



Senate

General Assembly

File No. 156

January Session, 2015

Substitute Senate Bill No. 956

Senate, March 23, 2015

The Committee on Children reported through SEN. BARTOLOMEO of the 13th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT EXPANDING THE CARE 4 KIDS PROGRAM.

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

1 Section 1. Section 17b-749 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2015*):

3 (a) The Commissioner of Early Childhood shall establish and
4 operate a child care subsidy program to increase the availability,
5 affordability and quality of child care services for families with a
6 parent or caretaker (1) who is working, [or] attending high school or
7 attending an institution of higher education, as defined in subsection
8 (i) of section 31-222, or (2) who receives cash assistance under the
9 temporary family assistance program from the Department of Social
10 Services and is participating in an approved education, training or
11 other job preparation activity. Services available under the child care
12 program shall include the provision of child care subsidies for children
13 under the age of thirteen or children under the age of nineteen with
14 special needs. The Office of Early Childhood shall open and maintain

15 enrollment for the child care subsidy program and shall administer
16 such program within the existing budgetary resources available. The
17 office shall issue a notice on the office's Internet web site and shall
18 provide written notice to recipients of program benefits and to service
19 providers any time the office closes the program to new applications,
20 changes eligibility requirements, changes program benefits or makes
21 any other change to the program's status or terms, provided the office
22 shall not be required to issue such notice when the office expands
23 program eligibility. Any change in the office's acceptance of new
24 applications, eligibility requirements, program benefits or any other
25 change to the program's status or terms for which the office is required
26 to give notice pursuant to this subsection, shall not be effective until
27 thirty days after the office issues such notice.

28 (b) The commissioner shall establish income standards for
29 applicants and recipients at a level to include a family with gross
30 income up to fifty per cent of the state-wide median income, except the
31 commissioner (1) may increase the income level to up to seventy-five
32 per cent of the state-wide median income, (2) upon the request of the
33 Commissioner of Children and Families, may waive the income
34 standards for adoptive families so that children adopted on or after
35 October 1, 1999, from the Department of Children and Families are
36 eligible for the child care subsidy program, and (3) on and after March
37 1, 2003, shall reduce the income eligibility level to up to fifty-five per
38 cent of the state-wide median income for applicants and recipients
39 who qualify based on their loss of eligibility for temporary family
40 assistance. The commissioner may adopt regulations in accordance
41 with chapter 54 to establish income criteria and durational
42 requirements for such waiver of income standards.

43 (c) The commissioner, in consultation with the Commissioner of
44 Social Services, shall establish eligibility and program standards
45 including, but not limited to: (1) A priority intake and eligibility
46 system with preference given to serving (A) recipients of temporary
47 family assistance who are employed or engaged in employment
48 activities under the Department of Social Services' "Jobs First"

49 program, (B) working families whose temporary family assistance was
50 discontinued not more than five years prior to the date of application
51 for the child care subsidy program, (C) teen parents, (D) low-income
52 working families, (E) adoptive families of children who were adopted
53 from the Department of Children and Families and who are granted a
54 waiver of income standards under subdivision (2) of subsection (b) of
55 this section, (F) working families who are at risk of welfare
56 dependency, and (G) any household with a child or children
57 participating in the Early Head Start-Child Care Partnership federal
58 grant program for a period of up to twelve months based on Early
59 Head Start eligibility criteria; (2) health and safety standards for child
60 care providers not required to be licensed; (3) a reimbursement system
61 for child care services which account for differences in the age of the
62 child, number of children in the family, the geographic region and type
63 of care provided by licensed and unlicensed caregivers, the cost and
64 type of services provided by licensed and unlicensed caregivers,
65 successful completion of fifteen hours of annual in-service training or
66 credentialing of child care directors and administrators, and program
67 accreditation; (4) supplemental payment for special needs of the child
68 and extended nontraditional hours; (5) an annual rate review process
69 for providers which assures that reimbursement rates are maintained
70 at levels which permit equal access to a variety of child care settings;
71 (6) a sliding reimbursement scale for participating families; (7) an
72 administrative appeals process; (8) an administrative hearing process
73 to adjudicate cases of alleged fraud and abuse and to impose sanctions
74 and recover overpayments; (9) an extended period of program and
75 payment eligibility when a parent who is receiving a child care
76 subsidy experiences a temporary interruption in employment or other
77 approved activity; and (10) a waiting list for the child care subsidy
78 program that reflects the priority and eligibility system set forth in
79 subdivision (1) of this subsection, which is reviewed periodically, with
80 the inclusion of this information in the [annual] report required to be
81 issued annually by the office to the Governor and the General
82 Assembly in accordance with section 17b-733. Such action [will] shall
83 include, but not be limited to, family income, age of child, region of

84 state and length of time on such waiting list.

