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Inseparable twins: Jobs and child care

A program in Kentucky could help kill two birds with one stone in the struggle to help people get off welfare: Training women on welfare to become child-care providers

By Richard Wolf
USA TODAY

LOUISVILLE — Catherine Dawson began her transition from welfare to work last week as part of a program that could help remove two of the main roadblocks to welfare reform: finding jobs for clients and child care for their kids.

Dawson's solution: She will become a child-care provider.

In theory, it's simple. The job of Dawson and 19 other women in the state-funded training program will be to care for children in their low-income neighborhoods, most of whose parents are leaving welfare for work. In many cases, the women will be able to watch their own children at the same time.

"It's going to be wonderful," says Dawson, 46, who left her job as a nurse's assistant two years ago when she could not find child care for her 7-year-old son, the youngest of four.

The women volunteered for the program, Kentucky's first welfare-to-work initiative, and were selected by the state based on their chances of being successful. They receive 30 hours of training in subjects ranging from child development to discipline before beginning internships. The goal is to have them working in their own homes or at child-care centers by spring.

Welfare and child-care experts across Kentucky and around the USA are closely watching the social experiment and others like it to see whether they can be copied.

If they can, they will help solve a huge problem. For every adult on welfare — 4.3 million last year — there are more than two children to support, about 9.3 million. The welfare reform law that took effect Oct. 1 requires most adults to find work within two years and limits benefits to five years. But for many of those adults to stay in the workplace, their children will need care.

Problems involving cost, availability and quality plague the child-care system, even though families, governments and businesses spend about $40 billion a year to serve nearly 13 million children from birth to school age. That's because federal and state subsidy programs for low-income families fall short of meeting the growing demand.

▶ On average, poor families pay 18% of their income for child care; 36 states lack sufficient funds to provide government subsidies to all the families who qualify.

▶ Low-income areas often have a shortage of child care.

▶ States often don't regulate the smallest, home-based child-care settings chosen by a majority of low-income parents.

Right now, about $18 billion of the $40 billion spent each year comes from federal, state and local governments. About 75% of that amount — $13.5 billion — is aimed at lower-income families in the form of vouchers or reimbursements, contracts with providers or direct services. The remaining 25%, which is not directed to the poor, is used for tax credits, deductions for employers and arrangements that allow workers to use pretax dollars to pay for child care.

The welfare reform law offers even more money. President Clinton and Congress added $4 billion for child-care subsidies over six years while consolidating separate programs into one block grant, for a total of nearly $20 billion. That's enough to serve about 230,000 more children a year but is an estimated $1.4 billion short of the amount needed to meet growth in demand as more welfare recipients join the work force. And unlike the old system, funding will not increase annually.

By next summer, when all states must submit child-care plans to the federal government, difficult decisions must be made: How poor must families be to qualify for aid? How much of the cost should they contribute? How much should states pay providers? And can standards be eased to hold down costs without jeopardizing the children?

Wisconsin already is strug-

Many centers not regulated

Kentucky's crazy-quilt system of child care is typical of those across the country.

Up to three children can be cared for in unregulated homes; caring for four to six requires certification, which can be satisfied with six hours of training annually; more than six children requires a license.

Only eight states and the District of Columbia regulate all child-care centers; 42 states allow anywhere from one to 12 children to be served by unlicensed, home-based centers. In those cases, some health and safety standards usually are required, such as smoke alarms, fire extinguishers and child immunization records. Providers must be 18, but training can be minimal or nonexistent.

By Richard Wolf

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Poverty status and child care

Child care for employed women with children under age 5 differs by poverty status:

Provider	In poverty	Not in poverty
Care by relative	36%	24%
Organized child care	21%	32%
Care by non-relative	19%	22%
Care by father	16%	16%
Care by mother at work[1]	8%	6%

1 — Includes mothers who work at home

Cost of child care as portion of income

Average weekly preschooler child-care costs, and portion of family income spent on that care, by poverty status:

	In poverty	Not in poverty
Average weekly cost	$49.56	$76.03
Percentage of income	18%	7%

Note: Poverty threshold is $14,350 annual income for family of four.

Source: U.S. House Ways and Means Committee

gling with those questions. Lawmakers there plan to triple spending on child care over two years, from $60 million to $180 million. They also will scale back eligibility, require poor families for the first time to pay up to 16% of their income for child care and ease standards for smaller, home-based child care.

Those changes are needed, state officials say, to meet the growing needs of low-income working families as well as those leaving welfare. Today, Wisconsin provides subsidies to 17,000 families; ultimately, the state plans to serve 60,000.

Other states combating child-care concerns:

▶ Virginia is reviewing a plan to eliminate minimum educational requirements for caregivers and raise the child-staff ratio in centers from 10 or 12 children per staff member to 15-1.

▶ Iowa is giving priority for subsidies to the poorest welfare families in which an adult works at least 30 hours a week.

▶ Many states, notably Massachusetts and Minnesota, are experimenting with programs such as Kentucky's to train welfare recipients as caregivers.

"It's a perfect solution" to the twin problems of finding work and child care for welfare recipients, says Mary Bond of Louisville, who went on welfare briefly six years ago when her two daughters were toddlers and her marriage was breaking up.

First she cared for three children, the maximum allowed without regulation. Then she became certified and doubled her caseload.

Now Bond is a welfare-to-work success story. She estimates her earnings at $34,000 a year before expenses.

"You're not going to make enough money at this unless you work hard," she says.

Kentucky officials hope the women now being trained will have similar success. Faced with 13,000 families on child-care waiting lists, officials are training 10 women to work from their homes and 10 to work in child-care centers. If the two experiments work out, the program will be expanded to other parts of the state.

For that reason, Dawson and her colleagues are being watched as they move from two weeks of classroom studies to three-month internships in child-care providers' homes, then to their own businesses.

Stephanie Smith, 38, has been on and off welfare for 22 years. Nearly every time she tried to combine work and college, she says, the problem was the same: finding child care, particularly at odd hours.

Now, with her eldest of three children approaching the 18-year-old cutoff for aid, child care no longer is a problem. But she hopes to work nights and weekends to help others with young children move off welfare while pursuing a college degree.

Tanita Bush, 30, plans to add a group of preschool kids to her own brood, ages 8, 5 and 3. She hopes to get certified as a small family-care provider, then meet tougher state regulations to get a license to care for more children: "I've got it all planned out."

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