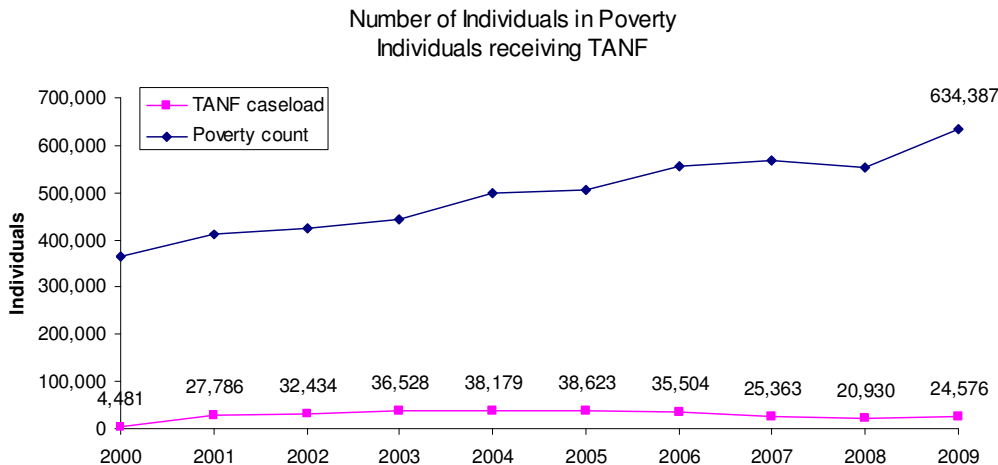
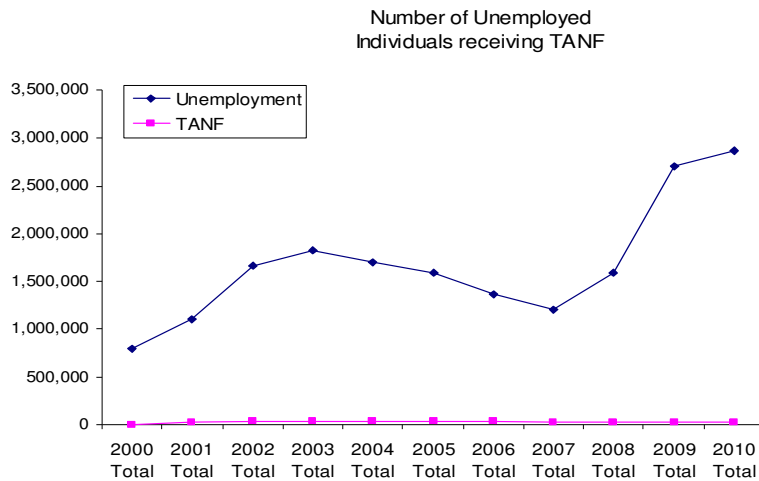


COLORADO CENTER ON LAW AND POLICY URGES A NO VOTE ON SB11-124

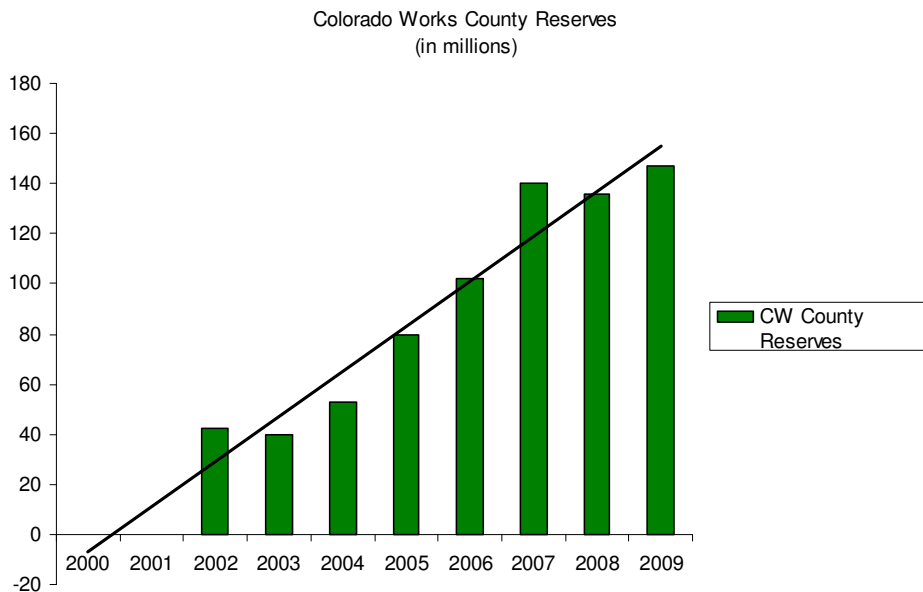
- SB11-124 increases the amount that counties can retain in reserves of the federal funds they receive to use for Temporary Aid to Needy Families (TANF).
- SB11-124 reverses the General Assembly's decision three years ago (SB08-177) to gradually reduce how much TANF money can remain in county reserves.
- Current law provides for an inclusive working group, of *all* stakeholders before the 2012 legislative session, to review and make recommendations about future reserves. **SB11-124 avoids that recommendation process.**
- TANF funds are more likely to be spent serving TANF clients when there are limits on how much can be kept in reserves.
- At this time of rising poverty in Colorado and historically high unemployment, the question is not how much taxpayer money can be left unspent, or where, the question is how to use taxpayer money to meet the needs of Coloradans struggling to make ends meet.
- From 2000 onward, through two recessions, Colorado has maintained a flat TANF caseload while family poverty and unemployment, indicators of need, have shot sharply upward:¹



- Advocates for poverty-reduction oppose this bill because it allows more TANF money to remain unspent without any guidelines for when expenditures are required to relieve economic distress.



- During the same time, county reserves grew:²



Endnotes--Data sources:

¹ In the 15 months prior to the recession, Colorado's caseload declined by 28 percent, more than any other state. While Colorado also had the largest caseload increase from December 2007 to December 2009 (48 percent), its December 2009 caseload was only modestly (6 percent) above its October 2006 caseload because of the dramatic pre-recession decrease. (LaDonna Pavetti, Danilo Trisi, and Liz Schott, TANF RESPONDED UNEVENLY TO INCREASE IN NEED DURING DOWNTURN: Findings Suggest Needed Improvements When Program Reauthorized, Center on Budget and Policy Priorities, January 2011)

² Colorado Department Human Services, Colorado Works, February 2011 – This graph reflects county reserves at the beginning of the fiscal year which is July 1.