## **103RD GENERAL ASSEMBLY**

# State of Illinois

# 2023 and 2024

#### HB3232

Introduced 2/17/2023, by Rep. La Shawn K. Ford

### SYNOPSIS AS INTRODUCED:

305 ILCS 5/9A-11

from Ch. 23, par. 9A-11

Amends the Illinois Public Aid Code. In provisions concerning the child care assistance program administered by the Department of Human Services, removes language authorizing the Department to raise parent co-payments. Provides instead that beginning July 1, 2023, a family eligible for child care services whose income is at or below 140% of the most recent United States Department of Health and Human Services Federal Poverty Guidelines for the applicable family size shall pay a \$1 monthly fee as a co-payment for child care services. Provides that beginning July 1, 2024, the income threshold a family must meet to qualify for the \$1 monthly co-payment shall increase to 185% of the most recent United States Department of Health and Human Services Federal Poverty Guidelines for the applicable family size shall pay a \$1 monthly co-payment shall increase to 185% of the most recent United States Department of Health and Human Services Federal Poverty Guidelines for

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1 AN ACT concerning public aid.

# Be it enacted by the People of the State of Illinois, represented in the General Assembly:

4 Section 5. The Illinois Public Aid Code is amended by 5 changing Section 9A-11 as follows:

6 (305 ILCS 5/9A-11) (from Ch. 23, par. 9A-11)

7 Sec. 9A-11. Child care.

(a) The General Assembly recognizes that families with 8 9 children need child care in order to work. Child care is expensive and families with low incomes, including those who 10 are transitioning from welfare to work, often struggle to pay 11 the costs of day care. The General Assembly understands the 12 importance of helping low-income working families become and 13 14 remain self-sufficient. The General Assembly also believes that it is the responsibility of families to share in the costs 15 of child care. It is also the preference of the General 16 17 Assembly that all working poor families should be treated equally, regardless of their welfare status. 18

(b) To the extent resources permit, the Illinois Department shall provide child care services to parents or other relatives as defined by rule who are working or participating in employment or Department approved education or training programs. At a minimum, the Illinois Department HB3232 - 2 - LRB103 30992 KTG 57596 b

1 shall cover the following categories of families:

(1) recipients of TANF under Article IV participating
in work and training activities as specified in the
personal plan for employment and self-sufficiency;
(2) families transitioning from TANF to work;
(3) families at risk of becoming recipients of TANF;

8 (5) working families with very low incomes as defined
9 by rule;

(4) families with special needs as defined by rule;

10 (6) families that are not recipients of TANF and that 11 need child care assistance to participate in education and 12 training activities;

13 (7) youth in care, as defined in Section 4d of the 14 Children and Family Services Act, who are parents, 15 regardless of income or whether they are working or 16 participating in Department-approved employment or 17 education or training programs. Any family that receives child care assistance in accordance with this paragraph 18 additional 12-month 19 shall receive one child care 20 eligibility period after the parenting youth in care's 21 case with the Department of Children and Family Services 22 is closed, regardless of income or whether the parenting 23 vouth in care is working or participating in 24 Department-approved employment or education or training 25 programs;

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(8) families receiving Extended Family Support Program

services from the Department of Children and Family
 Services, regardless of income or whether they are working
 or participating in Department-approved employment or

education or training programs; and

5 (9) families with children under the age of 5 who have an open intact family services case with the Department of 6 7 Children and Family Services. Any family that receives 8 child care assistance in accordance with this paragraph 9 shall remain eligible for child care assistance 6 months 10 after the child's intact family services case is closed, 11 regardless of whether the child's parents or other 12 relatives as defined by rule are working or participating 13 in Department approved employment or education or training 14 The Department of Human Services, programs. in 15 consultation with the Department of Children and Family 16 Services, shall adopt rules to protect the privacy of 17 families who are the subject of an open intact family services case when such families enroll in child care 18 19 services. Additional rules shall be adopted to offer 20 children who have an open intact family services case the 21 opportunity to receive an Early Intervention screening and 22 other services that their families may be eligible for as 23 provided by the Department of Human Services.

