



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
HB4850

Introduced 01/19/06, by Rep. Harry Osterman

SYNOPSIS AS INTRODUCED:

305 ILCS 5/9A-11

from Ch. 23, par. 9A-11

Amends the Illinois Public Aid Code. In a Section concerning child care for TANF recipients, makes a technical change in provisions for payment for child care by the Department of Human Services.

LRB094 18457 DRJ 53772 b

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 ~~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 (b-5) Solely for the purposes of coverage under the
24 Illinois Public Labor Relations Act, child and day care home
25 providers, including licensed and license exempt,
26 participating in the Department's child care assistance
27 program shall be considered to be public employees and the
28 State of Illinois shall be considered to be their employer as
29 of the effective date of this amendatory Act of the 94th
30 General Assembly, but not before. The State shall engage in
31 collective bargaining with an exclusive representative of
32 child and day care home providers participating in the child
33 care assistance program concerning their terms and conditions
34 of employment that are within the State's control. Nothing in
35 this subsection shall be understood to limit the right of
36 families receiving services defined in this Section to select

1 child and day care home providers or supervise them within the
2 limits of this Section. The State shall not be considered to be
3 the employer of child and day care home providers for any
4 purposes not specifically provided in this amendatory Act of
5 the 94th General Assembly, including but not limited to,
6 purposes of vicarious liability in tort and purposes of
7 statutory retirement or health insurance benefits. Child and
8 day care home providers shall not be covered by the State
9 Employees Group Insurance Act of 1971.

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

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

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

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

29 (1) arranging the child care through eligible
30 providers by use of purchase of service contracts or
31 vouchers;

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

34 (3) (blank); or

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

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

6 (1) Base reimbursement rates that are adequate to
7 provide children receiving child care services from
8 the Department equal access to quality child care,
9 utilizing data from the most current market rate
10 survey.

11 (2) A tiered reimbursement rate system that
12 financially rewards providers of child care services
13 that meet defined benchmarks of higher-quality care.

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

17 (4) Consideration of special rates for certain
18 types of care such as caring for a child with a
19 disability.

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

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

26 (2) if space is available, enrolling the child with a
27 child care provider that has a purchase of service contract
28 with the Department or a subcontractor of the Department
29 for the provision of child care and development services.
30 The Department may identify particular priority
31 populations for whom they may request special
32 consideration by a provider with purchase of service
33 contracts, provided that the providers shall be permitted
34 to maintain a balance of clients in terms of household
35 incomes and families and children with special needs, as
36 defined by rule.

1 (Source: P.A. 93-361, eff. 9-1-03; 93-1062, eff. 12-23-04;
2 94-320, eff. 1-1-06.)