



House of Representatives

General Assembly

File No. 326

January Session, 2009

Substitute House Bill No. 5426

House of Representatives, March 30, 2009

The Committee on Human Services reported through REP. WALKER of the 93rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING CHILD CARE SUBSIDIES FOR THE UNEMPLOYED UNDER THE CARE 4 KIDS PROGRAM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (c) of section 17b-749 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2009*):

4 (c) The commissioner shall establish eligibility and program
5 standards including, but not limited to: (1) A priority intake and
6 eligibility system with preference given to serving recipients of
7 temporary family assistance who are employed or engaged in
8 employment activities under the department's "Jobs First" program,
9 working families whose temporary family assistance was discontinued
10 not more than five years prior to the date of application for the child
11 care subsidy program, teen parents, low-income working families,
12 adoptive families of children who were adopted from the Department
13 of Children and Families and who are granted a waiver of income
14 standards under subdivision (2) of subsection (b) of this section, and

15 working families who are at risk of welfare dependency; (2) health and
 16 safety standards for child care providers not required to be licensed;
 17 (3) a reimbursement system for child care services which account for
 18 differences in the age of the child, number of children in the family, the
 19 geographic region and type of care provided by licensed and
 20 unlicensed caregivers, the cost and type of services provided by
 21 licensed and unlicensed caregivers, successful completion of fifteen
 22 hours of annual in-service training or credentialing of child care
 23 directors and administrators, and program accreditation; (4)
 24 supplemental payment for special needs of the child and extended
 25 nontraditional hours; (5) an annual rate review process which assures
 26 that reimbursement rates are maintained at levels which permit equal
 27 access to a variety of child care settings; (6) a sliding reimbursement
 28 scale for participating families; (7) an administrative appeals process;
 29 (8) an administrative hearing process to adjudicate cases of alleged
 30 fraud and abuse and to impose sanctions and recover overpayments;
 31 (9) an extended period of program and payment eligibility when a
 32 parent who is receiving a child care subsidy experiences a temporary
 33 interruption in employment or [other] is engaged in another approved
 34 activity, provided the commissioner shall establish a twenty-six-week
 35 extended period pursuant to this subdivision within available
 36 resources received by the state from federal stimulus funds available
 37 for purposes of this section; and (10) a waiting list for the child care
 38 subsidy program that reflects the priority and eligibility system set
 39 forth in subdivision (1) of this subsection, which is reviewed
 40 periodically, with the inclusion of this information in the annual report
 41 required to be issued annually by the Department of Social Services to
 42 the Governor and the General Assembly in accordance with
 43 subdivision (10) of section 17b-733. Such action will include, but not be
 44 limited to, family income, age of child, region of state and length of
 45 time on such waiting list.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2009	17b-749(c)

Statement of Legislative Commissioners:

Subdivision (9) was rewritten to move the language on the twenty-six-week extended period to the end of the subdivision for clarity.

HS *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect
Department of Social Services	GF - See Below

Municipal Impact: None

Explanation

This bill requires the Department of Social Services (DSS) to establish an extended period of eligibility for child care benefits for recipients who have become ineligible due to interruption of employment. This extended benefit is to be provided within funding available from the federal government under the American Recovery and Reinvestment Act (the stimulus act). The stimulus act included approximately \$11.1 million for Connecticut under the Child Care and Development Block Grant.

Recent DSS child care caseload increases have resulted in a projected FY 09 deficiency of over \$4 million. Absent other state action it is assumed that a portion of the federal funds would be used to keep enrolment for current eligibility categories open. As it is not known what the level of state funded child care will be for the FY 10 - FY 11 biennium, remaining stimulus funds may be likewise utilized. Therefore, it is not known whether any federal stimulus funds will be available for the expanded eligibility contemplated in this bill. For purposes of illustration, the average cost of 26 weeks of child care would be a benefit of approximately \$5,950 per family.

The Out Years

As the federal stimulus funding is one time in nature, there is no anticipated out year impact.

Sources: Federal Funds Information Service, DSS cost and caseload data

OLR Bill Analysis**sHB 5426*****AN ACT CONCERNING CHILD CARE SUBSIDIES FOR THE UNEMPLOYED UNDER THE CARE 4 KIDS PROGRAM.*****SUMMARY:**

This bill requires the Department of Social Services (DSS) commissioner to establish eligibility and program standards that include the provision of an extended eligibility period of up to 26 weeks for individuals receiving child care subsidies under the department's Care 4 Kids program who become ineligible for the subsidy due to a temporary interruption in employment or other approved activity. It requires this 26-week extended eligibility coverage be paid within available resources from federal stimulus funds received by the state that can be used for the Care 4 Kids program.

Current law requires DSS to provide extended eligibility to these individuals, but it does not specify a time frame; DSS regulations allow extended coverage to be provided for up to eight weeks (Conn. Agency Reg. §17b-749-19g). (The bill does not specify whether the 26-week extended eligibility coverage is in addition to the eight weeks of coverage DSS currently provides pursuant to its regulations.)

EFFECTIVE DATE: July 1, 2009

BACKGROUND***Care 4 Kids***

The Care 4 Kids program provides child care subsidies for children under age 13 or special needs children under age 19. Subsidies are provided to qualifying families with a parent or caretaker who is (1) working; (2) going to high school; or (3) receiving cash assistance under the state's Temporary Family Assistance (TFA) program and

participating in an approved education, training, or other job preparation activity.

Program applicants must have incomes below 50% of the state’s median (\$39,405 for a three-person family in 2009). Once enrolled, families remain eligible until their incomes reach 75% of the state’s median (\$59,107 for a three-person family in 2009). There is no waiting list currently; but by law, if one is established, preference goes to applicants who are:

1. TFA recipients working or engaged in Jobs First employment activities,
2. former TFA recipients who are employed and received cash assistance within the past five years,
3. teen parents,
4. low-income workers,
5. adoptive parents of DCF foster children with a waiver of Care 4 Kids income standards, or
6. working but at risk of welfare dependency.

COMMITTEE ACTION

Human Services Committee

Joint Favorable Substitute

Yea 18 Nay 0 (03/12/2009)