State Policy Update
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Illinois Action for Children

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spring into action

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State Policy Update

- Recent policy changes – status update
- Proposed legislation
- State budget updates
RECENT POLICY CHANGES
Lead in Drinking Water

Legislation passed in January 2017 requires drinking water to be tested for lead in licensed child care centers and homes meeting both of the following:
- Built before 2000
- Serving children under the age of 6

Because the JCAR process was not completed before 2018 effective date, DCFS drafted a policy guide that will take the place of the administrative rule until it can be adopted.
- However, the dates in the policy guide are NOT being enforced.

Providers should wait for notification from DCFS before conducting testing to ensure they are in compliance with DCFS guidelines.

Passed General Assembly
Policy Guide Adopted by DCFS
First Notice Period
Rules Adopted by DCFS
Signed by Governor
Proposed Rules Drafted by DCFS
JCAR Hearing

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Lead in Drinking Water

DCFS working with licensing advisory council committees and external partners – IAFC, Elevate Energy, Environmental Defense Fund – on training for providers

Partners are also working on templates for communication materials (notifying families, etc.) that will be available through training and Sunshine website
Early Childhood Expulsion

DCFS working with ISBE, OECD on proposed rules and aligned definitions

DCFS will accept public comments during First Notice Period, and can make changes to the proposed rule language
PROPOSED LEGISLATION
HB 4965 (Wallace) – Eligibility Periods

- Extends CCAP eligibility to 12 months
- Reauthorization of federal Child Care and Development Block Grant (CCDBG) requires states to have 12-month eligibility periods for families receiving CCAP
  - Promotes continuity of care for children
  - Reduces disruptions to families’ work, education, or training schedules
  - Eases administrative burden for the state
- Illinois has requested waivers to delay implementing the shift from 6-month to 12-month eligibility
HB 4965 (Wallace) – Eligibility Periods

Witness Slips

If you’re Representative is a member of the House Human Services Committee, give him or her a call!
Staffing challenges persist across the ECE system

- Finding and retaining Preschool for All teachers has been particularly challenging for many programs

Alternative pathways to degrees and credentials benefit would support recruitment and retention:

- Grow the pool of high-quality candidates for employers
- Provide opportunities for those already working in the field to move up the educational and career ladder
SB 1829 (Hutchinson) – Teacher Qualifications

SB 1829 SA #3 temporarily allows PFA teachers to have alternate qualifications, while working toward Professional Educator License (PEL)

- ECE Credential Level 5
- Educator License with stipulations with a transitional bilingual educator endorsement (with some ECE semester hours or passage of ECE content exam)
SB 2227 Amendment #1 (Hutchinson-Althoff) – ECE Capital Grants

- Re-appropriates capital funds for early childhood construction grants
- These grants were awarded in 2011, but were not re-appropriated during budget impasse
- This impacts about a dozen ECE programs
SB 3253 (Oberwies) – Licensure Periods

This bill would have extended child care licensure periods from 3 to 5 years.

DCFS has decided not to call the bill this year and continue discussions.

IAFC has been supportive of the intent, but has asked for the department to develop a clear plan to improve annual monitoring and other systems before pushing this legislation.
STATE BUDGET UPDATE
Governor Rauner delivered his Budget Address on February 14, 2018, unveiling his proposed budget for Fiscal Year 2019 (FY19)

Estimated total revenue: $37.9B
- Reduces state income tax rate from 4.95% to 4.7% - leads to $900 million decrease in revenue

Total spending: $37.6B in General Revenue Funds (GRF)
- Increases to some services, like Early Intervention, and appropriations for programs that had been left out in recent years, like Teen Reach
- Cuts to other critical services, including child care

Appears to be $350M surplus, but this budget relies on $1.5B in savings from cost shifts that would require legislative action and would likely be challenged in court
- Without these savings, this proposal has over $1B shortfall
FY19 Proposed Budget: ECE Funding Levels

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>FY16 Actual (GRF)</th>
<th>FY17 Actual (GRF)</th>
<th>FY18 Approp. (GRF)</th>
<th>FY19 Proposed (GRF)</th>
<th>Change FY18-FY19</th>
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<tbody>
<tr>
<td>CHILD CARE</td>
<td>$328.1M</td>
<td>$322.5M</td>
<td>$476.8M</td>
<td>$380.7M</td>
<td>($96.1M)</td>
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<tr>
<td>EARLY INTERVENTION</td>
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<td>$96.7M</td>
<td>$99.7M</td>
<td>$3.0M</td>
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<tr>
<td>HOME VISITING</td>
<td>$16.2M</td>
<td>$13.7M</td>
<td>$16.9M</td>
<td>$16.9M</td>
<td>$0</td>
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<tr>
<td>EARLY CHILDHOOD BLOCK GRANT</td>
<td>$318.8M</td>
<td>$393.7M</td>
<td>$443.7M</td>
<td>$454.2M</td>
<td>$10.5M</td>
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**FY19 Proposed Budget: CCAP**

- **Governor’s Proposal:** $96.1M decrease from FY18 appropriation
- **Rationale for proposed cuts:**
  - Decreased caseloads
  - Delayed implementation of 12-month eligibility

### CCAP Funding (GRF)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Funding (in Millions)</th>
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<tbody>
<tr>
<td>FY15 Actual</td>
<td>500</td>
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<tr>
<td>FY16 Actual</td>
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<tr>
<td>FY17 Actual</td>
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<tr>
<td>FY18 Approp</td>
<td>450</td>
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<tr>
<td>FY19 Proposed</td>
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</tbody>
</table>

Data Source: Governor’s Office of Management and Budget, Illinois State Budget Fiscal Year 2019

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FY19 Proposed Budget: CCAP

- The decreased caseloads are a result of the administration's June 2015 eligibility restrictions.
- Despite restoring eligibility, the caseload has remained suppressed since 2016.

CCAP Caseload
June 2015-January 2018

157,715 (June 2015)

July 1, 2015 - Eligibility Restrictions In Effect

125,545 (July 2016)

November 2015 – Partial Restoration

101,726 (Jan. 2016)

124,902 (Jan. 2017)

123,895 (July 2017)

October 2017 - Full Restoration

120,139 (Jan. 2018)

FY19 Proposed Budget: CCAP

The decreased caseloads are a result of the administration’s June 2015 eligibility restrictions. Despite restoring eligibility, the caseload has remained suppressed since 2016.
FY19 Proposed Budget: ECBG

Governor’s Proposal: $10.5M increase from FY18 appropriation

Data Source: Governor’s Office of Management and Budget, Illinois State Budget Fiscal Year 2019
FY19 Proposed Budget: EI

- Governor’s Proposal: $3M increase from FY18 appropriation
- Increase proposed to respond to larger EI caseload

El Funding (GRF)

Data Source: Governor’s Office of Management and Budget, Illinois State Budget
Fiscal Year 2019
State Budget Next Steps

- Governor Rauner’s budget proposal is a starting point for negotiations in General Assembly (GA)
- GA will hold appropriations hearings in coming months to hear from state agencies and advocates about the impact of proposed budget
- Elected officials must find an agreement on a state budget that adequately funds our state’s priorities by the end of legislative session (May 31)
QUESTIONS?
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