85 (d) [(1) Not later than January 1, 2011, an] An applicant determined
86 to be eligible for program benefits shall remain eligible for such
87 benefits for a period of not less than [eight] twelve months from the
88 date that such applicant is determined to be eligible, provided the
89 Commissioner of Social Services has not determined, during such
90 [eight-month] twelve-month period, that the applicant's circumstances
91 have changed so as to render the applicant ineligible for program
92 benefits. The Commissioner of Social Services shall not make an
93 eligibility determination for a recipient of program benefits more than
94 one time per [eight-month] twelve-month period, except as provided
95 in subsection (f) of this section.

96 (2) On and after July 1, 2014, the Commissioner of Early Childhood
97 shall succeed the Commissioner of Social Services for the purpose of
98 making the eligibility determinations pursuant to subdivision (1) of
99 this subsection.

100 (e) Within available appropriations, a recipient of program benefits
101 who takes unpaid leave from such recipient's employment due to the
102 birth or impending birth of a child shall be granted not more than six
103 weeks of payment eligibility during the leave if: (1) The recipient
104 intends to return to work at the end of the unpaid leave; (2) the
105 recipient verifies that eligibility is needed to prevent the loss of a slot
106 in a school-based program or licensed child care setting; and (3) the
107 child receiving child care services under the program continues to
108 attend the program during the recipient's leave.

109 [(f) (1) Not later than October 15, 2011, the Commissioner of Social
110 Services shall submit a report, in accordance with the provisions of
111 section 11-4a, to the joint standing committees of the General
112 Assembly having cognizance of matters relating to human services and
113 appropriations and the budgets of state agencies concerning eligibility
114 redeterminations made on an eight-month basis. Such report shall
115 include an analysis of overpayments of program benefits made by the
116 Department of Social Services and administrative costs incurred by the

117 department as a result of eligibility redeterminations made on an
118 eight-month basis. On and after October 15, 2011, and until June 30,
119 2014, the Commissioner of Social Services may make eligibility
120 redeterminations on a six-month basis if, after January 1, 2011, the
121 department's overpayments of program benefits have increased in
122 comparison with the period between January 1, 2010, and December
123 31, 2010, as a result of having an eight-month eligibility
124 redetermination period.]

125 [(2)] (f) On and after July 1, 2014, and annually thereafter, the
126 Commissioner of Early Childhood shall submit a report, in accordance
127 with the provisions of section 11-4a, to the joint standing committees of
128 the General Assembly having cognizance of matters relating to human
129 services and appropriations concerning eligibility redeterminations
130 made on [an eight-month] a twelve-month basis. Such report shall
131 include an analysis of overpayments of program benefits made by the
132 office and administrative costs incurred by the office as a result of
133 eligibility redeterminations made on [an eight-month] a twelve-month
134 basis. On and after July 1, 2014, the commissioner may make eligibility
135 redeterminations on a six-month basis if the office's overpayments of
136 program benefits have increased in comparison with the period
137 between January 1, 2010, and December 31, 2010, as a result of having
138 [an eight-month] a twelve-month eligibility redetermination period.

139 (g) A provider under the child care subsidy program that qualifies
140 for eligibility and subsequently receives payment for child care
141 services for recipients under this section shall be reimbursed for such
142 services until informed by the office of the recipient's ineligibility.

143 (h) All licensed child care providers and those providers exempt
144 from licensing shall provide the office with the following information
145 in order to maintain eligibility for reimbursement: (1) The name,
146 address, appropriate identification, Social Security number and
147 telephone number of the provider and all adults who work for or
148 reside at the location where care is provided; (2) the name and address
149 of the child's doctor, primary care provider and health insurance

150 company; (3) whether the child is immunized and has had health
 151 screens pursuant to the federal Early and Periodic Screening,
 152 Diagnostic and Treatment Services Program under 42 USC 1396d; and
 153 (4) the number of children cared for by the provider.