Beginning October 1, 2023, and every October 1 thereafter, the Department of Children and Family Services shall report to the General Assembly on the number of children who received

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1 child care via vouchers paid for by the Department of Children 2 and Family Services during the preceding fiscal year. The 3 report shall include the ages of children who received child 4 care, the type of child care they received, and the number of 5 months they received child care.

6 The Department shall specify by rule the conditions of 7 eligibility, the application process, and the types, amounts, 8 and duration of services. Eligibility for child care benefits 9 and the amount of child care provided may vary based on family 10 size, income, and other factors as specified by rule.

11 The Department shall update the Child Care Assistance 12 Program Eligibility Calculator posted on its website to 13 include a question on whether a family is applying for child 14 care assistance for the first time or is applying for a 15 redetermination of eligibility.

16 A family's eligibility for child care services shall be 17 redetermined no sooner than 12 months following the initial determination or most recent redetermination. During the 18 12-month periods, the family shall remain eligible for child 19 20 care services regardless of (i) a change in family income, unless family income exceeds 85% of State median income, or 21 22 (ii) a temporary change in the ongoing status of the parents or 23 other relatives, as defined by rule, as working or attending a job training or educational program. 24

In determining income eligibility for child care benefits, the Department annually, at the beginning of each fiscal year,

shall establish, by rule, one income threshold for each family 1 2 size, in relation to percentage of State median income for a family of that size, that makes families with incomes below 3 the specified threshold eligible for assistance and families 4 5 with incomes above the specified threshold ineligible for assistance. Through and including fiscal year 2007, 6 the 7 specified threshold must be no less than 50% of the 8 then-current State median income for each family size. 9 Beginning in fiscal year 2008, the specified threshold must be 10 no less than 185% of the then-current federal poverty level 11 for each family size. Notwithstanding any other provision of 12 law or administrative rule to the contrary, beginning in fiscal year 2019, the specified threshold for working families 13 14 with very low incomes as defined by rule must be no less than 15 185% of the then-current federal poverty level for each family 16 size. Notwithstanding any other provision of law or 17 administrative rule to the contrary, beginning in State fiscal year 2022, the specified income threshold shall be no less 18 19 than 200% of the then-current federal poverty level for each 20 family size.

In determining eligibility for assistance, the Department shall not give preference to any category of recipients or give preference to individuals based on their receipt of benefits under this Code.

Nothing in this Section shall be construed as conferring
entitlement status to eligible families.

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The Illinois Department is authorized to lower income 1 2 eligibility ceilings, raise parent co-payments, create waiting 3 lists, or take such other actions during a fiscal year as are necessary to ensure that child care benefits paid under this 4 5 Article do not exceed the amounts appropriated for those child care benefits. These changes may be accomplished by emergency 6 7 rule under Section 5-45 of the Illinois Administrative 8 Procedure Act, except that the limitation on the number of 9 emergency rules that may be adopted in a 24-month period shall 10 not apply.

11 The Illinois Department may contract with other State 12 agencies or child care organizations for the administration of 13 child care services.

(c) Payment shall be made for child care that otherwise 14 15 meets the requirements of this Section and applicable 16 standards of State and local law and regulation, including any 17 requirements the Illinois Department promulgates by rule in addition to the licensure requirements promulgated by the 18 19 Department of Children and Family Services and Fire Prevention 20 and Safety requirements promulgated by the Office of the State 21 Fire Marshal, and is provided in any of the following:

(1) a child care center which is licensed or exempt
from licensure pursuant to Section 2.09 of the Child Care
Act of 1969;

(2) a licensed child care home or home exempt from
 licensing;

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(3) a licensed group child care home;

2 (4) other types of child care, including child care
3 provided by relatives or persons living in the same home
4 as the child, as determined by the Illinois Department by
5 rule.

