HB5297 Engrossed

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.

(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 13 importance of helping low income working families become and 14 remain self-sufficient. The General Assembly also believes that it is the responsibility of families to share in the costs 15 16 of child care. It is also the preference of the General 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 shall cover the

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following categories of families: 1

2 (1) recipients of TANF under Article IV participating work and training activities as specified in the 3 in personal plan for employment and self-sufficiency; 4 5

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(2) families transitioning from TANF to work;

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

(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 and the amount of child care provided may vary based on family 13 size, income, and other factors as specified by rule. 14

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 size, in relation to percentage of State median income for a 18 family of that size, that makes families with incomes below the 19 20 specified threshold eligible for assistance and families with 21 incomes above the specified threshold ineligible for 22 assistance. The Through and including fiscal year 2007, the threshold must be no less 23 than 50% the specified -ofthen-current State median income for each family size. 24 25 Beginning in fiscal year 2008, the specified threshold must be 26 no less than 200% 185% of the then-current federal poverty HB5297 Engrossed - 3 - LRB095 17162 DRJ 43219 b

1 level for each 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.

6 The Department shall allocate \$7,500,000 annually for a 7 test program for families who are income-eligible for child 8 care assistance, who are not recipients of TANF under Article 9 IV, and who need child care assistance to participate in 10 education and training activities. The Department shall 11 specify by rule the conditions of eligibility for this test 12 program.

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

15 The Illinois Department is authorized to lower income 16 eligibility ceilings, raise parent co-payments, create waiting 17 lists, or take such other actions during a fiscal year as are necessary to ensure that child care benefits paid under this 18 19 Article do not exceed the amounts appropriated for those child 20 care benefits. These changes may be accomplished by emergency rule under Section 5-45 of the Illinois Administrative 21 22 Procedure Act, except that the limitation on the number of 23 emergency rules that may be adopted in a 24-month period shall 24 not apply.

The Illinois Department may contract with other State agencies or child care organizations for the administration of HB5297 Engrossed - 4 - LRB095 17162 DRJ 43219 b

1 child care services.

2 (c) Payment shall be made for child care that otherwise 3 meets the requirements of this Section and applicable standards State and local law and regulation, including any 4 of requirements the Illinois Department promulgates by rule in 5 addition to the licensure requirements promulgated by the 6 7 Department of Children and Family Services and Fire Prevention 8 and Safety requirements promulgated by the Office of the State 9 Fire Marshal and is provided in any of the following:

10 (1) a child care center which is licensed or exempt 11 from licensure pursuant to Section 2.09 of the Child Care 12 Act of 1969;

13 (2) a licensed child care home or home exempt from14 licensing;

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(3) a licensed group child care home;

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

20 (c-5) (b-5) Solely for the purposes of coverage under the Illinois Public Labor Relations Act, child and day care home 21 22 providers, including licensed and license exempt, 23 Department's child care assistance participating in the 24 program shall be considered to be public employees and the State of Illinois shall be considered to be their employer as 25 26 of the effective date of this amendatory Act of the 94th HB5297 Engrossed - 5 - LRB095 17162 DRJ 43219 b

General Assembly, but not before. The State shall engage in 1 2 collective bargaining with an exclusive representative of child and day care home providers participating in the child 3 care assistance program concerning their terms and conditions 4 5 of employment that are within the State's control. Nothing in 6 this subsection shall be understood to limit the right of 7 families receiving services defined in this Section to select 8 child and day care home providers or supervise them within the 9 limits of this Section. The State shall not be considered to be 10 the employer of child and day care home providers for any 11 purposes not specifically provided in this amendatory Act of 12 the 94th General Assembly, including but not limited to, 13 purposes of vicarious liability in tort and purposes of statutory retirement or health insurance benefits. Child and 14 15 day care home providers shall not be covered by the State Employees Group Insurance Act of 1971. 16

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 this amendatory Act of the 94th General Assembly.