154 (i) Not later than January 1, 2016, the Office of Early Childhood shall
 155 collaborate with the Departments of Social Services, Developmental
 156 Services, Mental Health and Addiction Services, Children and Families
 157 and Public Health, to implement an information sharing process
 158 enabling the office to share information regarding recipients of benefits
 159 under the child care subsidy program with said departments in order
 160 to identify whether such recipients are also receiving benefits or
 161 services from other state-sponsored programs.

162 [(i)] (j) On or after July 1, 2014, the commissioner shall adopt
 163 regulations, in accordance with the provisions of chapter 54, to
 164 implement the provisions of this section.

165 [(j)] (k) The commissioner shall submit to the joint standing
 166 committees of the General Assembly having cognizance of matters
 167 relating to human services and appropriations and the budgets of state
 168 agencies a copy of the Child Care and Development Fund Plan that the
 169 commissioner submits to the Administration for Children and Families
 170 pursuant to federal law. The copy of the plan shall be submitted to the
 171 committees not later than thirty days after submission of the plan to
 172 the Administration for Children and Families.

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|---|-----------------|---------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | October 1, 2015 | 17b-749 |

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| Section 1 | October 1, 2015 | 17b-749 |
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Statement of Legislative Commissioners:

In subsection (c), "Such action will include" was changed to "Such action [will] shall include" for consistency and proper form and in subsection (d), "Not later than January 1, 2011" was bracketed for clarity.

KID *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

| Agency Affected | Fund-Effect | FY 16 \$ | FY 17 \$ |
|-----------------------|-------------|-----------------------|-----------------------|
| Early Childhood, Off. | GF - Cost | Potential Significant | Potential Significant |

Municipal Impact: None

Explanation

The bill will result in a cost to the Office of Early Childhood associated with 1) increasing eligibility redeterminations from every eight months to every twelve months, and 2) expanding eligibility for Care4Kids subsidies to parents attending certain higher education institutions.

The cost associated with extending redeterminations by four months would be determined by the number of individuals who would otherwise be found ineligible at the eight month redetermination. Currently, an average of 300 families do not submit for redetermination each month. For purposes of an example, if 100 families would have been found ineligible at the eight month redetermination, it would result in a cost of \$166,400 for those four months of additional eligibility, or \$499,200 annually.¹

The cost associated with expanding eligibility is dependent on the number of people who would be income eligible and attend a public or private Connecticut college or university. Based on national percentages, approximately 7,100 people in Connecticut with incomes

¹ Assumes a monthly average cost per child of \$416.

under \$30,000 could be eligible for the Care4Kids program under the bill.² This would result in additional monthly costs of \$3 million, or \$36 million annually.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

² U.S. Department of Education, National Center for Education Statistics, 2011-12 National Postsecondary Student Aid Study.

OLR Bill Analysis**SB 956*****AN ACT EXPANDING THE CARE 4 KIDS PROGRAM.*****SUMMARY:**

This bill expands eligibility for Care 4 Kids program subsidies to include income-eligible parents attending a public or private Connecticut college or university. The program, administered by the Office of Early Childhood (OEC), subsidizes child care costs for low- and moderate-income families while a parent or caretaker is (1) working, (2) attending high school, or (3) receiving temporary family cash assistance and participating in an approved education or training program.

The bill also changes the law to comply with new federal Child Community Development Block Grant (CCDBG) requirements by extending, from once every eight months to once every twelve months, how often OEC may perform Care 4 Kids participant eligibility redeterminations. It therefore decreases the frequency of the redeterminations. CCDBG is the federal block grant that funds Care 4 Kids.

The bill makes a corresponding change by allowing the commissioner to make eligibility redeterminations on a six-month basis if benefit overpayments increased compared to 2010 as a result of having a 12-month redetermination period, instead of the current eight-month period. (But the new CCDBG requirements prohibit redeterminations more frequently than once every twelve months.)

Additionally, the bill requires OEC, by January 1, 2016 and in collaboration with the children and families, developmental services, mental health and addiction services, public health, and social services departments, to implement an information sharing process for the

program. The process must enable OEC to share information about Care 4 Kids benefit recipients with the collaborating departments to identify whether the recipients are also receiving other state-sponsored benefits or services.

The bill also makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2015

COMMITTEE ACTION

Committee on Children

Joint Favorable

Yea 13 Nay 0 (03/05/2015)