## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **HOUSE BILL**

No. 1164 Session of 2015

INTRODUCED BY MURT, BLOOM, BAKER, BOBACK, V. BROWN, BROWNLEE, COHEN, CUTLER, FEE, FREEMAN, GIBBONS, GOODMAN, GROVE, IRVIN, KAUFER, KAUFFMAN, LONGIETTI, McGINNIS, McNEILL, B. MILLER, MILNE, PASHINSKI, REED, ROSS, ROZZI, STEPHENS, TOOHIL, TOPPER, WATSON, ZIMMERMAN, HARPER, SCHEMEL, DUSH, KORTZ, WHEATLEY AND BARBIN, MAY 11, 2015

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, JUNE 22, 2015

## AN ACT

- Amending the act of June 13, 1967 (P.L.31, No.21), entitled "An act to consolidate, editorially revise, and codify the public
- welfare laws of the Commonwealth," in public assistance,
- further providing for copayments for subsidized child care; <
- 5 AND ABROGATING A REGULATION.
- 6 The General Assembly of the Commonwealth of Pennsylvania
- 7 hereby enacts as follows:
- 8 Section 1. Section 408.3 of the act of June 13, 1967
- 9 (P.L.31, No.21), known as the Public Welfare Code, added June
- 10 30, 2011 (P.L.89, No.22), is amended to read:
- 11 Section 408.3. Copayments for Subsidized Child Care.--(a)
- 12 Notwithstanding any other provision of law or departmental
- 13 regulation, the parent or caretaker of a child enrolled in
- 14 subsidized child care shall pay a copayment for the subsidized
- 15 child care based on a percentage of the adjusted gross income of
- 16 the family as specified in a copayment schedule established by
- 17 the department pursuant to this section.

- 1 (b) The department shall publish a notice setting forth the
- 2 copayment schedule in the Pennsylvania Bulletin.
- 3 (c) In establishing the copayment amounts pursuant to this
- 4 section, all of the following shall apply:
- 5 (1) Copayments shall be based upon a [sliding income scale]
- 6 <u>a percentage of income</u> taking into account Federal poverty
- 7 income guidelines. Copayments shall be updated annually.
- 8 (2) At the department's discretion, copayments may be
- 9 imposed:
- 10 (i) for each child enrolled in subsidized child care;
- 11 (ii) based upon family size; or
- 12 (iii) in accordance with both subparagraphs (i) and (ii).
- 13 (3) Copayment amounts shall be a minimum of five dollars
- 14 (\$5) per week and [may] shall increase in incremental amounts,
- 15 based on a percentage of adjusted gross income of the family, as
- 16 determined by the department [taking into account annual family
- 17 income].
- 18 (4) A family's annual copayment under either paragraph (1)
- 19 or (2) shall not exceed:
- 20 (i) eight percent of the family's annual income if the
- 21 family's annual income is one hundred percent of the Federal
- 22 poverty income guideline or less; [or]
- 23 (ii) eleven percent of the family's annual income if the
- 24 family's annual income {exceeds} is between one hundred percent <--
- 25 of the Federal poverty income quideline[.] and, BUT IS NOT MORE <--
- 26 THAN two hundred and fifty percent of the Federal poverty income
- 27 <u>quideline;</u>
- 28 (iii) thirteen percent of the family's annual income if the
- 29 <u>family's annual income is between EXCEEDS two hundred and fifty</u> <--
- 30 percent of the Federal poverty income guideline and, BUT IS NOT <--

- 1 MORE THAN two hundred and seventy-five percent of the Federal
- 2 poverty quideline; or
- 3 (iv) fifteen percent of the family's annual income if the
- 4 <u>family's annual income is between EXCEEDS two hundred and</u>
- 5 <u>seventy-five percent of the Federal poverty income guideline</u>
- 6 and, BUT IS NOT MORE THAN three hundred percent of the Federal <--
- 7 poverty income guideline. Notwithstanding this subsection,
- 8 beginning with State fiscal year 2012-2013, the department may
- 9 adjust the annual copayment percentages specified in this
- 10 subsection by promulgation of final-omitted regulations under
- 11 section 204 of the act of July 31, 1968 (P.L.769, No.240),
- 12 referred to as the "Commonwealth Documents Law."
- 13 (5) A family that exceeds the minimum work requirements as a
- 14 result of each parent, or in the case of a single parent
- 15 household by the sole parent, performing additional wage-earning
- 16 hours shall have a reduced copayment, so long as the reduction
- 17 does not reduce the weekly copayment below that which is set
- 18 under paragraph (3). This paragraph shall apply to a family that <--
- 19 ONLY TO A FAMILY THAT, AFTER MUTUALLY QUALIFYING FOR AND
- 20 RECEIVING SUBSIDIZED CHILD CARE, increases its average work week\_
- 21 after the effective date of this paragraph and has increased the
- 22 family's adjusted gross income as a result of working additional
- 23 wage-earning hours. The reduction shall be applied as follows:
- 24 (i) For an average work week of at least twenty-five wage-
- 25 <u>earning hours per parent, three-quarters of one percent</u>
- 26 reduction from the amount set under this subsection.
- 27 (ii) For an average work week of at least thirty wage-
- 28 <u>earning hours per parent</u>, a one and one-half percent reduction
- 29 <u>from the amount set under this subsection.</u>
- 30 (iii) For an average work week of at least thirty-five wage-

- 1 earning hours per parent, two and one-quarter percent reduction
- 2 from the amount set under this subsection.
- 3 (iv) For an average work week of at least forty wage-earning
- 4 hours per parent, a three percent reduction from the amount set
- 5 under this subsection.
- 6 (6) A family that has qualified for a reduction in the child
- 7 care copayment shall provide documentation of its average work
- 8 week hours every twelve months to continue to receive the child
- 9 <u>care copayment reduction.</u>
- 10 (7) A family that has previously qualified for a reduction
- 11 <u>in the child care copayment shall continue to remain eligible</u>
- 12 <u>for subsidized child care if the family:</u>
- (i) does not exceed three hundred percent of the Federal
- 14 poverty income quideline;
- 15 <u>(ii) has been in compliance with the requirements under</u>
- 16 paragraph (6);
- 17 (iii) continues to exceed the minimum work requirements by
- 18 performing additional wage-earning hours;
- 19 (iv) has increased the family's adjusted gross income as a
- 20 result of performing additional wage-earning hours; and
- 21 (v) is current and remains current with making its copayment
- 22 to the caretaker.
- 23 (8) The average work week of a family shall be calculated by
- 24 reviewing the family's income statements and taking the average
- 25 <u>of the number of hours worked per parent over a twelve-month</u>
- 26 period and dividing by fifty-two.
- 27 (d) Notwithstanding subsection (a), a parent or caretaker
- 28 copayment may be waived in accordance with department
- 29 regulations.
- 30 (e) As used in this section, "wage-earning hours" means

- 1 hours for which an individual is financially compensated by an
- 2 employer. The term does not include hours spent volunteering, in
- 3 <u>education or in job training</u>, unless those hours are compensated
- 4 <u>as a condition of employment.</u>
- 5 SECTION 2. THE ELIGIBILITY LIMITATION OF 235% OF THE FEDERAL <--
- 6 POVERTY INCOME GUIDELINE UNDER 55 PA. CODE § 3041.41(B) AND (C)
- 7 IS ABROGATED INSOFAR AS IT IS INCONSISTENT WITH THE AMENDMENT OF
- 8 SECTION 408.3 OF THE ACT.
- 9 Section  $\frac{2}{3}$ . This act shall take effect in 60 days. <--