

PROVINCE OF BRITISH COLUMBIA

ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. 381

, Approved and Ordered July 13, 2018



Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that the Child Care Subsidy Regulation, B.C. Reg. 74/97, is amended

- (a) effective September 1, 2018, as set out in the attached Appendix 1, and
- (b) effective on deposit, as set out in the attached Appendix 2.



Minister of Children and Family Development



Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: *Child Care Subsidy Act, R.S.B.C. 1996, c. 26, s. 13*

Other: *OIC 271/97*

R10214606

APPENDIX 1

1 Section 1 (1) of the Child Care Subsidy Regulation, B.C. Reg. 74/97, is amended

- (a) *by repealing the definitions of “basic child tax benefit”, “BC basic family bonus”, “BC earned income benefit”, “Canada child benefit”, “Canada child tax benefit”, “child disability benefit”, “child’s threshold”, “employment income”, “family bonus”, “family’s monthly net income”, “national child benefit supplement”, “permitted operating expenses”, “self-employment income” and “spouse”,*
- (b) *in paragraph (b) (ii) of the definition of “care surrounding school day” by striking out “Remembrance Day” and substituting “Remembrance Day, Family Day”,*
- (c) *by adding the following definition:*
 - “**child care provider**” means a person or organization operating a child care setting; ,
- (d) *in the definition of “Child Care Subsidy Service Centre” by striking out “Subsidy”,*
- (e) *in the definition of “dependant” by adding “or” at the end of paragraph (a) and by repealing paragraphs (c) and (d), and*
- (f) *by adding the following definitions:*
 - “**family’s adjusted annual income**” means the income calculated for the family under the following:
 - (a) section 9 (2) [*calculation of family’s adjusted annual income*];
 - (b) section 9.1 (3) [*decrease family’s adjusted annual income*];
 - (c) section 9.1 (7) [*increase family’s adjusted annual income after review*];
 - “**full day**”, in relation to child care, means
 - (a) more than 4 hours of child care provided in a day, or
 - (b) child care provided before and after school in a day;
 - “**half day**”, in relation to child care, means 4 hours or less of child care provided in a day, unless the child care is provided before and after school in a day;
 - “**spouse**”, in relation to a parent, means a person, including a person of the same gender, who resides with the parent and
 - (a) who is married to the parent,
 - (b) who, together with the parent, acknowledges to the minister that he or she is residing with the parent in a marriage-like relationship, or
 - (c) who
 - (i) has been residing with the parent for at least
 - (A) the previous 3 consecutive months, or
 - (B) 9 of the previous 12 months, and
 - (ii) has a relationship with the parent that the minister is satisfied demonstrates

- (A) financial dependence or interdependence, and
 - (B) social and familial interdependence,
- consistent with a marriage-like relationship; .

- 2 ***Section 2 is amended by striking out “the child care” and substituting “a type of child care set out in Column 2 of a table in the Schedule”.***
- 3 ***Section 4 (1) (b) is amended by striking out “each adult dependant” and substituting “the parent’s spouse, if any”.***
- 4 ***The following section is added:***

Authorizations required

- 4.1** (1) To be eligible for a child care subsidy for a child other than a child described in section 7 (2), an applicant and the applicant’s spouse, if any, must supply the minister with authorizations for
- (a) the disclosure to the Canada Revenue Agency of the full name, birth date and social insurance number of the person,
 - (b) the disclosure by the Canada Revenue Agency of the personal information of the person that is relevant to the person’s income, and that the minister needs for the purposes of sections 9 [*calculation of family’s adjusted annual income*] and 9.1 [*income review*], for the 2 years previous to the current calendar year, in accordance with the MOU For Income Verification between the Canada Revenue Agency and the minister, regardless of whether the person completed an income tax return for those years, and
 - (c) the indirect collection by the minister of the information described in paragraph (b).
- (2) To be eligible for a child care subsidy for a child other than a child described in section 7 (2),
- (a) an applicant must supply the minister with authorizations for the disclosure to the applicant’s spouse, if any, of personal information of the applicant used in determining the family’s adjusted annual income, and
 - (b) an applicant’s spouse, if any, must supply the minister with authorizations for the disclosure to the applicant of personal information of the applicant’s spouse, if any, used in determining the family’s adjusted annual income.
- (3) To be eligible for a child care subsidy for a child, an applicant and the applicant’s spouse, if any, must supply the minister with authorizations for
- (a) the disclosure by a third party of the personal information of the person that the minister needs for the purpose of determining or auditing the applicant’s eligibility for a child care subsidy, and
 - (b) the indirect collection by the minister of the information described in paragraph (a).