Solely for the purposes of coverage under the 6 (c-5)7 Illinois Public Labor Relations Act, child and day care home 8 providers, including licensed and license exempt, 9 participating in the Department's child care assistance 10 program shall be considered to be public employees and the 11 State of Illinois shall be considered to be their employer as 12 of January 1, 2006 (the effective date of Public Act 94-320), 13 not before. The State shall engage in collective but bargaining with an exclusive representative of child and day 14 15 care home providers participating in the child care assistance 16 program concerning their terms and conditions of employment 17 within the State's control. Nothing in this that are subsection shall be understood to limit the right of families 18 receiving services defined in this Section to select child and 19 20 day care home providers or supervise them within the limits of this Section. The State shall not be considered to be the 21 22 employer of child and day care home providers for any purposes 23 not specifically provided in Public Act 94-320, including, but not limited to, purposes of vicarious liability in tort and 24 25 purposes of statutory retirement or health insurance benefits. 26 Child and day care home providers shall not be covered by the

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1 State Employees Group Insurance Act of 1971.

In according child and day care home providers and their selected representative rights under the Illinois Public Labor Relations Act, the State intends that the State action exemption to application of federal and State antitrust laws be fully available to the extent that their activities are authorized by Public Act 94-320.

8 (d) The Illinois Department shall establish, by rule, a 9 co-payment scale that provides for cost sharing by families 10 that receive child care services, including parents whose only 11 income is from assistance under this Code. The co-payment 12 shall be based on family income and family size and may be 13 based on other factors as appropriate. Beginning July 1, 2023, 14 a family eligible for child care services whose income is at or below 140% of the most recent United States Department of 15 16 Health and Human Services Federal Poverty Guidelines for the 17 applicable family size shall pay a \$1 monthly fee as a co-payment for child care services. Beginning July 1, 2024, 18 19 the income threshold a family must meet to qualify for the \$1 20 monthly co-payment shall increase to 185% of the most recent 21 United States Department of Health and Human Services Federal 22 Poverty Guidelines for each family size. Co-payments may be 23 waived for families whose incomes are at or below the federal 24 poverty level.

25 (d-5) The Illinois Department, in consultation with its
 26 Child Care and Development Advisory Council, shall develop a

1 plan to revise the child care assistance program's co-payment 2 scale. The plan shall be completed no later than February 1, 3 2008, and shall include:

4 (1) findings as to the percentage of income that the 5 average American family spends on child care and the 6 relative amounts that low-income families and the average 7 American family spend on other necessities of life;

8 (2) recommendations for revising the child care 9 co-payment scale to assure that families receiving child 10 care services from the Department are paying no more than 11 they can reasonably afford;

12 (3) recommendations for revising the child care 13 co-payment scale to provide at-risk children with complete 14 access to Preschool for All and Head Start; and

(4) recommendations for changes in child care program
 policies that affect the affordability of child care.

17 (e) (Blank).

(f) The Illinois Department shall, by rule, set rates to be paid for the various types of child care. Child care may be provided through one of the following methods:

21 (1) arranging the child care through eligible 22 providers by use of purchase of service contracts or 23 vouchers;

24 (2) arranging with other agencies and community
 25 volunteer groups for non-reimbursed child care;

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(3) (blank); or

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(4) adopting such other arrangements as the Department
 determines appropriate.

3 (f-1) Within 30 days after June 4, 2018 (the effective 4 date of Public Act 100-587), the Department of Human Services 5 shall establish rates for child care providers that are no 6 less than the rates in effect on January 1, 2018 increased by 7 4.26%.

8 (f-5) (Blank).

9 (g) Families eligible for assistance under this Section 10 shall be given the following options:

(1) receiving a child care certificate issued by the Department or a subcontractor of the Department that may be used by the parents as payment for child care and development services only; or

(2) if space is available, enrolling the child with a 15 16 child care provider that has a purchase of service 17 contract with the Department or a subcontractor of the Department for the provision of child care and development 18 19 services. The Department may identify particular priority 20 populations for whom they may request special 21 consideration by a provider with purchase of service 22 contracts, provided that the providers shall be permitted 23 to maintain a balance of clients in terms of household incomes and families and children with special needs, as 24 25 defined by rule.

26 (Source: P.A. 101-81, eff. 7-12-19; 101-657, eff. 3-23-21;

HB3232 - 11 - LRB103 30992 KTG 57596 b 1 102-491, eff. 8-20-21; 102-813, eff. 5-13-22; 102-926, eff. 2 5-27-22.)

3 Section 99. Effective date. This Act takes effect July 1,
4 2023.