AN ACT concerning public aid.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The Illinois Public Aid Code is amended by changing Section 4-1.6 as follows:

(305 ILCS 5/4-1.6) (from Ch. 23, par. 4-1.6)

Sec. 4-1.6. Need. Income available to the family as defined by the Illinois Department by rule, or to the child in the case of a child removed from his or her home, when added to contributions in money, substance or services from other sources, including income available from parents absent from the home or from a stepparent, contributions made for the benefit of the parent or other persons necessary to provide care and supervision to the child, and contributions from legally responsible relatives, must be equal to or less than the grant amount established by Department regulation for such a person. For purposes of eligibility for aid under this Article, the Department shall (a) disregard all earned income between the grant amount and 50% of the Federal Poverty Level and (b) disregard the value of all assets held by the family.

In considering income to be taken into account, consideration shall be given to any expenses reasonably attributable to the earning of such income. Three-fourths of
the earned income of a household eligible for aid under this Article shall be disregarded when determining the level of assistance for which a household is eligible. The Illinois Department may also permit all or any portion of earned or other income to be set aside for the future identifiable needs of a child. The Illinois Department may provide by rule and regulation for the exemptions thus permitted or required. The eligibility of any applicant for or recipient of public aid under this Article is not affected by the payment of any grant under the "Senior Citizens and Disabled Persons Property Tax Relief Act" or any distributions or items of income described under subparagraph (X) of paragraph (2) of subsection (a) of Section 203 of the Illinois Income Tax Act.

The Illinois Department may, by rule, set forth criteria under which an assistance unit is ineligible for cash assistance under this Article for a specified number of months due to the receipt of a lump sum payment.

(Source: P.A. 96-866, eff. 7-1-10; 97-689, eff. 6-14-12.)

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