5 Section 7 (1) is repealed and the following substituted:

- (1) An applicant is not eligible for a child care subsidy if the family's adjusted annual income equals or exceeds the following:
 - (a) \$111 000 for a child receiving child care in a licensed child care setting;
 - (b) \$85 000 for a child receiving child care in a registered licence-not-required child care setting;
 - (c) \$70 000 for a child receiving child care
 - (i) in a licence-not-required child care setting, or
 - (ii) in the child's own home as described in section 2 (c).

6 Section 8 is repealed and the following substituted:

Amount of subsidy

- 8** (1) In this section:
 - “full time child care”** means child care for which the minister may pay a child care subsidy that is provided for the equivalent of at least 20 full days per month;
 - “full time subsidy amount”**, in relation to a child receiving part time child care, means the monthly child care subsidy determined in accordance with subsection (3), (4) or (5), as applicable, that would apply if the child were receiving full time child care;
 - “number of half days”** means the number of half days per month for which the minister may pay a child care subsidy;
 - “number of full days”** means the number of full days per month for which the minister may pay a child care subsidy;
 - “parent fee”** in relation to a parent, means the fee the parent is charged by the applicable child care provider for child care for which the minister may pay a child care subsidy;
 - “part time child care”** means child care for which the minister may pay a child care subsidy that is provided for less than the equivalent of 20 full days per month.
- (2) For the purposes of applying the definitions of “full time child care” and “part time child care” in subsection (1), 2 half days are the equivalent of one full day.
- (3) If a family's adjusted annual income is less than or equal to the following, the monthly child care subsidy for a child receiving full time child care is the parent fee or the amount set out in Column 3 of the applicable table in Schedule A, whichever is less, for the type of child care the child is receiving:
 - (a) \$45 000 for a child receiving child care in a licensed child care setting;
 - (b) \$39 000 for a child receiving child care in a registered licence-not-required child care setting;
 - (c) \$24 000 for a child receiving child care
 - (i) in a licence-not-required child care setting, or
 - (ii) in the child's own home as described in section 2 (c).

- (4) If a family's adjusted annual income exceeds the applicable amount under subsection (3) (a), (b) or (c), the monthly child care subsidy for a child receiving full time child care is the parent fee or the amount determined in accordance with the applicable formula in Schedule A, whichever is less, for the type of child care the child is receiving.
- (5) Despite subsections (3) and (4), the monthly child care subsidy for a child described in section 7 (2) who is receiving full time child care is the parent fee or the amount set out in Column 3 of the applicable table in Schedule A, whichever is less, for the type of child care the child is receiving.
- (6) If child care is provided through a Young Parent Program and the child care provider operating the Young Parent Program confirms, in the form specified by the minister, that the parent is participating in the Young Parent Program,
 - (a) despite subsections (3) and (4), the monthly child care subsidy for a child who is receiving full time child care provided through the Young Parent Program is \$1 500, and
 - (b) despite subsection (7), the monthly child care subsidy for a child receiving part time child care provided through the Young Parent Program is the amount determined in accordance with the following formula:

$$\left[\frac{(\text{number of half days} \times 0.5) + \text{number of full days}}{20} \right] \times 1\,500$$

