JOHN R. McGINLEY, JR., ESQ., CHAIRMAN ALVIN C. BUSH, VICE CHAIRMAN ARTHUR COCCODRILLI ROBERT J. HARBISON, III JOHN F. MIZNER, ESQ. ROBERT E. NYCE, EXECUTIVE DIRECTOR MARY S. WYATTE, CHIEF COUNSEL



PHONE: (717) 783-5417 FAX: (717) 783-2664 irrc@irrc.state.pa.us http://www.irrc.state.pa.us

INDEPENDENT REGULATORY REVIEW COMMISSION 333 Market Street, 14th Floor, Harrisburg, PA 17101

November 4, 1999

Honorable Feather O. Houstoun, Secretary Department of Public Welfare 333 Health & Welfare Building Harrisburg, PA 17105

Re: IRRC Regulation #14-464 (#2073)
Department of Public Welfare
Subsidized Child Day Care Eligibility

Dear Secretary Houstoun:

The Independent Regulatory Review Commission approved the subject regulation at its November 4, 1999 public meeting. Our Order is enclosed and is available on our website at http://www.irrc.state.pa.us.

We appreciate the joint effort that went into producing a regulation that met the criteria and intent of the Regulatory Review Act.

Sincerely.

Alvin C. Bush Vice Chairman

ACB:wbg Enclosure

cc: Kathryn Holod Thomas Vracarich

INDEPENDENT REGULATORY REVIEW COMMISSION

14th Floor, 333 Market Street Harrisburg, PA 17101

Commissioners Voting:

Public Meeting Held November 4, 1999

MOIS THE

John R. McGinley, Jr., Chairman, by proxy Alvin C. Bush, Vice Chairman Arthur Coccodrilli John F. Mizner

Department of Public Welfare Subsidized Child Day Care Eligibility Regulation No. 14-464

BY ORDER OF THE COMMISSION

On October 13, 1999, the Independent Regulatory Review Commission (Commission) received this regulation from the Department of Public Welfare (Department). This rulemaking amends 55 Pa. Code Chapter 3040. The authority for this regulation is 62 P.S §§ 201 - 211, 401 - 493 and 701 - 703 and 42 U.S.C.A. §§ 9858 - 9858q. Notice of proposed rulemaking was omitted for this regulation; it will become effective upon publication in the *Pennsylvania Bulletin*.

This proposal amends Chapter 3040 (Subsidized Child Care) of the Department's regulations. It revises income limits and co-payments for eligible low-income families and Temporary Assistance for Needy Families (TANF) recipients. An existing eligibility termination date of February 1, 2000, for currently eligible families with incomes between 185 and 235 percent of Federal Poverty Income Guidelines (FPIG) is eliminated.

We have reviewed this regulation and find it to be in the public interest. It contains a new and simpler incremental co-payment system. That corrects an existing problem with disproportionate co-payment increases for families. Continued subsidy for families with income at 185 to 235 percent of FPIG keeps them in the program, thereby avoiding disruption of their child care services. However, we also request that the Department continue to closely monitor the impact of co-payments on the ability of eligible families to remain in or receive services under this program.

THEREFORE, IT IS ORDERED THAT:

1. Regulation No. 14-464 from the Department of Public Welfare, as submitted to the Commission on October 13, 1999, is approved; and

2. The Commission will transmit a copy of this Order to the Lagislative Reference Bureau.

Alvin C. Bush, Vice Chairman