsidized, quality child care to low-income families so parents can go to work or school and children can receive the early childhood experiences that support their healthy development, which improves their chances at a brighter future.

Specifically, **CCCAP serves low-income parents** who are:

- ✓ Working,
- ✓ Searching for employment,
- ✓ Attending a job training program, or
- ✓ Going to college to advance their career.

### WHAT WILL HB26-1260 ACCOMPLISH?

This bipartisan bill updates the CCCAP program to support its sustainability, while ensuring Colorado kids and families have the opportunity to thrive.

HB26-1260 allows Colorado's Department of Early Childhood to remain flexible as we adapt to the state's current fiscal reality and build towards a long-term funding solution for CCCAP. **The bill delays implementation of four essential provisions that improve access to affordable, quality child care for families** while stabilizing the child care infrastructure with updated payment models for providers until **August 1, 2028**:

- 1 Paying **rates based on enrollment**, instead of attendance
- 2 **Compensating providers prospectively**, instead of through retroactive reimbursements
- 3 Utilizing **grants or contracts** to better serve certain populations
- 4 **Capping family copayments at 7%** of a family's income.

The bill also clarifies that **no more than 5%** of the money allocated to counties for child care assistance may be used for administrative costs to ensure that funding is being prioritized towards direct services.



“Kids, parents, and our economy are all struggling due to inadequate access to child care—and small businesses are taking a particular hit ...

**1/2 OF ALL SMALL BUSINESS OWNERS NAME CHILDCARE ACCESS AND COST A TOP ISSUE.**

**- The Main Street Alliance**

# COLORADO PARENTS, PROVIDERS, AND EMPLOYERS NEED A STABLE, AFFORDABLE CHILD CARE SYSTEM

CCCAP is a proven economic tool to ensure child care isn't yet another hardship for parents. Historic underinvestments in the program, coupled with rising child care costs driven by overdue provider pay increases, quality improvements, inflation, workforce challenges, and the goal of providing CCCAP families with equitable access to child care comparable to the private pay market, are placing the program under significant budget pressure.



As of February 1, 2026, **19 counties have frozen new CCCAP enrollments**, and **5 counties are utilizing active waitlists** to serve prioritized populations.



In 2024-25, **CCCAP served** 27,598 children in 18,352 families through 2,191 licensed providers,

**ONLY 11% OF ELIGIBLE FAMILIES ACROSS COLORADO**

ReadyNation's data from the past seven years shows that the failure to strengthen the country's fragile child care infrastructure has led to escalating economic damage to employers, workers, and taxpayers. In short, insufficient child care acts as a drag on the U.S. economy.

The nation's **CHILD CARE CRISIS COSTS \$172 BILLION** in lost earnings, productivity, and revenue every year. This enormous economic burden impacts parents, their employers, and the nation's taxpayers.

- ReadyNation

**COLORADO VOTERS RECOGNIZE CHILD CARE IS TOO EXPENSIVE**

**72%** think the cost of childcare is unaffordable

**65%** do not have quality, affordable child care in their communities

## FAMILIES ARE STRUGGLING, AND THE RIPPLE EFFECT WILL HARM CHILDREN, BUSINESSES, AND OUR ECONOMY

**45%** of Colorado parents rely on a family member for child care

**24%** of parents had to supervise children while working

**28%** of parents have taken unpaid leave from work, cut into savings, gone into debt, or cut work hours due to challenges with child care

**NEARLY 1 IN 4** parents have not looked for a job **AND** **1 IN 5** have left a job in order to care for children.

## COALITION PARTNERS

- American Academy of Pediatrics, Colorado Chapter
- Bell Policy Center
- Clayton Early Learning
- Colorado Alliance of Boys & Girls Clubs
- Colorado Association of Family Child Care (CAFCC)
- Colorado PTA
- Early Childhood Council Leadership Alliance (ECCLA)
- Early Childhood Partnership of Adams County
- Empowering Communities Globally
- Executives Partnering to Invest in Children (EPIC)
- Florence Crittenton Services
- Foundations Family Childcare
- Healthier Colorado
- Save the Children Action Network (SCAN)
- Spring Institute For Intercultural Learning
- The Women's Foundation of Colorado

**LOBBYIST:**  
**POLICY:**

Susanna Mizer  
Christina Walker

susanna@impact-publicaffairs.com  
cwalker@healthiercolorado.org

(970) 690 - 8164  
(440) 223 - 1907