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Fund transfer sought to pay child-care subsidies

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SPRINGFIELD -- A bill introduced Friday in the Illinois General Assembly would transfer \$73.6 million within the state budget to avoid a two-month break in payments to more than 40,000 child-care providers.

The threatened delay, which The State Journal-Register [first reported Thursday](#), sparked waves of complaints from providers and from low-income parents who need affordable child care in order to continue to work.

[House Bill 6164](#), filed by Rep. Sara Feigenholtz, D-Chicago, would let the state make monthly subsidy payments for child-care services provided in April, as well as this month and in June, rather than waiting until after July 1 — the beginning of a new fiscal year — to pay those bills.

Gov. Pat Quinn's administration has been "working diligently with the legislature to alleviate the Department of Human Services' child-care funding shortfall," Quinn spokeswoman Brooke Anderson said Friday. "This solution allows the state to continue operating within our means while safeguarding a program that lets thousands of Illinois parents work."

If the measure is passed by the Illinois House and Senate, the governor would sign the bill into law "as soon as possible," Anderson said.

Feigenholtz said the \$73.6 million would come from "unspent general revenue funds" in the current budget.

Quinn administration officials have said the impending delays in payments for the Child Care Assistance Program are related to an increasing number of low-income families qualifying for another program — Temporary Assistance for Needy Families.

Federal money that pays for the bulk of subsidized child care in Illinois also is used to help pay TANF benefits.

The state is required to make timely payments to low-income families receiving TANF funds, but not to child-care providers. As the number of people in TANF, an entitlement program, rose faster than expected amid a sagging economy, the state ran out of money for child-care assistance.

Many child-care providers serving children whose care is at least partly subsidized by the state have said payment delays will force them to borrow, charge parents private rates or close.

Some parents of the 160,000 Illinois children in subsidized child care have said they can't afford private child-care rates.

Parents must be working or going to school to qualify for child-care subsidies; about 10 percent of parents receiving subsidized child care also receive TANF benefits.

Feigenholtz said she hopes the pressure that elected officials are feeling from parents and child-care providers leads to passage of her bill in the next few weeks.

"It's urgent," she said. "We're just going to move forward and try to fix this problem."

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