- (7) The monthly child care subsidy for a child receiving part time child care is the parent fee or the amount determined in accordance with the following formula, whichever is less, for the type of child care the child is receiving:

$$\left[\frac{(\text{number of half days} \times 0.5) + \text{number of full days}}{20} \right] \times \text{full time subsidy amount}$$

- (8) Despite subsection (7), the monthly child care subsidy for a child receiving part time child care provided in a licensed preschool is the parent fee or the amount determined in accordance with the following formula, whichever is less, for that type of child care:

$$\left[\frac{\text{number of half days}}{20} \right] \times \text{full time subsidy amount}$$

- (9) Despite subsection (7), the monthly child care subsidy for a child receiving part time child care that is care surrounding school day is the parent fee or the amount determined in accordance with the following formula, whichever is less, for that type of child care:

$$\left[\frac{(\text{number of half days} \times 0.83333) + \text{number of full days}}{20} \right] \times \text{full time subsidy amount}$$

- (10) If the child care is arranged or recommended by staff delegated under the *Child, Family and Community Service Act*, after staff have
 - (a) offered support services or agreements to the child and family under section 16 (2) (a) of that Act,

- (b) begun an assessment under section 16 (2) (b.1) of that Act, or
 - (c) begun an investigation under section 16 (2) (c) of that Act,
- the minister may pay any increase in the amount of the child care subsidy that the minister considers necessary to ensure that the child care is provided.

7 Section 9 is repealed and the following substituted:

Calculation of family's adjusted annual income

- 9**
- (1) In this section, “**previous year**” means the year previous to the current calendar year.
 - (2) In relation to a child care subsidy that is to be determined based on a family's adjusted annual income, the minister must calculate the family's adjusted annual income as follows:
 - (a) by adding, for the applicant and the applicant's spouse, if any, the annual income for the person determined under subsection (3) or (4), as applicable;
 - (b) by deducting from the amount calculated under paragraph (a) any applicable amounts under subsection (5).
 - (3) For the purposes of subsection (2), the minister must calculate the annual income of the applicant and the applicant's spouse, if any, by
 - (a) determining the person's income for the previous year, or for the year before the previous year if a notice of assessment is not available for the person for the previous year, as
 - (i) the amount reported on line 150 of the person's notice of assessment if there has been no notice of reassessment for the applicable year, or
 - (ii) if there was a notice of reassessment for the person, the amount reported on line 150 of the notice of reassessment, and
 - (b) deducting from the income determined under paragraph (a) all amounts, if any, reported on line 145 of the notice of assessment or notice of reassessment that applies under paragraph (a).
 - (4) If a notice of assessment is not available for either of the 2 calendar years before the current year with respect to the applicant or the applicant's spouse, if any,
 - (a) the applicant may give to the minister a statement, in the form required by the minister, attesting to the applicant's or the applicant's spouse's, as applicable, total income from all sources except social assistance payments, stated in Canadian dollars, for the previous year, and
 - (b) on receiving income information satisfactory to the minister under paragraph (a), the minister may determine the annual income of the person based on that information.
 - (5) For the purposes of this section, the following deductions may be made, if applicable:
 - (a) \$0 for the first dependant in the family who is not a child with special needs;
 - (b) \$2 000 for each additional dependant in the family;
 - (c) \$3 000 for each child with special needs in the family.

Income review

9.1 (1) In this section:

“estimated decreased annual income” means the estimated income from all sources except social assistance payments, stated in Canadian dollars, for the applicant or the applicant’s spouse, if any, for the 12-month period beginning the month after the month in which the applicant requests an income review under this section;

“estimated increased annual income” means the estimated income from all sources except social assistance payments, stated in Canadian dollars, for the applicant, or the applicant’s spouse, if any, for the 12-month period beginning the month after the month in which the income of the applicant or the applicant’s spouse, as applicable, increased.

