

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

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

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

36 (1) arranging the child care through eligible

1 providers by use of purchase of service contracts or
2 vouchers;

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

5 (3) (blank); or

6 (4) adopting such other arrangements as the Department
7 determines appropriate.

8 (f-5) The Illinois Department, in consultation with its
9 Child Care and Development Advisory Council, shall develop a
10 comprehensive plan to revise the State's rates for the various
11 types of child care. The plan shall be completed no later than
12 September 30, 2004 and shall include:

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

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

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

24 (4) Consideration of special rates for certain
25 types of care such as caring for a child with a
26 disability.

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

29 (1) receiving a child care certificate issued by the
30 Department or a subcontractor of the Department that may be
31 used by the parents as payment for child care and
32 development services only; or

33 (2) if space is available, enrolling the child with a
34 child care provider that has a purchase of service contract
35 with the Department or a subcontractor of the Department
36 for the provision of child care and development services.

1 The Department may identify particular priority
2 populations for whom they may request special
3 consideration by a provider with purchase of service
4 contracts, provided that the providers shall be permitted
5 to maintain a balance of clients in terms of household
6 incomes and families and children with special needs, as
7 defined by rule.

8 (Source: P.A. 93-361, eff. 9-1-03.)

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