



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB1009

Introduced 2/8/2007, by Rep. Elizabeth Hernandez

SYNOPSIS AS INTRODUCED:

305 ILCS 5/9A-11

from Ch. 23, par. 9A-11

Amends the Illinois Public Aid Code. In provisions concerning child care for TANF recipients, provides that in determining income eligibility for child care benefits, the Department of Human Services shall specify an income threshold of no less than 55% (instead of 50%) of the then-current State median income for each family size. Provides that a co-payment for child care services may not exceed 7% of a family's income.

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FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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

1 following categories of families:

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

5 (2) families transitioning from TANF to work;

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

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

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

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

15 In determining income eligibility for child care benefits,
16 the Department annually, at the beginning of each fiscal year,
17 shall establish, by rule, one income threshold for each family
18 size, in relation to percentage of State median income for a
19 family of that size, that makes families with incomes below the
20 specified threshold eligible for assistance and families with
21 incomes above the specified threshold ineligible for
22 assistance. The specified threshold must be no less than 55%
23 ~~50%~~ of the then-current State median income for each family
24 size.

25 In determining eligibility for assistance, the Department
26 shall not give preference to any category of recipients or give

1 preference to individuals based on their receipt of benefits
2 under this Code.

3 The Department shall allocate \$7,500,000 annually for a
4 test program for families who are income-eligible for child
5 care assistance, who are not recipients of TANF under Article
6 IV, and who need child care assistance to participate in
7 education and training activities. The Department shall
8 specify by rule the conditions of eligibility for this test
9 program.

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

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

22 The Illinois Department may contract with other State
23 agencies or child care organizations for the administration of
24 child care services.

25 (c) Payment shall be made for child care that otherwise
26 meets the requirements of this Section and applicable standards

1 of State and local law and regulation, including any
2 requirements the Illinois Department promulgates by rule in
3 addition to the licensure requirements promulgated by the
4 Department of Children and Family Services and Fire Prevention
5 and Safety requirements promulgated by the Office of the State
6 Fire Marshal and is provided in any of the following:

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

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

12 (3) a licensed group child care home;

13 (4) other types of child care, including child care
14 provided by relatives or persons living in the same home as
15 the child, as determined by the Illinois Department by
16 rule.

17 (b-5) Solely for the purposes of coverage under the
18 Illinois Public Labor Relations Act, child and day care home
19 providers, including licensed and license exempt,
20 participating in the Department's child care assistance
21 program shall be considered to be public employees and the
22 State of Illinois shall be considered to be their employer as
23 of the effective date of this amendatory Act of the 94th
24 General Assembly, but not before. The State shall engage in
25 collective bargaining with an exclusive representative of
26 child and day care home providers participating in the child

1 care assistance program concerning their terms and conditions
2 of employment that are within the State's control. Nothing in
3 this subsection shall be understood to limit the right of
4 families receiving services defined in this Section to select
5 child and day care home providers or supervise them within the
6 limits of this Section. The State shall not be considered to be
7 the employer of child and day care home providers for any
8 purposes not specifically provided in this amendatory Act of
9 the 94th General Assembly, including but not limited to,
10 purposes of vicarious liability in tort and purposes of
11 statutory retirement or health insurance benefits. Child and
12 day care home providers shall not be covered by the State
13 Employees Group Insurance Act of 1971.

14 In according child and day care home providers and their
15 selected representative rights under the Illinois Public Labor
16 Relations Act, the State intends that the State action
17 exemption to application of federal and State antitrust laws be
18 fully available to the extent that their activities are
19 authorized by this amendatory Act of the 94th General Assembly.

20 (d) The Illinois Department shall, by rule, require
21 co-payments for child care services by any parent, including
22 parents whose only income is from assistance under this Code.
23 The co-payment shall be assessed based on a sliding scale based
24 on family income, family size, and the number of children in
25 care. In no event, however, may a co-payment exceed 7% of a
26 family's income. Co-payments shall not be increased due solely

1 to a change in the methodology for counting family income.

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

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

8 (1) arranging the child care through eligible
9 providers by use of purchase of service contracts or
10 vouchers;

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

13 (3) (blank); or

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

16 (f-5) The Illinois Department, in consultation with its
17 Child Care and Development Advisory Council, shall develop a
18 comprehensive plan to revise the State's rates for the various
19 types of child care. The plan shall be completed no later than
20 January 1, 2005 and shall include:

21 (1) Base reimbursement rates that are adequate to
22 provide children receiving child care services from
23 the Department equal access to quality child care,
24 utilizing data from the most current market rate
25 survey.

26 (2) A tiered reimbursement rate system that

1 financially rewards providers of child care services
2 that meet defined benchmarks of higher-quality care.

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

6 (4) Consideration of special rates for certain
7 types of care such as caring for a child with a
8 disability.

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

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

15 (2) if space is available, enrolling the child with a
16 child care provider that has a purchase of service contract
17 with the Department or a subcontractor of the Department
18 for the provision of child care and development services.
19 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
24 incomes and families and children with special needs, as
25 defined by rule.

26 (Source: P.A. 93-361, eff. 9-1-03; 93-1062, eff. 12-23-04;

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1 94-320, eff. 1-1-06.)