- (2) Despite section 9 (3), if the income of the applicant or of the applicant’s spouse, if any, has decreased,
 - (a) the applicant may request the minister to conduct an income review by giving to the minister a statement, in the form required by the minister, attesting to the estimated decreased annual income of the applicant or the applicant’s spouse, as applicable, and
 - (b) the minister may determine the annual income of the person based on that information.
- (3) Despite section 9 (2), on receiving a request for an income review under this section, if the minister is satisfied that the income decrease may result in an increase in the amount of child care subsidy, the minister must calculate the family’s adjusted annual income as follows:
 - (a) by adding, for the applicant and the applicant’s spouse, if any,
 - (i) the lesser of
 - (A) the annual income of the person referred to in subsection (2) whose income decreased as determined in accordance with subsection (2) (b), or
 - (B) the annual income of that person as determined in accordance with section 9 (3) or (4), as applicable, and
 - (ii) the annual income of the applicant or the applicant’s spouse, if any, determined in accordance with section 9 (3) or (4), if applicable;
 - (b) by deducting from the amount calculated under paragraph (a) the applicable amounts under section 9 (5).
- (4) If the minister is satisfied that the family’s adjusted annual income calculated under subsection (3) will result in an increase in the amount of child care subsidy, the minister must redetermine the amount of child care subsidy using the family’s adjusted annual income calculated under subsection (3) as the basis for the calculation under section 8 [*amount of subsidy*].
- (5) If an applicant is eligible for an increased amount of child care subsidy determined in accordance with subsection (4), the increased amount of child care subsidy may be paid from the first day of the month after the month in which the applicant requests an income review under this section.

- (6) Despite section 9 (3),
- (a) an applicant to or for whom an increased amount of child care subsidy is paid in accordance with this section must give to the minister a statement, in the form required by the minister, attesting to the estimated increased annual income of the person referred to in subsection (2) whose income decreased if
 - (i) the income of that person increases, and
 - (ii) the family's adjusted annual income was calculated under subsection (3) using the annual income of that person referred to in paragraph (a) (A) of that subsection, and
 - (b) the minister may determine the annual income of the person based on that information.
- (7) Despite section 9 (2), on receiving a statement referred to in subsection (6) of this section, if the minister is satisfied that the income increase may result in a decrease in the amount of child care subsidy, the minister must calculate the family's adjusted annual income as follows:
- (a) by adding, for the applicant and the applicant's spouse, if any,
 - (i) the lesser of
 - (A) the annual income of the person referred to in subsection (6) whose income increased determined in accordance with subsection (6) (b), or
 - (B) the annual income of that person determined in accordance with section 9 (3) or (4), as applicable, and
 - (ii) the annual income of the applicant or the applicant's spouse, if any, determined in accordance with section 9 (3) or (4), if applicable;
 - (b) by deducting from the amount calculated under paragraph (a), the applicable amounts under section 9 (5).
- (8) If the minister is satisfied that the family's adjusted annual income calculated under subsection (7) will result in a decrease in the amount of child care subsidy, the minister must redetermine the amount of child care subsidy using the family's adjusted annual income calculated under subsection (7) as the basis for the calculation under section 8.

8 *Section 10 is repealed.*

9 *Section 11 is repealed and the following substituted:*

If child needs child care in more than one setting

- 11** Subject to section 11.1, if a child is receiving child care for which the minister may pay a child care subsidy in more than one child care setting listed in section 2, the minister may pay a child care subsidy for each of those child care settings.

10 *Sections 14 (b) and 17 (1) and (2) are amended by striking out "Child Care Subsidy Service Centre" and substituting "Child Care Service Centre".*

11 Section 16 is amended

(a) by adding the following subsection:

(1.1) Despite subsection (1), if a child is absent for any reason, the minister may continue to pay a child care subsidy for any length of time for child care provided through a Young Parent Program as long as the parent is participating in the Young Parent Program. ,

(b) in subsection (2) by striking out “The” and substituting “Unless the child care is provided through a Young Parent Program, the”, and

(c) by repealing subsection (3) and substituting the following:

(3) If a child for whom a child care subsidy is paid is withdrawn from a child care setting, other than the child’s own home, at any time before the end of a month and the vacancy

(a) is filled before the end of the month, the minister may pay to the child care provider operating the child care setting the monthly child care subsidy prorated based on the number of days the child received child care, or

(b) is not filled before the end of the month, the minister may pay the following to the child care provider operating the child care setting:

(i) the monthly child care subsidy, if the child is withdrawn after the 15th of the month;

(ii) 1/2 of the monthly child care subsidy, if the child is withdrawn on or before the 15th of the month.

