



Rule Author/Division Director: Sharon Triolo-Moloney / Dawn Odean

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Program/Division: Colorado Universal Preschool Program (UPK)

CDEC Tracking No.: 2024-03-003

CCR Number(s): 8 CCR 1404-1

SOS Tracking No.: TBD

RULEMAKING PACKET

Reason for the proposed rule or amendment(s):	<div style="border: 1px solid #ccc; border-radius: 5px; padding: 2px; display: inline-block; background-color: #f0f0f0;">Multiple/Other ▾</div> If there are "Multiple/Other" reasons, please explain: Operational Changes and Compliance with State Laws
Emergency Rule Justification	Immediate adoption of the proposed revisions to rule 4.108 is imperatively necessary for the preservation of public health and welfare so that providers are able to establish budgets and plans for the 2024-25 school year, based on the projected allocated resources to support providing early childhood care and education. Compliance with the requirements of a permanent rulemaking outlined in section 24-4-103, C.R.S., would be contrary to public interest.
Provide a description of the proposed rule or amendment(s) that is clearly and simply stated, and what CDEC intends to accomplish:	The purpose of adjusting the per-child rate formula for the Colorado Universal Preschool Program 2024-2025 school year, is to allow the Department to set rates based on available funding and establish the amount of funding allowed for administrative and indirect costs. All other revisions are technical updates for consistent language usage, correcting cross-referenced rules, and renumbering.
Statutory Authority: (Include Federal Authority, if applicable)	Sections 26.5-1-105(1)(a) and 26.5-4-204(4)(a)(VI), C.R.S.
Does the proposed rule or amendment(s) impact other State Agencies or Tribal Communities?	<div style="display: flex; justify-content: space-around; align-items: center;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div> If Yes, identify the State Agency and/or Tribal Community and describe collaboration efforts:
Does the proposed rule or amendment(s) have impacts or create mandates on counties or other governmental entities? (e.g., budgetary requirements or administrative burdens)	<div style="display: flex; justify-content: space-around; align-items: center;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div> If Yes, provide description:

<p>Effective Date(s) of proposed rule or amendment(s): (<u>E</u>mergency/<u>P</u>ermanent)</p>	<p><input type="checkbox"/> Mandatory <input checked="" type="checkbox"/> Discretionary</p> <p>(E) Effective Date: 5/16/24 (P) Effective Date: 8/30/24</p> <p>(E) Termination Date: 9/13/24</p>										
<p>Is the proposed rule or amendment(s) included on the Regulatory Agenda?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If no, please explain:</p>										
<p>Does the proposed rule or amendment(s) conflict, or are there inconsistencies with other provisions of law?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If Yes, please explain:</p>										
<p>Does the proposed rule or amendment(s) create duplication or overlapping of other rules or regulations?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If Yes, explain why:</p>										
<p>Does the proposed rule or amendment(s) include material that is incorporated by reference¹?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If Yes, provide source:</p>										
<p>Does the proposed rule or amendment(s) align with the department's rulemaking objectives?</p> <p>Choose all that apply.</p>	<table border="1"> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td>Reduce the administrative burden on families and providers accessing, implementing, or providing programs and/or services.</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td>Decrease duplication and conflicts with implementing programs and providing services.</td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td>Increase equity in access and outcomes to programs and services for children and families.</td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td>Increase administrative efficiencies among programs and services provided by the department.</td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td>Ensure that rules are coordinated across programs and services so that programs are implemented and services are provided with improved ease of access, quality of family/provider experience, and ease of implementation by state, local, and tribal agencies.</td> </tr> </table>	<input checked="" type="checkbox"/>	Reduce the administrative burden on families and providers accessing, implementing, or providing programs and/or services.	<input type="checkbox"/>	Decrease duplication and conflicts with implementing programs and providing services.	<input checked="" type="checkbox"/>	Increase equity in access and outcomes to programs and services for children and families.	<input checked="" type="checkbox"/>	Increase administrative efficiencies among programs and services provided by the department.	<input checked="" type="checkbox"/>	Ensure that rules are coordinated across programs and services so that programs are implemented and services are provided with improved ease of access, quality of family/provider experience, and ease of implementation by state, local, and tribal agencies.
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¹ Incorporation by Reference is all or any part of a code, standard, guideline, or rule that has been adopted by an agency of the United States, this state, or another state, or adopted or published by a nationally recognized organization or association, pursuant to section 24-4-103(12.5), C.R.S.

