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2005 Legislative Session ends with victories for early care and education

Whew! Out on time and with [almost] everything we asked for! Thanks to your ongoing support, action and commitment, early childhood education was a big winner in Springfield this year.

No doubt about it – it's been a busy year. There is lots of good news to report on bills that were introduced and passed, making early care and education better for parents *and* providers in Illinois. Further, the ever-mysterious budget process came out in strong favor of young children and education. We hope you take the time to thank your local legislators as well as the Governor!

Once again, we see the positive results of Action for Children's 35-year partnership with YOU in our advocacy work. Together we make a difference in the lives of families with young children. Here is a summary of the major issues the General Assembly considered this year and their impact on you and on the children and families with which you work.

BUDGET OUTCOMES:

FY2006 Budget: Thanks to your hard work and support, we are happy to report that the Governor and the General Assembly have passed a budget that is good for children and working families. Illinois is a leader across the country in implementing increases for early care and education despite significant fiscal shortfalls in the state's budget. The FY06 budget represents a huge victory for early care and education through both the IDHS Child Care Assistance Program and the ISBE Early Childhood Block Grant.

In order to understand the extent of early childhood's budgetary success, it is first necessary to explain what is meant by Illinois' state of "fiscal crisis." Illinois must pass a balanced budget each year. This year, it was estimated that the state had between a \$1.2 - \$2 BILLION deficit that had to be addressed in order to balance the budget. In this situation, increases were almost out of the question and protecting what we had became the name of the game right from the start. Despite strong efforts from many different groups, no significant revenue changes were made in Illinois this year. Without additional revenue sources, we are left to work within what we already have.

The IDHS Child Care Assistance Program: In 2004, child care saw a \$27 million increase in order to pay for the additional costs resulting from updating the income eligibility guidelines in 2003. This year's child care budget was introduced as a "maintenance budget." We fought hard to make sure child care services would not be cut and we are happy and relieved with the end result. **The Child Care budget for FY06 is \$691.3** and is estimated to serve 187,500 children per month. While this year's budget is a few million dollars less than last year's, IDHS believes they can maintain services at current levels.

IDHS Supplemental Request: During the last 3 months of FY2005, several human services programs exceeded their budgets. As a result, IDHS transferred nearly \$23 million away from the Child Care Assistance Program to pay for the services of at least one of these other programs, Temporary Assistance to Needy Families (TANF). IDHS requested a TANF supplemental appropriation in order to continue to make direct cash assistance payments to low-income families with children. However, due to increased caseloads in the program, IDHS ran short of money and was forced to “borrow” funds from child care in order to make the April – June payments. This “borrowing” left a \$23 million hole in the Child Care Assistance Program budget unless the supplemental request was approved. **The TANF supplemental was included in the final FY06 budget, thereby restoring the \$23 million borrowed from child care.** We came out the same way we started.

Great START (Strategy to Attract and Retain Teachers): Great START is a salary enhancement program for child care professionals who exceed minimum DCFS licensing requirements, remain employed with the same program for at least one year and who meet several other criteria. The Governor’s proposed budget included a reduction of funds (\$1.86 million) and the loss of the separate “line item” for the Great START program. **In the final budget,** the \$1.86 million was indeed lost, but **the line item was restored** by transferring the lost amount out of the general child care line and back into the Great START line. So, while we are still down the money, we were able to ensure that those dollars are still committed to quality through the Great START program. This victory would not have been possible without the strong advocacy of the House Human Services Appropriations committee members, who championed this issue.

Crisis Nurseries: In order to reduce the possibility of abuse and neglect, Crisis Nurseries are an emergency drop-in service for parents who have nowhere else to turn and need immediate care for their young children. Crisis Nurseries are funded through the IDHS budget with Title XX funds. There has been a separate line item for Crisis Nurseries—until this year.

The Governor’s proposed budget originally eliminated funding for Crisis Nurseries, but then restored it shortly after the budget was released. However, the funds were allocated to the Crisis Nurseries from the child care budget, not from the general revenue fund (GRF). The result is that more programs are paid for out of the child care budget with less money. While advocates urged the governor’s office to restore the funds out of GRF, we are nonetheless thrilled that funding for these critical programs will continue. The total dollar amount out of child care services to fund Crisis Nurseries totals \$472,900.

Parents Too Soon (PTS), Healthy Families Illinois (HFI) and Teen REACH: Each of these programs suffered severe cuts in the governor’s proposed budget in February. However, restorations were made due to ongoing advocacy on the part of parents and providers, as well as from legislative champions who know these programs work! **PTS and HFI were completely restored to their base-funding levels, \$10,900,200 and \$9,669,100 respectively.**

While **the final budget restored \$750,000** to the Teen REACH program from the original \$2.6 million cuts, the program did experience a total of \$1.9 million in cuts. The total FY06 budget for Teen REACH is \$18.5 million.