(4) Despite subsection (3) (b), if

(a) a child care subsidy is paid in relation to a child who is receiving child care through a Young Parent Program,

(b) the child is withdrawn from the child care setting at any time before the end of a month, and

(c) the vacancy is not filled before the end of the month,

the minister may pay the monthly child care subsidy to the child care provider operating the child care setting.

12 Schedule A is repealed and the following substituted:

SCHEDULE A

Definition

1 In this Schedule, “**maximum benefit**” means the monthly child care subsidy set out in Column 3 of the applicable table in this Schedule for the type of child care the child is receiving.

Subsidy rates for licensed child care setting

2 The monthly child care subsidy for a child receiving a type of child care provided in a licensed child care setting is to be determined in accordance with the formula in paragraph (a), (b) or (c), as applicable, and the table in this section:

(a) if a family’s adjusted annual income is more than \$45 000 but less than or equal to \$60 000, the amount of child care subsidy is to be determined in accordance with the following formula:

$$\text{maximum benefit} \times \left[1 - \frac{(\text{family's adjusted annual income} - 45\,000) \times 0.272}{15\,000} \right]$$

(b) if a family’s adjusted annual income is more than \$60 000 but less than or equal to \$80 000, the amount of child care subsidy is to be determined in accordance with the following formula:

$$0.728 \times \text{maximum benefit}$$

(c) if a family’s adjusted annual income is more than \$80 000 but less than \$111 000, the amount of child care subsidy is to be determined in accordance with the following formula:

$$(0.728 \times \text{maximum benefit}) \times \left[1 - \frac{(\text{family's adjusted annual income} - 80\,000)}{31\,000} \right]$$

Table of Maximum Benefits

Item	Column 1 Care Code	Column 2 Type of Child Care Provided in a Licensed Child Care Setting	Column 3 Maximum Benefit per Month
Group Child Care / Multi-Age Child Care			
1	G1	children under 19 months	\$1 250
2	G2	children 19 months and over but under 37 months	\$1 060
3	G3	children 37 months and over but who have not reached school age	\$550
4	G4	children of school age	\$415
Family Child Care / In-Home Multi-Age Child Care			
5	J1 – L	children under 19 months	\$1 000
6	J2 – L	children 19 months and over but under 37 months	\$1 000
7	J3 – L	children 37 months and over but who have not reached school age	\$550
8	J4 – L	children of school age	\$415
Other			
9	N1	Preschool (children 30 months and over but who have not reached school age)	\$225
10	L2	Care Surrounding School Day (children of school age)	\$210

Subsidy rates for registered licence-not-required child care setting

3 If a family’s adjusted annual income is more than \$39 000 but less than \$85 000, the monthly child care subsidy for a child receiving a type of child care provided in a

registered licence-not-required child care setting is to be determined in accordance with the following formula and the table in this section:

$$\text{maximum benefit} \times \left[1 - \frac{(\text{family's adjusted annual income} - 39\,000)}{46\,000} \right]$$

Table of Maximum Benefits

Item	Column 1 Care Code	Column 2 Type of Child Care Provided in a Registered Licence-Not-Required Child Care Setting	Column 3 Maximum Benefit per Month
1	R1	children under 19 months	\$600
2	R2	children 19 months and over but under 37 months	\$600
3	R3	children 37 months and over but who have not reached school age	\$550
4	R4	children of school age	\$415
5	L2	Care Surrounding School Day (children of school age)	\$210

