



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB2301

Introduced 2/18/2009, by Rep. Elizabeth Hernandez - David E. Miller - Harry Osterman - Jehan A. Gordon

#### 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 co-payments, provides that the amount of a family's co-payment shall not exceed the sum of certain percentages of the family's countable income, based on the relationship of that income to the federal poverty level. Provides that a family with countable income below 50% of the federal poverty level shall have a co-payment of \$1 per week. Requires a reduction of co-payments within 60 days after the effective date of the amendatory Act, and requires that these limitations on co-payments be fully in effect no later than July 1, 2010. Effective immediately.

LRB096 07866 DRJ 20961 b

FISCAL NOTE ACT  
MAY APPLY

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  
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 (c-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. 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

6 (2) 7% of the family's countable income, if any, that  
7 is more than 100% of the federal poverty level but not more  
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 Within 60 days after the effective date of this amendatory  
16 Act of the 96th General Assembly, co-payments shall be reduced  
17 by no less than 50% of the difference between the amount of the  
18 co-payment in effect on the effective date of this amendatory  
19 Act of the 96th General Assembly and the maximum co-payment  
20 under the limitations imposed by this amendatory act of the  
21 96th General Assembly. Those limitations on co-payments shall  
22 be fully in effect no later than July 1, 2010.

23 Co-payments shall not be increased due solely to a change  
24 in the methodology for counting family income.

25 (d-5) The Illinois Department, in consultation with its  
26 Child Care and Development Advisory Council, shall develop a

1 plan to revise the child care assistance program's co-payment  
2 scale. The plan shall be completed no later than February 1,  
3 2008, and shall include:

4 (1) findings as to the percentage of income that the  
5 average American family spends on child care and the  
6 relative amounts that low-income families and the average  
7 American family spend on other necessities of life;

8 (2) recommendations for revising the child care  
9 co-payment scale to assure that families receiving child  
10 care services from the Department are paying no more than  
11 they can reasonably afford;

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

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

17 (e) (Blank).

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

21 (1) arranging the child care through eligible  
22 providers by use of purchase of service contracts or  
23 vouchers;

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

26 (3) (blank); or



1           (4) adopting such other arrangements as the Department  
2 determines appropriate.

3           (f-5) (Blank).

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

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

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

21          (Source: P.A. 94-320, eff. 1-1-06; 95-206, eff. 8-16-07;  
22 95-322, eff. 1-1-08; 95-876, eff. 8-21-08.)

23          Section 99. Effective date. This Act takes effect upon  
24 becoming law.