FamilyCare: FamilyCare has been a central component of Action for Children’s advocacy work since the campaign began. The three-year commitment by the governor’s office was completed this legislative session. This year’s final installment only requires a \$5.75 million investment from the state, but has a HUGE impact on low-income families. FamilyCare will:

1. raise eligibility to 185% of poverty (or about \$35,000 for a family of four);
2. provide health insurance coverage to approximately 74,000 additional parents;
3. include a “premium assistance option,” where a working parent can choose either to be covered by the state's insurance (same as Medicaid) or take a cash payment to help pay the premium for their employer's insurance or private insurance;
4. this final phase of FamilyCare will take effect on January 1, 2006.

ISBE Early Childhood Block Grant (ECBG): The Governor pledged to fully fund the ECBG over three years—eliminating the waiting lists for three-to-four-year-olds around the state. Despite ever-worsening fiscal realities, the Governor and General Assembly stood by their commitment to young children this session by providing funds for the third and final \$30 million installment of the ECBG. A total of 25,000 additional pre-school aged children will be served by the three-year increase in the ECBG, with a total funding level at \$273.3 million. Further, ISBE continues to set aside 11 percent of the total ECBG budget to fund programs for children ages birth to three. Programs under the ECBG happen both in community settings as well as in public school classrooms in order to ensure maximum access to parents and the best possible program for children.

BILL OUTCOMES:

HB485/SB324 (Osterman, Collins): The child care reimbursement rate has not been updated since 1999, and no Cost of Living Adjustment (COLA) has been received since 2000. The terribly outdated rate negatively impacts parents and providers alike. HB485/SB324 were introduced in both chambers in order to begin a multi-year campaign to raise the state’s child care reimbursement rate overall and to systematically tie the rate to data gleaned every two years from the IDHS Market Rate Survey.

While the bills did not pass, each received a Subject Matter Hearing and work will continue on the issue throughout the summer and fall, and into the coming legislative session.

SB526 (Ronen, Osterman): Partnering with the non-profit group KidsInDanger and the Attorney General’s Office, we helped to introduce legislation around children’s product recalls. Illinois was the first state in the nation to introduce its own children’s product safety legislation in 2000, and SB526 strengthens the already existing law. SB526 amends the State Finance Act and the Children’s Product Safety Act by increasing the age of children covered by the law, improving the notification protocol on websites for recalled products, as well as increasing the penalties for violations.

The bill received the support of DCFS, passed unanimously in both the House and Senate and now awaits the Governor’s signature. To find out about recalled children’s products, go to www.recalls.gov.

SB143 (Ronen, Osterman): This bill amends the Illinois Public Labor Relations Act by granting SEIU Local 880 exclusive representation of licensed and license-exempt home child care providers caring for children through the Child Care Assistance Program. Illinois home child care providers are the first in the country to have the right to organize as a union.

The bill passed in both the House and Senate, and once signed by the Governor, these family child care providers will be a permanent collective bargaining unit in Illinois.

SB328 (Wilhelmi, Pritchard): This bill creates the Helping Heroes Child Care Program Act for the purpose of providing child care vouchers to families who have one or more parents deployed to Iraq or Afghanistan by the armed services.

The bill passed unanimously in both the House and Senate and now awaits the Governor's signature.

SB1832 (Graham, Harmon): A first for Action for Children, we partnered with Uhlich Children's Advantage Network and Voices for Illinois Children to work with elected officials to keep children safe from gun accidents.

SB1832 improves upon basic safety provisions that protect children from handgun accidents. First, starting next January, any handgun sold in Illinois must be sold with an appropriate trigger lock. Trigger locks can help reduce injury or death from unauthorized, unplanned use of handguns. Illinois already mandates that gun owners who reside in a home where children under the age of 14 are present store unused firearms in a locked or otherwise "safe" place to avoid unintentional accidents. SB1832 strengthens currently existing law by not only putting responsibility for safety on the gun retailers but also providing the trigger lock at the time of sale. Action for Children is proud to have worked in a coalition in support of this legislation.

The bill passed both the Senate and House and now awaits the Governor's signature.

HB3822 (Colvin, Raoul): Some language in the laws that govern early childhood education programs in the School Code are outdated and do not reflect the reality of current practice at the program level. HB3822 "cleans up" outdated language to ensure laws match current administrative practice. Specifically, HB3822 changes language in the statute to reflect the reality that community-based organizations can now apply for and receive, on a competitive basis, grants through the ECBG to provider services for children birth – five. The changes also reflect current research about what we know works best to achieve positive changes with infants, toddlers and their families, namely, targeting interventions to families with children at risk for poor outcomes and using proven, research-based program models.

The bill unanimously passed both the House and Senate and now awaits the Governor's signature.

For more information about this year's legislative session please contact Sessy Nyman at (773) 697-6130 or nymans@actforchildren.org.