Subsidy rates for licence-not-required child care setting

- 4 If a family’s adjusted annual income is more than \$24 000 but less than \$70 000, the monthly child care subsidy for a child receiving a type of child care provided in a licence-not-required child care setting is to be determined in accordance with the following formula and the table in this section:

$$\text{maximum benefit} \times \left[1 - \frac{(\text{family's adjusted annual income} - 24\,000)}{46\,000} \right]$$

Table of Maximum Benefits

Item	Column 1 Care Code	Column 2 Type of Child Care Provided in Licence-Not-Required Child Care Setting	Column 3 Maximum Benefit per Month
1	F1	children under 19 months	\$438
2	F2	children 19 months and over but under 37 months	\$404
3	F3	children 37 months and over	\$354
4	L2	Care Surrounding School Day (children of school age)	\$210

Subsidy rates for child care provided in child’s own home

- 5 If a family’s adjusted annual income is more than \$24 000 but less than \$70 000, the monthly child care subsidy for a child receiving a type of child care provided in the child’s own home as described in section 2 (c) of the regulation is to be determined in accordance with the following formula and the table in this section:

$$\text{maximum benefit} \times \left[1 - \frac{(\text{family's adjusted annual income} - 24\,000)}{46\,000} \right]$$

Table of Maximum Benefits

Item	Column 1 Care Code	Column 2 Type of Child Care Provided in Child's Own Home	Column 3 Maximum Benefit per Month
1	H1	1st child under 19 months	\$394
2	H2	1st child 19 months and over	\$318
3	H3	2nd child under 19 months	\$198
4	H4	(a) 1st child of school age receiving care surrounding school day if another child in the family, who has not reached school age, is in care code H1 or H2 (b) 2nd child, unless the child is under 19 months, whether or not receiving care surrounding school day (c) each child in addition to the 1st or 2nd child, as applicable, whether or not receiving care surrounding school day	\$147
5	L2	Care Surrounding School Day – 1st child of school age unless another child in the family, who has not reached school age, is in care code H1 or H2	\$210

APPENDIX 2

1 The Child Care Subsidy Regulation, B.C. Reg. 74/97, is amended by adding the following section:

Transition to new child care subsidy 2018

21 (1) In this section:

“current child care subsidy recipient” means a parent

- (a) who is eligible for a child care subsidy for September 2018,
- (b) to or for whom a child care subsidy is paid for June, July or August 2018, and
- (c) who, on or before August 31, 2018, supplies the minister with the authorizations that will be required under section 4.1 [disclosure authorizations] as that section will read on September 1, 2018;

“new child care subsidy” means the monthly child care subsidy for a child receiving a type of child care as determined in accordance with sections 7, 8, 9 and 9.1 as those sections will read on September 1, 2018, for the type of child care the child is receiving;

“old child care subsidy” means the monthly child care subsidy for a child receiving a type of child care as determined in accordance with sections 7, 8, 9 and 10 as those sections read immediately before September 1, 2018, for the type of child care the child is receiving.

(2) This section applies in relation to a current child care subsidy recipient, unless

- (a) a child care subsidy is paid for a child for June or July 2018, but not for August 2018, and
 - (b) the type of child care in respect of which the minister may pay a child care subsidy for September 2018 for the child is not the same type of child care for which the child care subsidy referred to in paragraph (a) is paid.
- (3) If this section applies, the minister
 - (a) must determine whether the new child care subsidy is less than the old child care subsidy, and
 - (b) if the new child care subsidy is less, may pay the old child care subsidy in accordance with this section.
- (4) This section applies in relation to a current child care subsidy recipient until the earlier of the following:
 - (a) any change in circumstances that affects the eligibility of the parent for a child care subsidy, other than a change of type of child care provided in the same type of child care setting;
 - (b) August 31, 2019.
- (5) For certainty, if the only change in circumstances affecting the eligibility of the parent for a child care subsidy is a change of type of child care provided in the same type of child care setting, subsection (3) continues to apply.