(d) The Illinois Department shall, by rule, require
co-payments for child care services by any parent, including
parents whose only income is from assistance under this Code.
The co-payment shall be assessed based on a sliding scale based

HB5297 Engrossed - 6 - LRB095 17162 DRJ 43219 b on family income, family size, and the number of children in 1 2 care. The amount of a family's co-payment shall not exceed the 3 sum of the following: 4 (1) 3% of the family's countable income, if any, that 5 is not more than 100% of the federal poverty level; plus (2) 7% of the family's countable income, if any, that 6 is more than 100% of the federal poverty level but not more 7 8 than 150% of the federal poverty level; plus 9 (3) 12% of the family's countable income, if any, that 10 is more than 150% of the federal poverty level but not more 11 than 200% of the federal poverty level. 12 Notwithstanding the preceding sentence, however, if a 13 family's countable income is less than 50% of the federal 14 poverty level, the family's co-payment shall be \$1 per week. 15 Co-payments shall not be increased due solely to a change 16 in the methodology for counting family income. 17 (d-5) The Illinois Department, in consultation with its Child Care and Development Advisory Council, shall develop a 18 19 plan to revise the child care assistance program's co-payment 20 scale. The plan shall be completed no later than February 1, 2008, and shall include: 21 22 (1) findings as to the percentage of income that the 23 average American family spends on child care and the relative amounts that low-income families and the average 24 25 American family spend on other necessities of life; 26 (2) recommendations for revising the child care

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1 co-payment scale to assure that families receiving child 2 care services from the Department are paying no more than 3 they can reasonably afford;

4 (3) recommendations for revising the child care 5 co-payment scale to provide at-risk children with complete 6 access to Preschool for All and Head Start; and

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

9 (e) (Blank).

10 (f) The Illinois Department shall, by rule, set rates to be 11 paid for the various types of child care. Child care may be 12 provided through one of the following methods:

13 (1) arranging the child care through eligible 14 providers by use of purchase of service contracts or 15 vouchers;

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

18 (3) (blank); or

19 (4) adopting such other arrangements as the Department20 determines appropriate.

21 (f-5) (Blank).

(g) Families eligible for assistance under this Sectionshall 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

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1 development services only; or

2 (2) if space is available, enrolling the child with a child care provider that has a purchase of service contract 3 with the Department or a subcontractor of the Department 4 5 for the provision of child care and development services. identify particular 6 The Department may priority 7 for they may populations whom request special 8 consideration by a provider with purchase of service 9 contracts, provided that the providers shall be permitted to maintain a balance of clients in terms of household 10 11 incomes and families and children with special needs, as 12 defined by rule.

13 (h) Notwithstanding any other rulemaking authority that 14 may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to 15 16 make or promulgate rules to implement or enforce the provisions 17 of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to 18 19 implement or enforce the provisions of this amendatory Act of 20 the 95th General Assembly, the Governor may suggest rules to 21 the General Assembly by filing them with the Clerk of the House 22 and Secretary of the Senate and by requesting that the General 23 Assembly authorize such rulemaking by law, enact those 24 suggested rules into law, or take any other appropriate action 25 in the General Assembly's discretion. Nothing contained in this 26 amendatory Act of the 95th General Assembly shall be

HB5297 Engrossed - 9 - LRB095 17162 DRJ 43219 b interpreted to grant rulemaking authority under any other 1 Illinois statute where such authority is not otherwise 2 explicitly given. For the purposes of this amendatory Act of 3 4 the 95th General Assembly, "rules" is given the meaning contained in Section <u>1-70 of the Illinois Administrative</u> 5 6 Procedure Act, and "agency" and "agency head" are given the 7 meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such 8 9 definitions apply to agencies or agency heads under the 10 jurisdiction of the Governor. 11 (Source: P.A. 94-320, eff. 1-1-06; 95-206, eff. 8-16-07; 12 95-322, eff. 1-1-08; revised 11-15-07.)

13 Section 99. Effective date. This Act takes effect upon 14 becoming law.