Rulemaking Proceedings

Type of Rulemaking: Emergency or Permanent ² [Permanent Tier I or Tier II]	Emergency and Permanent ▾
	N/A (Emergency and Permanent) ▾
Stakeholder Engagement: Rule Folder: Proposed rule, webinar recordings, written comments, written petitions/requests, surveys, data, research, reports, published papers, and documents used to develop the proposed rule or amendment(s).	<ul style="list-style-type: none"> ● CDEC Newsletter ● RAC County Subcommittee meetings ● Rules Advisory Council meetings ● Public Rulemaking Hearings
	Rule Folder (containing rulemaking material): https://drive.google.com/drive/u/0/folders/1QMdiV_NxVDTuv-B1JDyQrK3SS6-xtKWu
Assistant Attorney General Review:	3/25/24 - 4/24/24
RAC County Subcommittee Review Date (if required):	5/2/24 (Emergency) 6/6/24 (Permanent)
Rules Advisory Council (RAC) Review Date:	5/9/24 (Emergency) 6/13/24 (Permanent)
Public Rulemaking Hearing Date(s): [Discussion/Adoption]	5/16/24 (Emergency) 6/27/24 (Permanent)

² Tier I is used for proposed rule or amendment(s) that have substantive changes, require substantial stakeholder engagement, and will be considered at two Public Rulemaking Hearings (PRH). The first PRH is held for discussion, and the second PRH is held to consider adoption. Tier II is used for proposed rule or amendment(s) that include technical changes, do not require substantial stakeholder engagement, and will be considered at only one Public Rulemaking Hearing (PRH) for adoption.

Regulatory and Cost Benefit Analysis

- 1. Community Impact: Provide a description of the stakeholders that will be affected by the proposed rule or amendment(s), and identify which stakeholders will bear the costs, and those who will benefit. How will the proposed rule or amendment(s) impact particular populations, such as those experiencing poverty, immigrant/refugee communities, non-English speakers, and rural communities?**

This proposed rule revision affects all populations participating in the universal model equally. The populations most affected by these proposed rule changes are child care providers and families participating in the Colorado Universal Preschool Program (UPK). Revising factors considered in the per-child rate calculation allows CDEC to set an annual provider rate increase that is adjusted with consideration of available funding. The main benefit of this revised rule are providers’ abilities to establish a reliable budget for successful program planning.

- 2. Quality and Quantity: Provide a description of the probable quantitative and qualitative impact on persons affected by the proposed rule or amendment(s), and comparison of the probable costs and benefits of implementation versus inaction. What are the short- and long-term consequences of the proposed rule or amendment(s).**

The qualitative impact on providers affected by this proposed rule is that providers will have knowledge of the per-child rate, and be better positioned to develop a predictable budget for the upcoming school year. The benefit of implementing this rule change is that the Department will have the flexibility to adjust provider rate increases to reflect economic changes, while being cognizant of the available funding. The risks associated with inaction could result in restrictive budgets that reduce the number of children served.

- 3. Potential Economic Benefits/Disadvantages: What are the anticipated economic benefits of the proposed rule or amendment(s), such as: economic growth, creation of new jobs, and/or increased economic competitiveness? Are there any adverse effects on the economy, consumers, private markets, small businesses, job creation, and economic competitiveness?**

The economic benefit of this proposed rule change is that it allows for annual consideration of provider rate increases based on current economic factors and available revenue.

- 4. Fiscal Impacts: What are the anticipated direct and indirect costs for the state/department to implement, administer, and enforce the proposed rule or amendment(s)? What are the direct and indirect costs to each of the following entities to comply with the proposed rule or amendment(s)? For each, describe the impact or indicate “not applicable.”**

Department	Not Applicable, the proposed rule revisions do not create additional direct or indirect costs for the Department to administer and implement the changes.
Local Governments/ Counties	Not Applicable, the proposed rule revisions do not have financial impacts on Local Governments or Counties.

Providers	The direct costs for changing this rule is dependent on the annual per-child rate changes, the budgets for preschool programs may or may not need to be adjusted.
Community Partners (e.g., School Districts, Early Childhood Councils, etc.)	The direct costs for changing this rule is dependent on the annual per-child rate changes, the budgets for preschool programs may or may not need to be adjusted.
Other State Agencies	Not Applicable, the proposed rule revisions do not have financial impacts on other State Agencies.
Tribal Communities	Not Applicable, the proposed rule revisions do not have financial impacts on Tribal Communities.

5. **Evaluation:** How will implementation of the proposed rule or amendment(s) be monitored and evaluated? Please include information about measures and indicators that CDEC will utilize, including information on specific populations (identified above).

The Department is developing a process for continuous evaluation and improvement of preschool providers who participate in the Colorado universal preschool program, which will include resource allocation, consistent with the requirements of section 26.5-4-207, C.R.S.

In addition, the Department anticipates it will contract an independent evaluator in the fall of 2024 to measure the success of the Colorado Universal Preschool Program.

6. **Comparative Analysis:** Provide at least two (2) alternatives to the proposed rule or amendment(s) that can be identified, including the costs and benefits of pursuing each of the alternatives.

There were no alternatives considered for this proposed rule revision. Establishing a per-child rate formula is a requirement of section 26.5-4-204(4)(a)(VI), C.R.S.

7. **Comparative Analysis:** Are there less costly or less intrusive methods for achieving the purpose of the proposed rule or amendment(s)? Explain why those options were rejected.

There were no alternative methods considered for this proposed rule revision. Establishing a per-child rate formula is a requirement of section 26.5-4-204(4)(a)(VI), C.R.S.