

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. Through and including fiscal year 2007, the ~~The~~
23 specified threshold must be no less than 50% of the
24 then-current State median income for each family size.
25 Beginning in fiscal year 2008, the specified threshold must be
26 no less than 185% of the then-current federal poverty level for

1 each family size.

2 In determining eligibility for assistance, the Department
3 shall not give preference to any category of recipients or give
4 preference to individuals based on their receipt of benefits
5 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.

13 Nothing in this Section shall be construed as conferring
14 entitlement 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
18 necessary to ensure that child care benefits paid under this
19 Article do not exceed the amounts appropriated for those child
20 care benefits. These changes may be accomplished by emergency
21 rule under Section 5-45 of the Illinois Administrative
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.

25 The Illinois Department may contract with other State
26 agencies or child care organizations for the administration of

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
4 of State and local law and regulation, including any
5 requirements the Illinois Department promulgates by rule in
6 addition to the licensure requirements promulgated by the
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 from
14 licensing;

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

1 General Assembly, but not before. The State shall engage in
2 collective bargaining with an exclusive representative of
3 child and day care home providers participating in the child
4 care assistance program concerning their terms and conditions
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
14 statutory retirement or health insurance benefits. Child and
15 day care home providers shall not be covered by the State
16 Employees Group Insurance Act of 1971.

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

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

1 on family income, family size, and the number of children in
2 care. Co-payments shall not be increased due solely to a change
3 in the methodology for counting family income.

4 (d-5) The Illinois Department, in consultation with its
5 Child Care and Development Advisory Council, shall develop a
6 plan to revise the child care assistance program's co-payment
7 scale. The plan shall be completed no later than February 1,
8 2008, and shall include:

9 (1) findings as to the percentage of income that the
10 average American family spends on child care and the
11 relative amounts that low-income families and the average
12 American family spend on other necessities of life;

13 (2) recommendations for revising the child care
14 co-payment scale to assure that families receiving child
15 care services from the Department are paying no more than
16 they can reasonably afford;

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

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

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

25 (f) The Illinois Department shall, by rule, set rates to be
26 paid for the various types of child care. Child care may be

1 provided through one of the following methods:

2 (1) arranging the child care through eligible
3 providers by use of purchase of service contracts or
4 vouchers;

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

7 (3) (blank); or

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

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

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

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

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

26 (4) Consideration of special rates for certain

1 types of care such as caring for a child with a
2 disability.

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

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

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

20 (Source: P.A. 93-361, eff. 9-1-03; 93-1062, eff. 12-23-04;
21 94-320, eff. 1-1-06.)

22 Section 99. Effective date. This Act takes effect July 1,
23 2007.