

APA-1
11/96

**TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION**

Control 660 Department or Agency Human Resources
Rule No. 660-5-2-.10
Rule Title: Income Scales and Fee Schedules - Appendix A
New X Amend _____ Repeal _____ Adopt by reference _____

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety?

No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare?

NA

Is there another, less restrictive method of regulation available that could adequately protect the public?

No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree?

Yes

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule?

No

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public?

NA

Does the proposed rule have an economic impact?

Yes

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer _____

Date January 21, 2009

Angie L. Buckner
REC'D & FILED

DATE FILED

JAN 21 2009

LEGISLATIVE REF SERVICE

APA-2
11/96

DEPARTMENT OF HUMAN RESOURCES
SOCIAL SERVICES DIVISION

NOTICE OF INTENDED ACTION

AGENCY NAME: Department of Human Resources

RULE NO. & TITLE: 660-5-2-.10 Income Scales and Fee Schedules - Appendix A

INTENDED ACTION: Amendment of Appendix A to current Rule 660-5-2-.10 entitled "Income Scales and Fee Schedules – Appendix A".


SUBSTANCE OF PROPOSED ACTION: The Department of Human Resources proposes the above-stated action in order to lower the maximum income level at which families are eligible to receive or continue to receive assistance with child care costs from 150% to 120% of the federal poverty level. Severe budget constraints require the implementation of fiscal changes in the Child Care Subsidy Program in order to continue to serve as many children as possible.

TIME, PLACE, MANNER OF PRESENTING VIEWS: All interested parties may submit data, views, or arguments respecting the proposed amendment by mail or in person through the close of business on March 5, 2009.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:
March 5, 2009

CONTACT PERSON AT AGENCY:

Gail Grobe, AP Secretary
State Department of Human Resources
Gordon Persons Building
50 Ripley Street
Montgomery, Alabama 36130-1801
gail.grobe@dhr.alabama.gov


Nancy T. Buckner, Commissioner
Department of Human Resources

APA-6
11/96

**ECONOMIC IMPACT STATEMENT
FOR APA RULE
(Section 41-22-23 (f))**

Control 660 Department or Agency Human Resources

Rule No. 660-5-2.-10

Rule Title: Income Scales and Fee Schedules - Appendix A

_____ New X Amend _____ Repeal _____ Adopt by
reference

_____ This rule has no economic impact.

X This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:

Child Care Subsidy Program funding comes from the federal Child Care and Development Fund. Federal regulations for the Child Care Subsidy Program (Child Care and Development Fund, Final Rule 45 CFR Parts 98 and 99) require states to contribute a matching share of funds in order to receive all available federal funds. Because of severe budget constraints the Department of Human Resources does not have the state funds to match all of the available federal dollars. The available funding in the Child Care Subsidy Program will not allow for continued services to all of the current number of recipients. The rule change will allow services to continue for families with the lowest income.

2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:

The amended rule will reduce the income level at which families continue to be eligible for care from 150% of the federal poverty level to 120% of the federal poverty level. Families with income above 120% of the federal poverty level represent 5% of the families served and are of higher income than other families on the program. Without this rule change the Child Care Subsidy Program would not have the funding to assist families through the end of the fiscal year. The cost

to the 5% of affected families outweighs the potential long-term cost if services end for all families receiving assistance through the Child Care Subsidy Program.

3. EFFECT OF THIS RULE ON COMPETITION:
No effect is anticipated.
4. EFFECT OF THIS RULE ON COST-OF-LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:
No effect is anticipated.
5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:
No effect is anticipated.
6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:
There is no change in the cost of implementing and enforcing this rule.
7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE:
The economic impact on families of the amended rule will vary based on the family's income and the number of children in care.

The affected families represent 5% of the total families that receive assistance with child care. If the families are no longer eligible for care the families must pay the entire cost of care for their children. Without this rule change the Child Care Subsidy Program would not have the funding to assist families through the end of the fiscal year. If funding is exhausted before the end of the fiscal year all children on the Child Care Subsidy Program will lose child care assistance. The impact of the rule change is less than the impact if all 14,331 low income families lose assistance with child care.

The cost to the 5% of affected families outweighs the potential long-term cost if services end for all families receiving assistance through the Child Care Subsidy Program.

8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON:

Because of severe budget constraints the Department of Human Resources does not have the state funds to match all of the available federal dollars. The available funding in the Child Care Subsidy Program will not allow for continued services to all of the current number of recipients. The rule change will allow services to continue for families with the lowest income.

9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:

No effect is anticipated.

10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:

No effect is anticipated.

APPENDIX A - ATTACHMENT 660-5-2-.10

Income Scales for Persons Applying for or Receiving Services

as an "Income Eligible"

For all services other than Day Care for Children and Residential Care for Individuals with Exceptional Needs the maximum allowable gross monthly income is 200% of the poverty Guidelines as identified in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2):

Day Care for Children, the maximum allowable gross monthly income for all clients and the weekly per child fee is:

PARENTAL FEE CHART

Weekly Fee:	\$8.00	\$10.50	\$13.00	\$15.50	\$18.00	\$20.50	\$23.00
Family Size	Initial Eligibility Monthly Income Scale (All New Applicants Must Enter Under This Scale)						
2	342-722	723-840	841-956	957-1071	1072-1189	1190-1305 <u>1369</u>	1306-1483
3	429-949	950-1115	1116-1269	1270-1423	1424-1577	1578-1731 <u>1717</u>	1732-1860
4	516-1098	1099-1284	1285-1462	1463-1640	1641-1818	1819-1995 <u>2065</u>	1996-2237
5	603-1296	1297-1504	1505-1713	1714-1922	1923-2129	2130-2338 <u>2413</u>	2339-2614
6	690-1488	1489-1728	1729-1967	1968-2207	2208-2445	2446-2684 <u>2761</u>	2685-2991
7	777-1680	1681-1952	1953-2223	2224-2496	2497-2766	2767-3038 <u>3109</u>	3039-3368
>=8	864-1873	1874-2175	2176-2478	2479-2781	2782-3082	3083-3385 <u>3457</u>	3386-3745

Weekly Fee:	\$30.50	\$38.00	\$45.50
Family Size	Continuing Eligibility Monthly Income Scale		
2	1484-1529	1530-1638	1639-1711
3	1861-1936	1937-2074	2075-2146
4	2238-2346	2347-2513	2514-2581
5	2615-2753	2754-2949	2950-3016
6	2992-3160	3161-3387	3388-3451

7	3369-3571	3572-3826	3827-3886
>=8	3746-3958	3959-4242	4243-4321

Families with income below the amount shown in the \$8.00 column ~~of the Initial Eligibility Monthly Scale~~ are not required to pay a fee. All fees are per child. No discounts are applied for families with more than one child in care.

For Residential Care for Individuals with Exceptional Needs, the maximum allowable gross monthly income is:

No. in Monthly No. in Monthly No. in Monthly

Family Income Family Income Family Income

1 Persons \$3,196 5 Persons \$4,175 9 Persons \$4,557

2 Persons 3,341 6 Persons 4,419 10 Persons 4,602

3 Persons 3,681 7 Persons 4,465

4 Persons 3,928 8 Persons 4,511

