

1 AN ACT concerning public aid.

2 **Be it enacted by the People of the State of Illinois,**  
3 **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.

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

19 (b) To the extent resources permit, the Illinois Department  
20 shall provide child care services to parents or other relatives  
21 as defined by rule who are working or participating in  
22 employment or Department approved education or training  
23 programs. At a minimum, the Illinois Department shall cover the  
24 following categories of families:

25 (1) recipients of TANF under Article IV participating  
26 in work and training activities as specified in the  
27 personal plan for employment and self-sufficiency;

28 (2) families transitioning from TANF to work;

29 (3) families at risk of becoming recipients of TANF;

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

31 (5) working families with very low incomes as defined  
32 by rule.

1           The Department shall specify by rule the conditions of  
2 eligibility, the application process, and the types, amounts,  
3 and duration of services. Eligibility for child care benefits  
4 and the amount of child care provided may vary based on family  
5 size, income, and other factors as specified by rule.

6           In determining income eligibility for child care benefits,  
7 the Department annually, at the beginning of each fiscal year,  
8 shall establish, by rule, one income threshold for each family  
9 size, in relation to percentage of State median income for a  
10 family of that size, that makes families with incomes below the  
11 specified threshold eligible for assistance and families with  
12 incomes above the specified threshold ineligible for  
13 assistance. The specified threshold must be no less than 50% of  
14 the then-current State median income for each family size.

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

19           The Department shall allocate \$7,500,000 annually for a  
20 test program for families who are income-eligible for child  
21 care assistance, who are not recipients of TANF under Article  
22 IV, and who need child care assistance to participate in  
23 education and training activities. The Department shall  
24 specify by rule the conditions of eligibility for this test  
25 program.

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

28           The Illinois Department is authorized to lower income  
29 eligibility ceilings, raise parent co-payments, create waiting  
30 lists, or take such other actions during a fiscal year as are  
31 necessary to ensure that child care benefits paid under this  
32 Article do not exceed the amounts appropriated for those child  
33 care benefits. These changes may be accomplished by emergency  
34 rule under Section 5-45 of the Illinois Administrative  
35 Procedure Act, except that the limitation on the number of  
36 emergency rules that may be adopted in a 24-month period shall

1 not apply.

2 The Illinois Department may contract with other State  
3 agencies or child care organizations for the administration of  
4 child care services.

5 (c) Payment shall be made for child care that otherwise  
6 meets the requirements of this Section and applicable standards  
7 of State and local law and regulation, including any  
8 requirements the Illinois Department promulgates by rule in  
9 addition to the licensure requirements promulgated by the  
10 Department of Children and Family Services and Fire Prevention  
11 and Safety requirements promulgated by the Office of the State  
12 Fire Marshal and is provided in any of the following:

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

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

18 (3) a licensed group child care home;

19 (4) other types of child care, including child care  
20 provided by relatives or persons living in the same home as  
21 the child, as determined by the Illinois Department by  
22 rule.

23 (d) The Illinois Department shall, by rule, require  
24 co-payments for child care services by any parent, including  
25 parents whose only income is from assistance under this Code.  
26 The co-payment shall be assessed based on a sliding scale based  
27 on family income, family size, and the number of children in  
28 care. Co-payments shall not be increased due solely to a change  
29 in the methodology for counting family income.

30 (e) The Illinois Department shall conduct a market rate  
31 survey based on the cost of care and other relevant factors  
32 which shall be completed by July 1, 1998.

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

36 (1) arranging the child care through eligible

1 providers by use of purchase of service contracts or  
2 vouchers;

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

5 (3) (blank); or

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

8 (f-5) The Illinois Department, in consultation with its  
9 Child Care and Development Advisory Council, shall develop a  
10 comprehensive plan to revise the State's rates for the various  
11 types of child care. The plan shall be completed no later than  
12 September 30, 2004 and shall include:

13 (1) Base reimbursement rates that are adequate to  
14 provide children receiving child care services from  
15 the Department equal access to quality child care,  
16 utilizing data from the most current market rate  
17 survey.

18 (2) A tiered reimbursement rate system that  
19 financially rewards providers of child care services  
20 that meet defined benchmarks of higher-quality care.

21 (3) Consideration of revisions to existing county  
22 groupings and age classifications, utilizing data from  
23 the most current market rate survey.

24 (4) Consideration of special rates for certain  
25 types of care such as caring for a child with a  
26 disability.

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

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

33 (2) if space is available, enrolling the child with a  
34 child care provider that has a purchase of service contract  
35 with the Department or a subcontractor of the Department  
36 for the provision of child care and development services.

1           The Department may identify particular priority  
2           populations for whom they may request special  
3           consideration by a provider with purchase of service  
4           contracts, provided that the providers shall be permitted  
5           to maintain a balance of clients in terms of household  
6           incomes and families and children with special needs, as  
7           defined by rule.

8           (Source: P.A. 93-361, eff. 9-1-03.)

9           Section 99. Effective date. This Act takes effect upon  
10          becoming law.